Study of Selective Marketing Mix Contributing to Success of Restaurant

Operations in Pune Municipal Corporation Area

(Period: April 2014 to March 2017)

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Submitted By

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<u>Undertaking</u>

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Certificate of the Supervisor

It is certified that work entitled, "Study of selective marketing mix contributing to success of restaurant operations in Pune Municipal Corporation area (Period: April 2014 to march 2017)" is an original research work done by Mr. Mahesh Rangnath Randhave under my supervision for the degree of Doctor of Philosophy in Management to be awarded by Tilak Maharashtra Vidyapeeth, Pune. To best of my knowledge this thesis

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- Fulfils the requirement of the ordinance related to Ph. D. degree of the TMV
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ACKNOWLEDGEMENT

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Abstract

Purpose of the Study

The purpose of this study is to understand, why there is restaurant failure in Pune city in spite of having a huge potential market. Is there any relation between Marketing Mix elements, use of these elements for restaurant business and its impact on restaurant success? It is also necessary to know whether all marketing mix elements are used by Restaurants in Pune city and to what extent? The researcher would also like to know how the mixture of 7P's is calculated and used by these restaurants and what is the best way of mixing these elements for restaurant success? Many Expert's in this field believes that, if one is able to use the Marketing Mix in right manner for restaurant business, chances of success are more and it can be saved from failure. Moreover, this study and its outcome will be very helpful for all stakeholders of the restaurant industry.

Background

The food & beverage provision is a major part of the various activities of the hotel industry. Food & beverage service has developed into a vast industry at present. Food and beverage industry, we witness today has an ancient history related to trade and travel of human being for various reasons. The industry has seen many changes in the past and transformed today as one of the leading industry in the world generating remarkable amount of revenue and employment for the host country. Food and Beverage Services can be broadly defined as the process of preparing, presenting and serving food and beverages to the customers. Food and Beverage Services can be of the following two types –

1. On-Premise and
2. Off-Premise or Outdoor Catering

A restaurant or an eatery is a business that prepares and serves food and beverages to customers in exchange for money. A restaurant as we see today is no more a place which is only focused on offering food and beverages but have various aspects like valet parking facility, reception area with a hostess to receive customers with a smile on a face and taking reservations, customer oriented and comfortable seating arrangements, décor, ambience, lighting arrangements, music and entertainment facilities available (on some special occasions including Live

streaming), well-dressed staff, food served on sparkling clean crockery which is nicely garnished and so on. Meals are usually served and consumed on the premises in a restaurant set up, however many restaurants also started to offer take-away and food delivery services. Restaurants differ greatly in look and offerings, including an extensive variety of cuisines (Region wise or Nation wise categorised Menu) and service models ranging from reasonably priced fast food restaurants and cafeterias to mid-priced family restaurants, to expensive luxury establishments. Eating in restaurants has also become more popular with the growth of higher household earnings. At the same time, less expensive establishments such as fast food establishments can be quite reasonably priced, making restaurant eating available to many.

As per the study, it shows that there is tremendous growth in restaurant sales all over the world. The restaurant sales are growing at an annual rate of 5.6% (without the adjustment of inflation). Trends in foodservice industry differ from country to country, but certain trends that are important and have an impact on the foodservice industry at a global level. Following are the significant trends observed in foodservice industry,

1. Advancement in Technology
2. Conscious Dining
3. Food and beverage service at places which are not primarily meant for the same for e.g. multiplex

Massive growth is expected in the restaurant industry in all parts of the world. Restaurant industry showing steady growth globally which makes it necessary to adapt to emerging trends in the industry. Restaurants with better updated knowledge on current trends in market and customers requirements have better scope for survival in the long run.

Eating out pattern in Indians is increasing and many factors are responsible for the same. Indian diners are conservative about their food choices, preferring north Indian food. Customer can get information of restaurant through restaurant guides that include reviews of restaurants and often ranking of the restaurant based on facilities available. More recently Internet sites have started up which publish both food critic reviews and popular reviews by the public. The study shows that a good review about food and beverages prepared and served in a restaurant leads to a significant increase in revenue of restaurants.

There are more than 7200 food and beverage service outlets in Pune city which includes quick bites (fast food), casual dining, dessert parlour, bakeries, cafes, bars, beverage shops, sweet shops as per the data available on Zomato. Approximately 250 New Restaurants enters in the Food and Beverage Service Sector of Pune city every year in PMC area – Organized sector (Source: Food and Drug Administration Office, Aundh, Pune). The research in the field suggests that failure rate is almost 59% in the period of the first 3 years of starting a New Restaurant. To compete in a market and maximize profit, it is necessary for one to understand the Marketing Mix in a Restaurant business.

Marketing mix concept is usually known as the balanced combination of 4P's of Marketing: Product, Price, Place and Promotion. McCarty's 4P's of Marketing Mix stayed the standard model for developing the marketing strategy until today. According to Philip Kotler, - **"Marketing mix is the mixture of controllable marketing variable that the firm uses to pursue the sought level of sales in the target market".** To summarise the marketing mix one can say it is an appropriate combination of four P's i.e. Product, Price, Place and Promotion for achieving marketing objectives. For restaurants, 4P's means a simple and effective marketing plan to execute for achieving various goals of the restaurant business. Beyond this Restaurants should use 7P's (with added 3P's namely People, Process and Physical Evidence) of Marketing Mix as it is a part of service sector.

A restaurant should develop marketing mix plan based on budget allocated, its objectives and marketing channels selected for the same. It can be online or offline improving the chances of its success. It is very essential for restaurant business in today's competitive market to develop and implement a long-term marketing mix plan even it is a well-established brand or a new entry in the market. Experts and experienced people in the Food and Beverage Service Industry reveal the trick of using Marketing Mix. Based on the real experience it is proven fact that, using of marketing mix needs to be well balanced for restaurant success.

If one knows the most common reasons why restaurants fail, one can identify the problems in time to correct. It can prevent the failure in the restaurant business. Common reasons for Restaurant failure are low start-up capital, poor knowledge about competition, wrong location, poor restaurant promotion, bad partnership relations, poor inventory and staff management, lack of original ideas.

Research conducted till date in the field of Restaurant's success or failure has covered specific areas related to management plan, human resource management, location, affiliation, food quality (characteristics of food that is acceptable to consumers and should be same every time), service quality (difference between customer expectations for service performance prior to the service and their perceptions of the service received, Asubonteng et al. 1996), and facilities (Reception, reservation, parking, audio visual system, toilets) in relation to specific region and focusing only on one or two factors listed.

Restaurant Industry in Pune city is expanding at a rapid pace. All categories of Food and Beverage Service outlets in Pune city at present, which includes Fine Dine, Family Restaurant, Fast Food, Casual Dining Restaurant, Bistro, Coffee Shop, Pubs, Ethnic/ Specialty Restaurant, Multi Cuisine Restaurant, Themed Restaurants, Drive-thru Restaurant, Cafe, Buffet-style Restaurant, Cafeteria, Bars, Banquets, A la carte Restaurants, Food Truck, Cafeteria, Pizza Outlets, Home Delivery/ Take Away, Bakery, Quick Service Restaurants (QSR) and so on.

Increasing disposable income among citizens has led to a boom in the food and beverage industry in the Pune city with a new Food and Beverage Service outlets opening nearly every day. As per the information provided by president of Pune Restaurants and Hoteliers Association (PRAHA) Ganesh Shetty, on an average 20 new food outlets are entering in the market in Pune city every month while 5 to 10 are shutting down. This shows that the failure rate in restaurant business in Pune is almost 25% to 50 %. Considering the high failure rate in restaurant business, it becomes necessary to study the local market in Pune city before entering in to the business. As per the information received from experts in the field, one can understand it is a considerable amount of investment to start a restaurant in Pune city that is up to Rs. 25 lakhs. Despite of uncertainties in the sector people are ready to get into restaurant business and invest huge amount of money in Pune city assuming it as an opportunity to make quick money out of this business. Investors or Entrepreneurs doesn't study the market place to understand the requirement of customers. Without considering various types of costs incurred in business like material cost, labour cost and overhead costs entrepreneurs do the pricing for dishes to be offered on menu which is further not helpful to achieve the desired profit margin. Some of these costs are fixed or semi fixed in nature, while remaining are variable in nature. Beyond this entrepreneur have not calculated the minimum period required to achieve the "Breakeven Point" in

restaurant business. It is very important to know the concept of "Breakeven Point" (Point at which total cost in a business and total revenue are equal, i.e. "even" and there is no net loss or profit). For restaurant business the concept of "Breakeven Point" is must to determine what sales volume is necessary to cover costs. It's particularly important for start-ups that need to know their initial sales goals for sustenance in the market.

Although the study is the limited to specific geographical region, the researcher aims to study all 7P's of Marketing Mix elements in relation to restaurant success. Marketing mix concept of 7 P's is universally accepted and study of the same with the help of data science is helpful to understand consumer behaviour, so the research can be generalised and there is a broader scope for future study. Findings of this research study can be generalised and useful as guidelines for starting up a new restaurant irrespective whether it is used in city like Pune in Indian context or any other place in the world as the study is based on the theoretical framework of marketing mix (7P's) which is accepted worldwide.

Considering all above facts about restaurant industry in Pune city it is very essential to study on marketing mix which explains 7P's elements namely Product, Price, Place, Promotion, People, Process and Physical Evidence for service sector (as restaurant industry is the part of service sector). If one knows the theory of 7P's of marketing mix and practical application of the same in restaurant business, it will definitely help to have a successful restaurant business in Pune city by using the perfect mixture of these 7P's.

Research in the field of restaurant operations has covered specifically about its success or failure in relation to a particular area (the region in the world) and focusing only on specific factors (internal or external) responsible for the same. Researches published in the field till now have not covered all 7P's marketing mix elements and its co-relation with the restaurant success (as basic fundamentals of marketing mix). Researcher wants to put all 7P's of marketing mix together and study its co-relation with the success of restaurants through this study in detail.

Thus, the current research topic selected as follows,

"Study of selective marketing mix contributing to success of restaurant operations in Pune Municipal Corporation area (Period: April 2014 to march 2017)."

Objectives of the Study

1. To study the role of selective Marketing Mix in the success of restaurant operations in PMC Area.
2. To identify the chronology of selective Marketing Mix factors in success of Restaurant operations in Pune Municipal Corporation Area.

Hypotheses

1. *H_1:* Place is an important marketing mix factor in success of restaurant operations
2. *H_2:* Product is an important marketing mix factor in success of restaurant operations.
3. *H_3:* Price is an important marketing mix factor in success of restaurant operations.
4. *H_4:* Promotion is an important marketing mix factor in success of restaurant operations.
5. *H_5:* Physical evidence is an important marketing mix factor in success of restaurant operations.
6. *H_6:* People are an important marketing mix factor in success of restaurant operations.
7. *H_7:* Process is an important marketing mix factor in success of restaurant operations.

Data Collection

Together primary and secondary data as information source were used to collect data required. Structured questionnaires were developed to collect primary data for the research. Various types of questions like multiple choice, dichotomous and likert - type scale is included in these questionnaires. In addition, questionnaires comprised scale like ordinal, nominal, ratio and interval to formulate the questionnaires effective and to make sure quality of replies received. The researcher paid attention to the sequence of questions while preparing the questionnaires. Researcher has used books, magazines, research articles, industry literatures and online reports of various research and government organizations to collect secondary data.

The study is descriptive in nature and comprises of 258 responses from restaurants and 502 responses from customers visiting restaurants in Pune city. Simple random sampling technique adopted for the population of restaurants in Pune city for each item in the entire population to have chance of being included in the sample.

However, to collect the data from customers, convenience sampling technique is used as the population is infinite.

Data Analysis and Hypotheses Testing

The data was checked carefully to remove incorrect entries and missed values. Statistical Package for the Social Sciences Program (SPSS) 17.0 used for all the statistical assessments. Descriptive statistics is used along with inferential statistics plus "One Sample t – Test" to test the hypotheses.

All alternative hypotheses framed in chapter 4 were accepted and all null hypotheses rejected after testing.

Conclusions and Recommendations

Following are the conclusions of research study and also recommends few suggestions for successful restaurant operations.

Conclusions based on the data collected from Customers visiting restaurants in PMC area,

1. Eating out is very common these days for the residents in Pune city.
   Recommendation: Pune city has the great potential market for restaurant industry. Entrepreneurs should study the potential market well and utilise the opportunity to start a new restaurant in PMC.
2. Selection criteria of restaurant vary as per accompanying people of host. Place/Location and Product are most important element while selecting restaurant irrespective of accompanying people.
   Recommendation: Restaurant should be located in prime location and offer tasty and qualitative products.
3. Indian food is most preferred by customers in Pune city as compared to any other cuisine.
   Recommendation: Offer Indian food as a part of menu irrespective of type of restaurant (except specialty restaurants).
4. Promotion has significant impact on customers' selection criteria of restaurant.
   Recommendation: Dedicated efforts and budget for promotion is necessary for every restaurant.

5. Comfortable and spacious seating arrangement in restaurant is important from customer point of view.

   Recommendation: Depending on the type of restaurant décor and seating layout should be planned.

6. Today's customers are tech savvy and using the technology for getting information of restaurant before visiting.

   Recommendation: Restaurants should have up to date website and use various mobile applications as it suits the operation.

7. Customers expect good quality and standardised food and service every time visiting a same restaurant.

   Recommendation: Develop and follow SOP's for all types of operations in restaurant.

8. Price is an important element while selecting a restaurant for customers in Pune city.

   Recommendation: Study the market place and potential customer to set the prices of product on offer.

9. Customers always have set expectations for the money they spend – value for money.

   Recommendation: Depending on type of restaurant it is necessary to offer facilities in addition of offering standard food and beverages.

10. Cleanliness, hygiene and sanitation are important for the customers visiting restaurant.

    Recommendation: Follow the standards set by FDA and FSSAI for cleanliness and hygiene.

11. Inappropriate location is the most important element in case of failure of restaurant as per the customers view point.

    Recommendation: To start a new restaurant, location (Place) should be strategically selected to avoid failure in business.

Conclusions based on the data collected from Restaurant Owners / Managers/ Supervisors,

1. Considerable failure rate in restaurant business in Pune Municipal Corporation area.

Recommendation: Study the market well before entering. Restaurant should have sustainability till the time achieving Breakeven Point.

2. Place is the most important element of marketing mix for success of restaurant.

   Recommendation: Select the place either at prime location or near to the target market in the city.

3. Home delivery / parcel facility adds as an average 30% and above to the revenue of restaurant.

   Recommendation: Highly recommended to offer home delivery/ parcel facility in restaurant business.

4. Process is an important element of marketing mix for success of restaurant.

   Recommendation: Develop and follow Standard Operating Procedures for all types of operations in restaurant.

5. Competitive pricing has low significance. Restaurants in Pune city are pricing their products by calculating cost incurred and desired amount of profit to be achieved.

   Recommendation: Pricing strategy should be planned in such a way that Breakeven Point is achieved at the earliest.

6. None of the restaurant has 100% employees who have completed formal education. Every restaurant has combination of some skilled employees (without any formal education) and remaining that have formal education in the field.

   Recommendation: Have set Standard Operating Procedures and offer formal training on SOP's to all employees of restaurant.

7. Depending on type of restaurant décor is adopted (either partially or entirely) by restaurants in Pune city.

   Recommendation: Décor is necessary as per the type of restaurant. Beyond that hygiene and sanitation is mandatory to follow.

8. Entertainment facility is helpful to attract customers in restaurant.

   Recommendation: Offer entertainment facility that blends well with theme of restaurant.

9. Very few restaurants in Pune city have official website but almost all are registered on delivery apps.

   Recommendation: Restaurants should focus on promotion and have certain budget allocated for the same on monthly basis.

10. Having franchise of well known brand always helps for sustainable and successful restaurant.

    Recommendation: Entrepreneurs with no previous experience should do market survey, study the marketing mix concept carefully and practically apply the concept to enter in restaurant business.

11. "Place" is the most important element followed by "Product" and "Price" respectively in marketing mix for restaurant. Least important element is "Physical Evidence".

    Recommendation: Select Place strategically, offer standard and quality menu Products every time and Pricing in relation to quality and quantity of products on offer for success in restaurant business.

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Title of the Research Study

"Study of selective Marketing Mix contributing to success of restaurant operations in Pune Municipal Corporation Area (Period: April 2014 to March 2017)"

Operational Definitions

1. **Selective Marketing Mix:** This research includes study of 7 P's of Marketing Mix namely Product, Place, Price, Promotion (basic 4 P's of marketing mix) along with added 3 P's namely People, Process and Physical Evidence. These 7 P's are universally accepted for marketing services.

2. **Restaurant (Definition):** A restaurant is an establishment that serves the customers with prepared food and beverages to order, to be consumed on the premises. This includes a multiple venue and a diverse cuisine. Restaurants are also projected as an important feature of a large hotel or other residential facility that provides dining for the convenience of the residents and for the hotel to non-resident guest.[1]

3. **Restaurants (Considered for Research):** Only those Restaurants within the limits of Pune Municipal Corporation (PMC) area are covered in this research which are listed and licensed from Food and Drug Administration (FDA) Authority of Government of Maharashtra, Pune office.

4. **Successful Restaurant:** Restaurants which exist and functioning for minimum 2 or more years are considered as Successful Restaurants for the purpose of this research study.

Introduction

History of Food and Beverage Service Industry

The food & beverage provision is a foremost important part of the numerous activities of the hotel industry nowadays. Provision of food and beverages is important for people if they are away from their residence along with the lodging facility whether it is for short or long duration of stay. Food & beverage service has developed into a vast industry at present. Eating out establishments are increasing day by day in numbers and even different forms (types) are entering in the market to cater changing demands and sense of taste of customers. The hotel industry originated in the sixth century B. C. and doubtless one of the oldest Industries[2]. Ancient travellers were usually traders, pilgrims and military men. In case of military movement, they used to carry food and accommodation with them on their own. It had been traders and pilgrims who required food and accommodation provision while travelling. The earlier inns were nothing but just large halls (A hotel in a small city/village with rooms for out of town guests to sleep in) where travellers used to sleep on ground along with animals (on they travelled during journey). Here sanitation and privacy were non-existent and travellers have to share their room with livestock.

In third century[3], Roman Empire facilitated traders by developing roads in Europe. Almost immediately a series of roadside Inns were constructed from Spain to Turkey. This scenario continued to be the same till the end of the 17th century for common people. By the end of 17th century, hotel concept came into existence for common people which has guest rooms consisting living room and attached bath.

American innkeepers enhanced the class of facility by providing comfort and hygiene at reasonable rates. A huge jump in this course was the launch of "City Hotel" in the year of 1794 - the largest hotel in New York. It was entirely used for accommodation purposes and stimulated the construction of other pioneer hotels in the industry. Added landmark was the establishment of another property "Tremont House" in the year 1829. Tremont House was offering a private room to its guests. The room used to be with a locking facility, water pitcher, wash basin, soap in the toilet along with full-time upkeep staff. "Palace Hotel "which was established in the year 1874 furnished with Air Conditioner, plumbing system, fire sprinklers, other

comfortable and luxurious facilities. The trend was followed by the alteration to completely different types of hotels and concepts like motels, budget hotels, resorts, etc. came in to existence. Alongside the accommodation as a basic facility offered in any hotel which generates the maximum share of revenue in the hotel business, food, and beverage service facility is the next most important facility offered now a day which ranks second when it comes to revenue generation[4].

A definition of Food and Beverage Services is as follows,

"The process of preparing, presenting and serving food and beverages to the customers"[5]

There are two types of Food and Beverage Services -

- **On-Premise** − Food is prepared and served where it is prepared or cooked. In this type of operations customer have to visit the premise for availing food service. Premises are ideally kept well-equipped and well-furnished to appeal customers to have Food and Beverage service. For example, restaurants, pubs, etc.

- **Off-Premise or Outdoor Catering** –In this type of operations, service comprises of two parts. In first part partial cooking and preparation is done. Final finishing of food and beverages as well as service is done at the customer's premises. It is provided away from the Food and Beverage Service provider's base on major events that call for many customers.

Restaurants - Brief History

A restaurant or an eatery can be defined as a business that deals in preparation and service food and beverages (alcoholic and non alcoholic) to customers by means of exchange for money. "Restaurant" is a term that defined as "restorative beverage" in 1507 and in association to mean "that which restores the strength, a fortifying food" in 1521. As per the available literature, France played a significant role in the development of restaurant culture in the world. In either 1782 or 1786, 'Beauvilliers' started a restaurant named 'Grand Tavern de Londres' and first time in the world this restaurant provide table service and guest could select dishes from menu card. The father of the modern restaurant considered as Mr. M. Boulanger, he served soup on

'Rue Bailleul' that soup was called restorantes (restoratives) by Mr. Boulanger which is believed to be known as the source of the word 'restaurant'. In 1794, due to the fall of aristocracy power the chefs who worked in royal kitchens all of a sudden had no work. Many of these chefs migrated to America, Europe and opened restaurants to display their culinary skills. During this period restaurants spread rapidly across the world.[6]

As per Brillat-Savarin, restaurant was the first place to combine four fundamentals i.e. an elegant room, smart servers, a choice of cellar (underground store of Alcoholic and Non-alcoholic Beverages, and good cooking.[7]In the year 1802 the term was used to business that served restorative foods, such as bouillon (soup/ stock made by stewing meat, fish or vegetables in water). In French called as, "établissement de restaurateur" At the beginning of 19th century, the restaurants was most popular kind of eating houses. By the year 1820, many good and well-designed restaurants were well-established in London. However, such restaurants were not available in smaller towns and cities. In 1870, taking women in restaurant to dine become acceptable in the society. Meals in the train were first introduced in 1879 in England. During the World War 2, concept of industrial canteen system started. Till the second half of the 20th century, food and beverage services were considered as minor importance by most of the hotels. The concept was changed really after 1950; food and beverage services were transformed in new system.[8]

Arora (2011) said that "the term restaurant came to the United States of America (USA) in 1794, via a French refugee, Jean Baptiste Gilbert Paypalt, who set up the 'French' restaurant in USA, known as 'Julien's Restaurator' in Boston. Gupta (2007) the restaurant word originates from the French word 'restaurer' which means to restore and it was appeared in the 16th century, meaning "a food which restores".

A restaurant as we see today is no more a place which is only focused on offering food and beverages. Restaurants have been through a major development in various aspects like valet parking facility, reception area with a hostess to receive customers with a smile on a face and taking reservations, customer oriented and comfortable seating arrangements, décor, ambience, lighting arrangements, music and entertainment facilities available (on some special occasions including Live

streaming), well-dressed staff, food served on sparkling clean crockery which is nicely garnished and so on. Meals are usually served and consumed on the premises in a restaurant set up, however many restaurants also started to offer take-away and food delivery services, and a number of restaurants even offer only take-out and delivery of food and beverages. Restaurants differ greatly in look and offerings, including an extensive variety of cuisines (Region wise or Nation wise categorised Menu) and service models ranging that starts from reasonably priced fast food restaurants to cafeterias to mid-priced family restaurants, to high-priced luxury establishments. Eating in restaurants has also become more popular with the growth of higher household earnings. At the same time, less expensive establishments such as fast food establishments can be quite reasonably priced, making restaurant eating available to many.

Restaurant Operations - The Global View

As per the study, it shows that there is tremendous growth in restaurant sales all over the world. The restaurant sales are growing at an annual rate of 5.6% (without the adjustment of inflation).[9] By the end of 2017, United States have approximate revenue generated through the restaurant industry was calculated near around 799 billion dollars. In United States, more than 10% of the overall workforce got employment in restaurant industry and represents 4 % of share in total GDP of the nation. Spending by Americans is nearly 48 % on eating out instead of cooking at home. A study released by Deloitte (Deloitte is an Accounting organization and largest multinational professional services network provides audit, tax, consulting, enterprise risk and financial advisory) is highlighting the fact that there are over 6,20,000 food and beverage establishments in America (this shows that restaurants rate of growing is two times the rate of population growth). In Europe and the United Kingdom market value for the consumer, foodservice was 508 billion dollars and 73.6 billion Euros' respectively in 2017. The hospitality sector is one of the key drivers for job creation and a leading industry in Europe. In the UK there were 83,635 businesses operational in mobile food service and restaurant industry as per the record of the year 2016. In Asia, there is a good prospect for operators as it is predicted to have nearly 10% growth rate per annum in foodservice market.

Global Trends in Foodservice Industry

Trends in foodservice industry differ from country to country, but certain trends that are important and have an impact on the foodservice industry at a global level. Following are the significant trends observed in foodservice industry,

1. **Advancement in Technology:** Food ordering services and apps are playing a very important role at present and will remain important for revenue generation in restaurant business in future as well. Online restaurant review sites and social media have created intense competition in the Foodservice Industry. Globally, with few exceptions' delivery and takeaway options are becoming more popular and used by customers frequently as compared to dine – in visits.

2. **Conscious Dining**: One of the growing trends with the intention of focusing on seasonal and local foodstuff that is farmed in natural way. It is observed in recent past that there is a shift in the direction of vegans and vegetarian dining. Records of vegan diners particularly in developed countries have shown a remarkable growth. All over the world, 69% of customers pay attention for availability of healthy options on menu as a major factor in deciding the place from which they buy a food.[10]

3. **Food and beverage service at multiplex**: Food and beverage service at multiplex is an essential part today. It add to the profits of multiplexes and hence it is integrated part of multiplexes. Though customers have choice of home food to carry along, preference is given to order food at multiplexes. Customers even prefer pre-ordering food even before leaving their home. This underlines the importance of food and beverage service at multiplexes. Service quality plays major role to attract customers and menu variation adds to value in food and beverage service offered at multiplexes. [11]"Soon one won't be surprised, to find the guest to check the food and beverage menu offered at the multiplex before buying a movie ticket. The customer today demands not only a good movie experience with ambience and aesthetics, but a complete meal experience along with entertainment. Ultimately a customer spends more money on food and beverage than the entertainment which is a movie."

1.3.6 Future growth for the Restaurant Industry

Massive growth is expected in the restaurant industry in all parts of the world. Foodservice market in the US is expecting that by 2027, there will be 16.3 million jobs in the restaurant industry. In Europe, the industry is likely to demonstrate a stable growth rate of 2.1% until the year 2021 and will further continue the trend of steady growth. In Asia region sales predicted to go up by 38.7% between the span of 2015 and 2019. Asia offers an exciting opportunity for growth and expansion. Asia is witnessing a number of international chains entering the market and capitalising on projected growth. Restaurant industry showing steady growth globally which makes it necessary to adapt to emerging trends in the industry. [12] Restaurants with better updated knowledge on current trends in market and customers' requirements have better scope for survival in the long run.

Indian Food and Beverage Service Industry

Indian people are well known for their natural hospitality quality. "Atithi Devo Bhava" (the guest is like a god) is the belief of Indians for which they are known all over the world. Traditional community feasts can be considered as root of restaurant industry in India. Thousands of years ago movement of people on pilgrimage and for education used to took shelter under trees. During journey, they were relying on natural sources to get fulfil their need of food. But there was a risk to their lives of getting attacked by wild animals and robbers. Considering these facts, they started searching for a place that can assure them protection, lodging and food. In ancient time travellers in India usually relied on road side homes and temples for their meal and accommodation. Then the concept of 'Dharamshala' and 'Sarai' was started by great Indian king Chandrgupt Maurya where traveller could stay free of cost. During British era 'Circuit House' and 'Dak Bunglow' came in to picture in India. 'Dharamshala' and 'Sarai' were converted into inns and western style hotels during British rule in India. Britisher's inculcated their food and beverages, table etiquettes and manners, eating habits in India. British era played an important role in development of food and beverage service industry in India. Britisher's introduced hotels and restaurants culture in India and first hotel in Asia established in 'Culcutta' during 17th century under their patronage. Metropolitan cities like Bombay and Madras adopted the concept of modern hotels in 1840.

19th century witnessed major growth in transportation facilities and introduction of railways enabled large number of people to travel effectively and efficiently. It further resulted in demand of lodges and restaurants around railway stations. Even after independence British style operations retained and the sector witnessed a significant growth. Many changes and developments are continuously happened in food and beverage service industry and will continue in future as well. As an effect of globalisation, liberalization and public private partnership policies of government many foreign brands dealing in food and beverage service industry entered in Indian hospitality market. Even though Indian origin restaurants able to retain their place in the market strongly.[13]

Food and Beverage service industry in India has seen unparalleled growth in the recent past and will expand rapidly in the future. An increase in disposable income, urbanisation, double incomes in a family, and nature of tasting something new or different are contributing factors in this growing phenomenon. The foodservice sector generated direct employment for 5.5 to 6 million people in the financial year 2016, which is expected to increase (rise) to 8.5 to 9 million by the financial year 2021. The food and beverage service market in India is estimated at INR 3, 37,500 crores in 2017 (organised and unorganised) and is anticipated to grow over to achieve INR 5, 52,000 crores by the year 2022. Mega metros namely, Delhi and Mumbai contribute to 11% each in overall Food Service market (22% together) followed by 6 mini metros which include Pune along with Ahmadabad, Bangalore, Chennai, Hyderabad and Kolkata comprised of 20% share in the foodservice market.[14]

City wise Market Size, Financial Year 2017

Mega Metros	22%
Mini Metros	20%
Next 21 cities	11%
Rest of India	47%
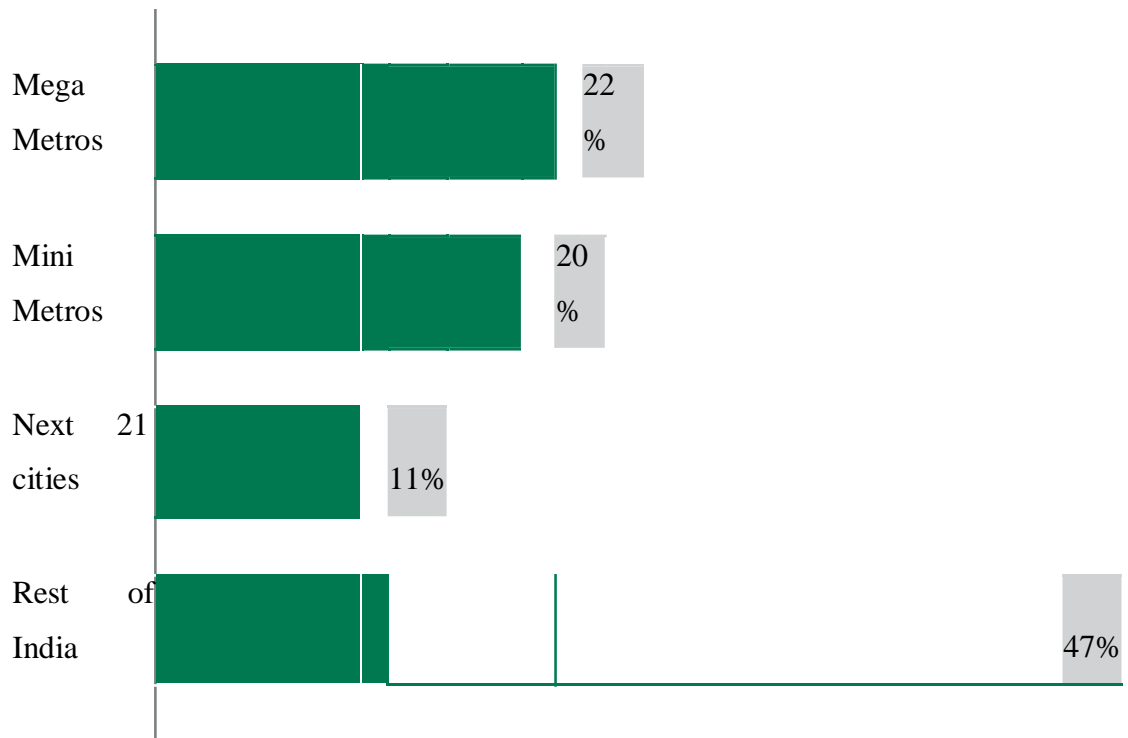
Source: *"NRAI Technopak India Food Services Report 2016, Technopak Analysis"*
Mega metro cities: Delhi-NCR and Mumbai
Mini Metro Cities: Ahmadabad, Bangalore, Chennai, Hyderabad, Kolkata, and Pune
21 Cities: Jaipur, Lucknow, Surat, Nagpur, Kanpur, Indore, Patna, Chandigarh, Kochi, Coimbatore, Vadodra, Ludhiana, Nashik, Varanasi, Madurai, Visakhapatnam, Bhopal, Amritsar, Rajkot, Trivandrum, Goa.

Eating out pattern in Indians is increasing as they want to experiment; love food and some of them feel it is the best way to spend their free time. Most of the Indians prefer North Indian food as compare to other regional cuisines in India. Second most preferred cuisine is Chinese followed by Quick Service Restaurants (QSR's) and casual dining restaurants (Indian Food Service Report 2016). As per the survey it is observed that time between 7.30 pm and 10 pm is generally ideal time for Indians to dine out. "*A restaurant today is not just a place for eating. It is a place to socialize, to unwind and more. Eating out is no more a rich man's indulgence. There are options, and people, irrespective of economic class, go out to eat*," as per Mr. Riyazz Amlani, president, NRAI. (Source: NRAI Technopak India Food Services Report 2016).

Wide varieties of international cuisines are available in most of the top Indian cities. Still, Indian diners are conservative in their food selection and mostly prefer north Indian food.[15] An Indian customer usually chooses north Indian food most of the time and it accounts for about 28%, followed by Chinese food which calculates about 19% and south Indian food is about 9% of the time as per the report. However, at the same time, Indian customers are also trying out the Western cuisine like American food which accounts for 7% and Pizza 6.2% of total eating out occasions.

Categorisation of Restaurant Sector in India

1. **Organised Sector:** According to CRISIL**,** this sector in food and beverage service industry follows norms set by government, quality control, structured supply chain, multiple outlets, standardised design and transparency in operation.

2. **Unorganised Sector:** This sector does not have any standardised system of supply, accounting, quality and design.

Types of Restaurant

1. **Coffee Shop:** Coffee shop is generally a part of large hotel. It offers reasonably priced snacks, quick meals and beverages in pleasant surrounding with informal service.

2. **Cafe:** It mainly serves coffee and snacks. The French people introduced this concept.

3. **Specialty Restaurant:** In this type of restaurants atmosphere, decor, fixture, menu card, music and so on is in accordance with a particular type of food (Cuisine) or theme. The service and uniform of the staff will be according to the style and tradition of the region or country from which the cuisine is offered. Food is served in traditional authentic style of that country, giving authentic experience of food, ambience, design, and service of a particular region.

4. **Grill Room (Rotisserie):** Known for grilled or roast meat, poultry and fish which are prepared in front of the guest. Moderate decor may be used for this type of restaurants.

5. **Snack Bar:** It is informal, moderately decorated, moderately priced and offers fast service (Self service operations).

6. **Bistro:** The idea of 'Bistro' is to offer basic robust food, medium priced menu, simple dishes, and informal service.

7. **Fine Dining Restaurant:** Mends for luxury and rich class, those who really want to enjoy fine dining experience. High level of ambience, interior decoration, dining table and chair with arm rest, fine linen and cloth napkins match with the decor and theme of restaurant, fine glassware and cutlery and personalized service. Uniformed and trained service staff that have a sound knowledge of how to serve food and beverages.

8. **Quick Service Restaurant (QSR):** The concept of quick service restaurant (QSR) is minimum table service, fixed menu and ready to prepare meal at reasonable price. Generally, main features of this segment is to follow the norms set by the government, quality control, multiple outlets, structured supply chain with standardized design and transparency.

9. **Dhaba:** A road side food stall found on national and state highways. It specializes in 'Punjabi cuisine and tandoor cooking' serving very limited dishes. The service is very informal. Coir cots are used for the customers to sit on and a narrow table is used for placing the dish and eating.

10. **Barbeque Restaurant:** Specialized in barbeque dishes. The way dishes are barbequed and serve acts as an excellent tool of merchandising.

11. **Cafeteria:** Comprises of a straight line of food and beverage counters holding a variety of hot and cold food and beverages. In most cafeteria style operations, guest make payment at the cash counter beforehand for items they want to eat and then collect them against bill from the appropriate counters. Water service and the clearance of table are done by service staff.

12. **Food Court:** Refers to cluster of a number of independent food stalls, serving different food items. Customers order the food items they want to have and consume them at a common dining area.

13. **Casual Dine Restaurant:** Restaurants with casual ambience, good quality of food and moderate pricing planned to attract middle income group.

14. **Ethnic Restaurant:** Restaurants which offer a regional cuisine of country or another country prepared and served in authentic way.

15. **Family Restaurant:** Restaurants which offers menu that suits the taste of all family members, pocket friendly price of dishes. Basic decoration and service is concerned about comfort of guest.

Classification of Restaurants

Restaurants are classified or distinguished in many ways. The primary factors are usually the food itself (e.g., vegetarian, seafood, steak); the cuisine (e.g., Italian, Chinese, Japanese, Indian, French, Mexican, Thai). Beyond this, restaurants may differentiate themselves on factors including speed (fast food restaurant), location, cost, service, or themes. Restaurants vary from reasonably priced and informal lunching or dining places catering to people working nearby, with modest food served in simple settings at low prices, to expensive establishments serving stylish food and fine wines in a formal set up.

In general, at mid- to high-priced restaurants, customers take a seat at table. Their orders for food and beverages are taken by a member of staff serving at table (waiter), who brings the food or beverages as soon as it is ready and subsequent to eating, the customers pay the bill. In some of the restaurants, similar to workplace cafeteria, there is n one like waiter; the customers make use of trays, on these trays they set cold items that they select from a refrigerated storage and hot food and beverage items they normally request from cooks. Subsequently, they pay to the cashier prior to seating and consuming the meal. An additional restaurant approaches that make use of few waiters and offers food and beverages in buffet set up. Customers dish up food on own plates, consumes the meal at table and after that pay at the end. Usually in buffet restaurants few waiters are employed to serve alcoholic and non-alcoholic beverages. As per the classification, Fast food outlets are as well considered as a restaurant.

Ranking of Restaurants:

Customer can get information of restaurant through restaurant guides that include reviews of restaurants and often ranking of the restaurant based on facilities available. Michelin series of guides is one of the most famous guides based on culinary merit and rating restaurants from 1 to 3 stars. Restaurants with stars in the Michelin guide are luxurious, formal, high-priced establishments. Generally, the price increases with the increase in number of stars awarded. Gault Millau is the guidebook series in Europe is the most competition to the Michelin guide. In contrast to the Michelin guide which takes the restaurant décor and service into consideration with

its rating, Gault Millau solely judges the quality of the food. Gault Millau's ratings are based on the scale of 1 to 20, with 20 being the best. In United States, Forbes Travel Guide (previously the Mobil travel guide's) and the AAA rate restaurants on a similar 1 to 5 stars (Forbes) or diamond (AAA) scale and considers three, four, and five stars/diamonds. The ratings are roughly equivalent to the Michelin one, two, and three-star ratings, while one and two-star ratings typically specify more casual places to have food and beverages.[16]

Fairefox newspaper in Australia, publishing "The Good Food Guide",[17] is listing the best places to eat including bars and cafes. It has system of awarding chef's hat for outstanding food and beverage service outlets ranging from one hat through three hats. "The Good Restaurant Guide" is another restaurant guide in Australia that has public reviews based on their experience. Anyone from general public can submit a review and information on location and contact details. Nearly all leading newspapers in America have food critic and publishing online dining guides.

Similarly, in India, all leading newspapers have a separate section for reviews or critic for restaurants in relation to the respective cities of publication. FDA (Food and Drug Administration)[18] and FSSAI (Food Safety and Standards Authority of India) recently started system of hygiene based rating for restaurants in Pune which is based on the various parameter's which takes in to account raw material used, cleanliness in kitchen, expiry date of raw food material used, health condition of workers, cleanliness in store room, drinking water used, fire safety audit, complaint management system in place, preservatives used and disposal of surplus food. A certification with star-based 'hygiene rating' system is awarded to restaurant by evaluating all these parameters. One who willing to achieve certificate, can fill the form on FDA website and go for assessment. Certificate will be displayed on the door of restaurant with a score in 'Excellent', 'Very Good', 'Good' or 'Bad' generated by FSSAI Office, Delhi based on the audit report. Such hygiene rating systems are influencing the decision-making process of customers.[19]However Indian system of ranking or rating restaurants is not based on quality, standardization or creativity used in food preparation. Food blogs, reviews by customers are recently started phenomenon's in India. It doesn't have any traces in history of India about food critic or blog writing.

More recently Internet sites have started up which publish popular reviews as well as food critic reviews by the general public. Online consumer review websites help to share the information available about the place, product, price, facilities, service quality and process followed at a certain organisation. This information is available on a large scale and relatively conveying the same for an unknown or new organisation. The study shows that a good review about food and beverages prepared and served in a restaurant leads to a significant increase in revenue of restaurants.[20]

About Pune

In terms of population of the city, Pune stands as a second largest metropolitan city in Maharashtra and ranked Hundred and first in the world. Pune was the centre of the Maratha Empire made by Shivaji Maharaj in the past. Population of Pune city was recorded as 31, 24,458 in 2011(as per provisional reports of Census India).[21] The population of Pune city in 2019 as per estimate is 71, 26,400. City is considered Maharashtra's culture capital. Pune city emerged as a manufacturing, and IT centre with the 6th highest per capita income in India.[22]

Pune city is considered to be the cultural capital of Maharashtra. The City is also known for both the forms of theatre i.e. experimental and professional. Both of these theatre forms are specially meant for Marathi community. The Tilak Smarak Ranga Mandir, Yashwantrao Chavan Natya Gruha, Bal Gandharva Ranga Mandir, Bharat Natya Mandir, and Sudarshan Rangmanch are famous theatres in the city. Thelargest indoor theatre in the city is Ganesh Kala Krida Rangamanch which has seating capacity of about 45,000. The concept of "Diwali Pahat" literally meaning "Diwali Dawn" originated in Pune as a music festival on the morning of the festival of Diwali (Festival of Lights celebrated all over India).[23]

It is additionally referred as the "Oxford of the East". Number of reputed education institutes and universities has either their base or branches in Pune.[24]The city is now known all over the world as a major educational centre and nearly 50% international students in India are studying in Pune. Apart from the Savitribai Phule Pune University (SPPU; formerly University of Pune), which is the second largest University in the country based on the total number of affiliated colleges. Pune has

more than hundred educational institutes and number of deemed universities like Tilak Maharashtra Vidyapeeth, Bharati Vidyapeeth and Symbiosis International, Dr. D. Y. Patil Vidyapeeth to name a few. Educational institutes like Fergusson College started in 1885 and one of oldest educational institute in Pune. International students from Middle Eastern countries such as Iran, and the United Arab Emirates, and African countries such as Kenya and Ethiopia are getting attracted and taking admissions in Higher education institutes in Pune. Pune is the main centre for Japanese language learning in India. Apart from that many other languages taught in the city which includes German and French. Various research works are taken by different government and non-government institutes in Pune to study a variety of subjects including humanities, sciences and so on.[25]

There are near about 300 primary schools operated by Pune Municipal Corporation and in addition to it, 30 secondary and higher secondary schools. Pune city has developed in to a modern Metropolis today. Education sector in Pune city played an important role in its growth. University of Poona (now Savitribai Phule Pune University) established in 1949, the National Chemical Laboratory in 1950 and the National Defence Academy in 1955 in Pune city.[26,27,28]

In the year 1954, industrial development started in the various parts of Pune city like Hadapsar, Bhosari and Pimpri to name a few. Hindustan Antibiotics open up the way for the same.[29] Government of Maharashtra's initiative commonly known as Maharashtra Industrial Development Corporation (MIDC) worked on basic and essential infrastructure for new businesses. This helped a lot to set operations for new businesses and industrial development in Pune. [30] Information Technology and Engineering Industry began to attract foreign capital in 1990. At various places like Wagholi, Aundh and Hinjewadi large IT parks were established and city saw a huge number of people arrivals in city due to opportunities on offer.

Pune city ranked at quite a good position in terms of quality of living ranking in Mercer Quality of Living survey in 2017.In total 440 cities surveyed Pune ranked at 145. While in India it stands second highest in terms of living ranking.[31] Additionally Pune city is developing as commerce centre and known as IT hub all over the globe as well as major automotive companies have set up here.

Pune has the eighth largest metropolitan economy and also the sixth highest per capita financial gain with in the country. Economy of the city is based on the production, information technology (IT) and education sectors primarily. There are many globally renowned automotive companies have set up in Pune city for manufacturing their products. The list of companies includes Mercedes Benz, General Motors, Tata Motors, Bajaj Auto, Mahindra, Force Motors, Kinetic Motors, Fiat, Volkswagen, Land Rover, Jaguar and Renault. Kirloskar group, dealing in various sectors like oil engines, diesel engines and pumps existing in Pune since 1945. It have largest infrastructure in Asia in pumping projects.

Serum Institute of India, the world's fifth largest vaccine producer by volume, has a manufacturing plant located in Pune. The Rajiv Gandhi InfoTech Park in Hinjewadi is a project by the Maharashtra Industrial Development Corporation (MIDC). The IT Park encompasses an area of about 2,800 acres and is home to over 800 IT companies of all sizes[32,33] Besides Hinjewadi, IT companies are also located at Kharadi, Magarpatta and a number of other parts of the city and the sector have employed more than 300,000 people by the Year 2017.[34]

Pune city has a glorious history and so historical attractions too. The rock-cut Pataleshwar cave temple, Aga Khan Palace, Shaniwarwada, Lal Mahal, Sinhagad fort, Shinde Chhatri are few to name.[35] Number of museums in Pune helps in exploring the history which includes, Raja Dinkar Kelkar Museum, Mahatma Phule Industrial Museum, Dr Babasaheb Ambedkar Museum, Joshi's Museum of Miniature Railway and so on.

Pune city is also well known for parks and gardens. To name a few famous parks and gardens in Pune we can consider Kamala Nehru Park, Sambhaji Park, Peshwe Urja Park, Saras Baug, Empress Garden, Bund garden and Pu La Deshpande Udyan (which is a replica of Korakuen Garden in Okayama, Japan).[36] There are few hills protected as a nature reserves within the city. The Rajiv Gandhi Zoological Park in Katraj is a zoological park with wild animals, birds and reptiles.[37]

Sports and games that are popular in Pune include Athletics, Kabaddi, Kho-Kho, Chess, Cricket, Basketball, Badminton, Football, Hockey, and Tennis. City have basketball courts at two places, out of those two, one is located at Deccan Gymkhana and second is at Fergusson College. There are many distinguished sporting establishments in Pune city including the PYC Hindu Gymkhana, the Nehru Stadium, the Poona Cricket Club and the Poona Golf Club. An annual international event of marathon organised in Pune known as "The Pune International Marathon". Both the levels i.e. National games and International games were hosted successfully by the city utilizing it potential. Balewadi is famous for Shree Shiv Chhatrapti Sports Complex which hosted National Games in 1994 Commonwealth Youth Games in 2008 and second edition of Khelo India Youth Games in 2019. City also have Cricket stadium with 37,000 seating capacity managed by Maharashtra Cricket Association and hosted international cricket matched in all three formats i.e. One Day Internationals (ODI), Test Matches and T20's,.[38]

Healthcare Services within the Pune city are provided by both private and public facilities with the use of western as well as ancient alternative medicine commonly known as Ayurveda. Healthcare facilities in the city have government hospitals and number of private hospitals to deal with all types of illnesses. The main medical services in India as compared to the developed countries are very much low in cost. Pune, above all, encompasses a very high potentiality of attracting the medical tourists in India together with this Ayurveda and other different age-old medical practices and treatments offered in Pune.[39]

Restaurant Industry in Pune City

There are more than 7200 food and beverage service outlets in Pune city which includes quick bites (fast food), casual dining, dessert parlour, bakeries, cafes, bars, beverage shops, sweet shops as per the data available on Zomato [40] Approximately 250 New Restaurants enters in the Food and Beverage Service Sector of Pune city every year in PMC area – Organized sector (Source: Food and Drug Administration Office, Aundh, Pune).

The failure rate is almost 59% in the period of the first 3 years of starting a New Restaurant.[41] Many restaurants get head start but may lead to failure soon in the

business due to some of the internal factors such as no or less market research before starting a restaurant, wrong calculations of finance (wrong pricing strategies, cost and profit calculations), less sustenance capacity till business achieves breakeven, nothing different or superior to offer in terms of its products (no product differentiation in Menu), lacunas in standard operating procedures, type of management/ownership, work culture, and less or no efforts on promotion and so on. While external factors responsible are competition, type of customers, a supply of raw material, regulating agencies, legal and political factors, economy and demography.

To compete in a market and maximize profit, it is necessary for one to understand the Marketing Mix in a Restaurant business. Further, it is essential to review and ensure that the restaurant is operating at the maximum level. Marketing mix can be used as perfect instrument while making decisions like in which specific area to pay attention in restaurant operations regardless of whether the restaurant is operating smooth and achieving preset targets along with the desired profit margin or even facing rough patch[42]. Marketing mix is a designed plan of marketing for any business in association with the goals. In case of Restaurant business, it is related to the menu offered i.e. product, menu item pricing i.e. price, location of the restaurant in market i.e. place, and various promotional efforts taken like special offers, discounts in relation to promoting the sale of restaurant i.e. promotion – 4Ps.

So the one must know, what is a Marketing Mix?

Meaning of Marketing Mix

Marketing is a process designed by the management of a production Firm/Company/Enterprise for the distribution of its goods and services. Production has no relevance unless the products are sold in the market and services offered to the customer's for their needs and want satisfaction.[43]

The success of marketing depends on various factors which include,

1. What the production firm/ company/ enterprise will produce i.e. Product.
2. How much the product is going to be charged? I.e. Price
3. Where the product is going to be delivered to the customer or services are offered to the customer? I.e. Place
4. How to tell the customers about products and services i.e. Promotion.

Traditionally these factors are known as 4P's of Marketing Mix.[44]Marketing mix concept is usually known as the balanced combination of 4P's of Marketing: Product, Price, Place and Promotion. The concept has dominated marketing since the 1940s and further in 1960 by marketing professor E. Jerome McCarthy the concept was refined and developed to 4P's of Marketing Mix. McCarty's 4P's of Marketing Mix stayed the standard model for developing the marketing strategy until today.

Definition

According to Philip Kotler,[45] - ***"Marketing mix is the mixture of controllable marketing variable that the firm uses to pursue the sought level of sales in the target market"***

To summarise the marketing mix one can say it is an appropriate combination of four P's namely, Product, Price, Place and Promotion for achieving marketing objectives. For restaurants, 4P's means a simple and effective marketing plan to execute for achieving various goals of the restaurant business.

Marketing mix used by a particular firm will vary according to its resources, market conditions and changing needs of customer's. The significance of some elements within the marketing mix can differ at any one point in time. Decisions cannot be made on one element of the marketing mix with no considering its impact on other elements.[46]

In 1981, Bernard H. Booms and Mary J. Bitner further developed traditional marketing mix concept by the American Professor of Marketing E. Jerome McCarthy into the extended marketing mix or services marketing mix. As Marketing becomes a more disciplined and integrated part of the business approach in today's world, 3 more P's were added to the Marketing Mix concept i.e. People, Process and Physical Evidence. All factors together are known as 7P's of Marketing Mix. Being a part of the service industry Restaurants should have 7P's of Marketing Mix. The unique characteristics of the services like Intangibility, Inseparability, Perishability and Variability - making marketing process as the most important factor in a Service Industry to lead any business to success[47].

Element of the marketing mix

1. Product:

Product can be finalised after a long thought process starting from idea generation consisting varieties of product, material to be used for product packaging, labelling and so on. Many businesses decide what to offer first and then find a market afterwards. The successful businesses first find out what the customers' needs or wants and then develop the right product with the right features to meet those needs.[48]

2. Price:

Price is the amount of money charged for a product or service. Broadly, price is the total amount that being exchange by the customer to obtain a benefit of the product or service. Price needs to be competitive but it doesn't mean cheapest. Pricing must provide profit in the business. Price is the only element in Marketing Mix which generates revenue and rest all other elements are cost elements. Price positions the business in any marketplace, if any business charges more for its product or service - the more quality and value customers will expect for their money spend on such product or service.[49] Pricing in case of the service industry is more difficult than in the case of products. Pricing can be done only for the food that served to the customers and then question arises how to earn sufficient by charging the customer in a way that that restaurant owner/ operator can able to pay the staff preparing and serving food. Beyond that it should be priced in a way that it will cover up the expenses on decor, entertainment and so on which ultimately planned for customers.[50]

3. Place:

The place is also an important element of the marketing mix which refers to the decision regarding the market location where products and services will be offered for sale. It is also a means of distributing a product. The place must be appropriate and convenient for customers. The product must be available in the right place, at the right time and in right quantity while keeping distribution cost at an acceptable level.[51] For e.g. the one should able to understand the right place to start a petrol pump and should able to select between highway and a place within city. Whatever is the selected option, it must have more traffic as compared to the rejected option.[52]

4. Promotion:

Promotion is the way a company communicates what it does offer to its customers. Promotion involves decisions focusing on the ways of increasing sales. Different methods are used for promotion considering its relative importance. Multiple factors need to be considered like government policy, consumer expectations, and competition in market and so on while taking any decisions regarding promotion. Promotion includes activities such as branding, sales management, advertising, special offers, public relations (PR), and exhibitions. Promotion must be appealing, gaining attention, conveying a consistent message and should give a reason to the customers to choose the particular product. Promotion should communicate the benefits of that the customer obtains from a product and how it is better than other similar products available in the market.[53] A very important factor in service marketing mix is promotion. Brand is the only factor which sets a service apart from its competitors in case of restaurant business. Competition in the service industry is generally high and promotions are necessary to survive. [54]

These are the 4P's of Marketing Mix, the next 3P's have mentioned below are generally considered as additional Marketing Mix factors beyond the traditional 4 Ps of Marketing Mix but necessary to consider for Restaurant Business as a part of service industry.

5. People:

People considered here is anyone who comes in contact with the customer. They can make an impression on customer regarding a business which can be positive or negative. In a restaurant business, people working as your employees like chef and service staff defines your business. In a restaurant business as a service industry, people (staff) working can make or break customer's experience. Interaction between staff delivering food service and customer is very important and has a direct effect on the customer's perception of quality. Products of a restaurant can be better established with the help of service offered by well motivated staff (people) with the right attitude in a restaurant. Thus staff (people) training in interpersonal skills and customer service with special attention towards customer satisfaction is very important.[55]

6. Process:

Process means a series of actions taken in an order to achieve a particular result. Production and service process in case of a restaurant is the way in which food and beverages are produced and served to the customer. Consider the e.g. of McDonalds and FedEx, both the companies are well known for their quick service and confidence in their processes is the reason that they can do so. The process is a critical component in the planning phase itself, even before the actual operations start.[56] Home Delivery or Parcel Counter is also a very important part of physical evidence of restaurant which generates a considerable amount of revenue for any restaurant business in today's world.

7. Physical Evidence:

Physical Evidence means the Environmental factors which influence the perception regarding the quality of product and services offered by any organisation. (Booms and Bitner, 1981) Physical evidence can be defined as the experiences at a restaurant which are based on tangible or intangible products and services. Menu card that explain products to the customer, enables him /her to recognize what he /she is buying. If a restaurant is furnished in a neat way, it will lead to individuals comfortable dining. It is advisable to have the flexible arrangement of the restaurant, which can be adjusted to suit for various types of seating as per the requirement of customers of different categories.[57]

A restaurant should consider their physical evidence such as decoration, dining room, table design, menu cards, plates, uniforms, parking, washrooms and overall services offered. Physical evidence helps in representing the product and service quality and attracts the customers.[58]

Even though the customer cannot experience the service previous to purchase, he or she can talk to other individuals with experiences of the service. Their testimonials are reliable because their views do not come from the company. Some companies connect these customers and request for their feedback with the intention to develop reference materials. New customers in that case can see these testimonials and are further likely to purchase with assurance.

Each of the 'ingredients' of the marketing mix is the key to success. No one element can be considered in isolation — you cannot, for example, develop a product without considering a price, or how it will reach the customer i.e. place.[59]

Nature of Marketing Mix

1. Each element of the marketing mix should have proper weightage (as a part of Mixture in Marketing) to achieve the best result in any business.

2. Marketing mix has to be reviewed constantly to make necessary changes according to changes in market conditions.

3. Considering changes in the internal and external environment for business and changing marketing mix accordingly.

4. Various goals in business like achieving profit or share in market can be achieved with the help of proper marketing mix.

5. Marketing mix concentrates on customers focusing on maximum customer satisfaction.[60]

How to Develop Marketing Mix for a Restaurant business?

To develop the particular marketing mix for the restaurant, the following factors must be clearly defined,[61]

- **Market Segment** – It is very important to know the target customers to whom the restaurant is offering food and beverage services and needs or wants of those target customers. What all the products and services offered by the restaurant is a base to develop a marketing plan for the restaurant business. Knowing the target customer, their age, gender, their income etc. is very helpful information to develop a marketing plan for a restaurant.

   Clear understanding of the segment of the market for a restaurant business is a crucial factor. The market segment for which the restaurant is going to cater must be clearly defined by target customer. Whether restaurant is planning to serve food and beverages on premises only, or off premises only, or both the way has to be well defined. Many restaurants offer to carry out and delivery facility in addition to their daily on premises operations nowadays as delivery apps and services are present today in the market.

- **Competition** – Identifying competitors in a specific market segment in which the restaurant is operating or going to operate in future is also necessary for a restaurant business to sustain in the market. Analyzing competitors menu, pricing, promotions and online presence will guide to understand how to position a restaurant in a specific and competitive market.

Marketing Objectives

Marketing objectives for the restaurant can be as follows,

- **Brand Awareness** – To become well known locally and make the restaurant as a brand recognized by the public. This can be achieved with the help of a well-planned promotion strategy as a part of the marketing mix.[62]

- **Increase repeat visits of customers** – There is a number of restaurants present in the market which may offer the same menu as a product and similar services which creates a great competition in a market. It becomes necessary to get some repeat customers in the restaurant business to sustain in the competitive environment. To acquire a new customer is more costly. It can cost five times more than retaining an existing customer. Increasing customer retention by 5% can increase profits from 25 to 95%.[63]

- **Increase the average spending power of customer** – There are various ways to increase the average spending power of customers visiting the restaurant. Techniques like up selling (even up selling of a small portion of dessert will work), rewarding customers for the money they spend (the more customers spend, the more they earn in terms of rewards), and pairing of food with alcoholic and non alcoholic beverages will help a lot to increase the average spending power of customer at restaurant. [64]

- **Competitive differentiation** – It is essential to make restaurant differentiation identifiable for customers in terms of its products, services or as a brand in a competitive marketplace. It also helps in positioning the business and defining the specific advantages for customers. [65]

- **Brand Building** – Due to the strong competition in the market, it is essential to differentiate the restaurant for the consumer. This differentiation can be built on the principles of brand management. [66]

- **Develop value perceptions of Customers**– Customers perceive the quality of food, food and beverage service quality and physical environment as determinants of overall customer satisfaction. Restaurant managers have to pay attention to enhance the restaurant experience for customers which result in customer satisfaction. Food quality is the most important factor of customer satisfaction followed by food and beverage service quality and physical environment at a restaurant.

One should be having a clear marketing plan and goals to achieve, which makes it easier to determine the right path for a restaurant business and gives the right message to customers.[67]

Allocation of Funds for Marketing

The budget should be planned carefully for a restaurant business like allocation of budget for operations which includes material cost, labour cost and overhead cost. Some guidelines for marketing budget are as follows,

- New Business: 20-30% of forecasted revenues
- When undergoing a business transformation: 10-20% of the revenue
- Established Restaurant business: should spend 2-10% of revenue.

All these figures are just rough guideline. The actual percentage may be different depending upon the nature of the restaurant business and the real situation. Marketing is a key to bring in new customers in a restaurant and grow the business.[68]

Components of Promotion Mix for Restaurant

Following are the components of Promotion Mix used broadly for restaurant,[69]

1. **Marketing through Direct Mail:**

    Marketing through direct mail include sending a brochure, letter or mail to find out new clientele in the local region. Restaurants generally use this technique when it's new in the market or when a drop in sales realises and wish to increase the same. It is effective with special offers and coupons to attract new customers. Restaurant website link, images and a mobile app can be of great help in this case.

2. **Calling campaigns:**

    This is a very successful technique for the marketing of the restaurant business. It can be a part of restaurants marketing mix even at its introduction phase and will be continued throughout. Generally, phone calls are answered and its inexpensive way to build new relationships and maintain with the existing customers (with the regular messaging). It can be time-consuming but very useful for local marketing building trust due to personal interaction with customers. An effective strategy is to use a coupon code for calling campaigns.

3. **Billboard Advertising:**

    Restaurants can use billboard advertising to capture attention for a long time. This form of advertising is expensive and charges can be paid per month basis. It is difficult to track responses from such advertising but with the certain form of feedbacks it can be done which is necessary to find out the return on investment.

4. **Search Engine Optimization:**

    With a website of restaurant search engine optimization can be done. This service can be hired and can be designed as customer friendly. Social media marketing and content marketing is also helpful to convert occasional or first time visitors into regular customers. Particularly, restaurants should incorporate search engine optimization (SEO) as a part of their marketing mix. Restaurants can register themselves and get paid services from search engines like Google, Bing, Just Dial, Yahoo, Ask.com are to name a few.

5. Local Search Optimization:

Registering a restaurant website and contact details in local directories and updating in the local listing can help the people looking for restaurant outlets in that specific area. Claiming restaurant business in directories and updating information about the menu, cuisine, location, website address and phone number can help to do local search optimization.

6. Email Marketing:

It is a cost-effective and fast way to communicate with customers and acquire more potential customers. Email marketing is very effective marketing mix for restaurants which can offer huge returns on investment. This return on investment can be enjoyed by restaurants actually for long time period with constant and closely monitored efforts.

7. Social Media Marketing:

People are spending almost 2 hours of their day as an average on social media. It is a necessity to be on social media if the restaurant wants people to know about its presence in the market. Someone from the restaurant team or dedicated agency (paid by a restaurant) should manage social media posting and daily engagement of customers.

Use of social media today, becoming prominent for promotions in restaurant industry. Social media started replacing traditional marketing such as newspaper advertisement, television advertisement and brochures. People want instant access to information these days. Social media will constantly evolve, bringing inventive ways to reach potential customers. Administered correctly this can not only bring higher revenues but also enhance the marketing strategy in the restaurant industry.

8. Mobile Marketing:

Percentage of people respond to a text message is more than they do to emails. Having a mobile app for a Restaurant which offers information, special offers and deals can help a lot for business.

9. Deals Marketing:

It is the best way for a restaurant to become popular. Deals marketing need to be planned well to achieve business objectives.

10. Community Marketing:

Community marketing is another marketing opportunity for restaurants. It may be in the form of sponsoring local events. Offering free samples to the people at local events can be effective in gaining local recognition and it doesn't cost much.

11. Advertising in Local Publication:

Many people are referring local publications and advertising in it can catch their attention to get them to the restaurant.

12. Television and Radio Advertisements:

Television and Radio advertising are the other options for advertising of a restaurant. It has a wide reach and positive impact in relation to publicity of the restaurant.

Developing Marketing Mix for Restaurant

A restaurant should develop marketing mix plan based on budget allocated, its objectives and marketing channels selected for the same. It can be online or offline improving the chances of its success.[70] It is very essential for restaurant business in today's competitive market to develop and implement a long term marketing mix plan even it is a well established brand or a new entry in the market.

Experts and experienced people in the Food and Beverage Service Industry reveal the trick of using 4P's of Marketing Mix. Based on the real experience it is proven fact that, using 4P's of marketing mix needs to be well balanced for restaurant success. Good food can cover up for bad location or high price. Reasonably priced menu and good service can make up for location and less efforts taken on promotion and so on. Though, the core product in restaurant is most important. Reasonable pricing, good site or good advertising cannot save bad foodstuff and unreceptive service.[71]

Research Problem (Purpose for selecting the topic under study)

If one knows the most common reasons why restaurants fail, one can identify the problems in time to correct. It can prevent the failure in the restaurant business. As per the studies done by Professor Dr. H. G. Parsa, approximately 60% of the hospitality services fail in just the period of initial3 years of its operations and that to more failures in the first year i.e. 26% as compare to second and third year of business.

Common reasons for Restaurant failure are low initial capital, less on the knowledge of competition, inappropriate location, poor or no efforts on promotion, no hold on inventory and lacking in staff management. In addition wrong calculation of time period required to achieve Break Even Point. In any business, market research and study of competition in the market will increase chances for success. Study says that over 35 % of restaurants opened by owners without any past experience get failed in the first year. In comparison franchises percentage of failure is below 10%.

Place / Location are another important factor to consider for the success of a restaurant business. The location might help to decide a menu, potential customers, needs and purchasing possibilities and competition in the market. Beyond this, the one should give a thought about accessibility, the number of parking places, visibility and traffic around the location.

In today's world of digital information and fast living, there is no success without a good promotion is the equation. A restaurant should have a plan for promotion with some creative ideas or pay to some marketing company to do the promotional activities.

The restaurant menu as a product offered to the customers should be planned as per the needs of potential customers. Special attention must be given to the food prices. It should neither overprice nor underpriced. If it is overpriced the customer might not visit again to the restaurant on the other hand, if underpriced the customer might feel its low-quality product. It is always better to price the food considering its cost, quality and service offered at a restaurant.

Many restaurants fail due to the inability of partners in resolving the dispute in partnership relations. They need to analyze the situation and value the relationship. The best solution to maintain good partnership leading to the success in business is to formalize roles, responsibilities and duties which are clearly defined.

Most of the restaurant owners pay more attention and do their best to make nice decor for a restaurant and offering a good service. However these restaurants do not conduct any survey to find out useful information of their possible customers which can guide them to fulfil all requirements of potential customers. To understand the needs of the customers and exceed their expectations should be the priority in a restaurant business. Further improvements can be made by listening to customers' feedback. Give an opportunity to a customer for rating variables in a restaurant. It is the best way to find out present weaknesses in the restaurant which may lead to a problematic situation in future. Always get back to the customer with what has been done based on this feedback and ratings.

Inventory control and profitability need to be analysed timely in the restaurant business to prevent theft and reduce unnecessary costs. Study shows that there is about 20 % loss in a restaurant and bar business due to theft, complimentary, overproduction, spillages and other expenses per month without its knowledge to the owner or manager.

Another important and neglected reason for failure in the restaurant business is inconsistent quality of food and service offered. If the quality of food and service is good and quality standards are set, well defined and maintained constantly, it will lead to the customers returning to the restaurant again and again. If the quality of products on offer is not maintained, the probabilities of retaining customers are almost zero. There is too strong competition in restaurant business nowadays so it becomes a necessity to make sure that the quality of food and service offered at a restaurant should be of high standards and most important is to keep constant. Standard Operating Procedures (SOP's) namely standard yield, standard recipe, standard portion size, standard service procedures are key success factors to any restaurant business. One should understand it doesn't mean that there should be the same menu

without any changes for years and years, but on the other way round customers appreciate new food on offer if it is good.[72]

The researcher is keen to understand, why there is restaurant failure in Pune city in spite of having a huge potential market. Is there any relation between Marketing Mix elements, use of these elements for restaurant business and its impact on restaurant success? It is also necessary to know whether all marketing mix elements are used by Restaurants in Pune city and to what extent? The researcher would also like to know how the mixture of 7P's is calculated and used by these restaurants and what is the best way of mixing these elements for restaurant success? Many Expert's in this field believes that, if one is able to use the Marketing Mix in right manner for restaurant business, chances of its success are more and it can be saved from failure. Moreover this study and its outcome will be very helpful for all stakeholders of the restaurant industry.

Data Collection through designed questionnaire

The research study is related to the Marketing Mix contributing to success of restaurant operations in Pune Municipal Corporation Area (Period: April 2014 to March 2017). Hence restaurants registered and licences from Food and Drug Administration (FDA) Authority of Government of Maharashtra in Pune Municipal Corporation Area has been selected for data collection. The aim of this thesis is to find out role of marketing mix contributing to the restaurant operations to make it run sustainable and successful in the competitive market. Further to understand how a well planned marketing mix can increase the chances of high return on investment in restaurant business. While formulating the questionnaire various sources of material related to the subject were studied. Below are the key points used for developing research questionnaire.

Pilot Study

Based on the review of literature and research studies related to this topic, questionnaire was prepared to conduct a pilot study. A pilot study was necessary to take this research study ahead. After completion of pilot study and findings based on the pilot study as per the suggestions of expert committee the final questionnaires were prepared using likert scale. One questionnaire designed for Customers visiting

restaurant and second for Restaurant Managers / Owners in Pune Municipal Corporation area majorly focusing on marketing mix and its role in success of a restaurant.

Preparation of Questionnaire

Considering the objectives of the research and findings of pilot study researcher prepared questionnaire using 5 point likert scale for both the participants of study i. e Customers visiting restaurants and Restaurant Managers / Owners in Pune Municipal Corporation area. Questionnaire used are as follows,

Questionnaire I: for Customers visiting restaurants in Pune Municipal Corporation area.

Questionnaire II: for Restaurant Managers / Owners

Questionnaire I was prepared to collect opinions of the Customers visiting restaurants in Pune Municipal Corporation area which consist 15 questions. Basic demographic information of respondent collected at the initial part of questionnaire which includes Name of Respondent, Address, Occupation, Frequency of respondent dining out per month, Gender and Age Group. Questions asked to get information from the respondent about basic information of restaurant they visited like, Name of Restaurant and Address of the Restaurant. Further set of questions asked to get their views regarding restaurant they visited like, Selection criterion of a restaurant (with family, with friends and with colleagues), Cuisine preference, Impact of promotions and print media used by restaurant on selection criteria. With the help of questions researcher also tried to find out the Importance of the various factors as a part of marketing mix of restaurant which includes, consistency in quality and quantity of food, aesthetics and spacious seating arrangement, speedy and accurate service, professional staff with certain attribute and qualities and overall cleanliness and hygiene sanitation facilities at restaurant. Opinions asked from respondent with the help of questions related to Price such as what is the perception of respondent about the quality of food and beverages offered at high priced restaurant (Are quality and price are directly proportional?) and is it possible that, one may change his/her favourite/preferred restaurant if the prices of menu products increased? A question was also asked regarding website of restaurants, to check the trend of customers to

visit website of restaurant first to look into the feedbacks written by customers before selecting and reaching to restaurant (also asked about its helpfulness and effectiveness or impact on respondents' selection of restaurant). Another question was asked to investigate impact of word of mouth publicity on respondents in their selection of a restaurant. The last question was asked to the respondents to find out the important most responsible reason or a factor (as a part of 4P's marketing mix) for the failure of restaurant.

Questionnaire II was prepared to collect opinions of the Restaurant Managers / Owners consisting 25 questions. Questions asked to get basic information from the respondent about the restaurant operations like, Name of Restaurant, Address and Established in the Year/ Functioning since, Contact Number and Email ID. Basic information of respondent was asked through questions like his Position, Age, Gender, Experience – (i) number of years working in restaurant industry and (ii) number of years managing the restaurant. Another set of questions asked to know about restaurant operations and marketing mix used by the restaurant which are designed to get information of size of restaurant (number of covers), number of times selling 100% covers in a day, location of restaurant (whether its prime and densely populated area of the city), availability of facilities like parking and home delivery (Parcel facility), having set standard operations procedures in place, ability to deliver accurate and speedy service, type of cuisine offered, duration of time after which menu revision is carried out and prices increased (and its impact on customers), percentage of staff having formal education and training offered to the staff, aesthetics followed, whether restaurant have website and working on social media management, having any affiliation or franchisee and its impact and the last question was about ranking the all 7P's as an elements of marketing mix used by restaurant in order of its importance from 1 to 7 **(where 7 is most important and 1 is least important and no repetition was allowed while ranking).**

Chapter Scheme

Chapter I **:** Introduction

Chapter II **:** Literature Review

Chapter III **:** Research Methodology

Chapter IV **:** Analysis of Data and Interpretation

Chapter V **:** Findings, Conclusion and Recommendations

Chapter VI **:** Bibliography

Keys

1. PMC – Pune Municipal Corporation

2. NRAI - National Restaurants Association of India

3. QSR – Quick Service Restaurants

Summary

The food & beverage provision is a major part of the various activities of the hotel industry. Food & beverage service has developed into a vast industry at present. Food and beverage industry, we witness today has an ancient history related to trade and travel of human being for various reasons. The industry have seen many changes in the past and transformed today as one of the leading industry in the world generating remarkable amount of revenue and employment for the host country. Food and Beverage Services can be broadly defined as the process of preparing, presenting and serving food and beverages to the customers. Food and Beverage Services can be of the following two types –

1. On-Premise and
2. Off-Premise or Outdoor Catering

A restaurant or an eatery is a business that prepares and serves food and beverages to customers in exchange for money. A restaurant as we see today is no more a place which is only focused on offering food and beverages but have various aspects like valet parking facility, reception area with a hostess to receive customers with a smile on a face and taking reservations, customer oriented and comfortable seating arrangements, décor, ambience, lighting arrangements, music and entertainment facilities available (on some special occasions including Live streaming), well-dressed staff, food served on sparkling clean crockery which is nicely garnished and so on. Meals are usually served and consumed on the premises in a restaurant set up, however many restaurants also started to offer take-away and food delivery services. Restaurants differ greatly in look and offerings, including an extensive variety of cuisines (Region wise or Nation wise categorised Menu) and service models ranging from reasonably priced fast food restaurants and cafeterias to mid-priced family restaurants, to expensive luxury establishments. Eating in restaurants has also become more popular with the growth of higher household earnings. At the same time, less expensive establishments such as fast food establishments can be quite reasonably priced, making restaurant eating available to many.

As per the study, it shows that there is tremendous growth in restaurant sales all over the world. The restaurant sales are growing at an annual rate of 5.6% (without the adjustment of inflation). Trends in foodservice industry differ from country to

country, but certain trends that are important and have an impact on the foodservice industry at a global level. Following are the significant trends observed in foodservice industry,

1. Advancement in Technology
2. Conscious Dining
3. Food and beverage service at places which are not primarily meant for the same for e.g. multiplex

Massive growth is expected in the restaurant industry in all parts of the world. Restaurant industry showing steady growth globally which makes it necessary to adapt to emerging trends in the industry. Restaurants with better updated knowledge on current trends in market and customers requirements have better scope for survival in the long run.

Indian people are well known for their natural hospitality quality. "Atithi Devo Bhava" (the guest is like a god) is the belief of Indians for which they are known all over the world. 19th century witnessed major growth in transportation facilities and introduction of railways enabled large number of people to travel effectively and efficiently. It further resulted in demand of lodges and restaurants around railway stations. Even after independence, British style operations retained and the sector witnessed a significant growth. Food and Beverage service industry in India has seen unparalleled growth in the recent past and will expand rapidly in the future. An increase in disposable income, urbanisation, double incomes in a family, and nature of tasting something new or different are contributing factors in this growing phenomenon. The foodservice sector generated direct employment for 5.5 to 6 million people in the financial year 2016, which is expected to increase (rise) to 8.5 to 9 million by the financial year 2021. The food and beverage service market in India is estimated at INR 3, 37,500 crores in 2017 (organised and unorganised) and is projected to grow over to reach INR 5, 52,000 crores by 2022. Two mega metros, Delhi and Mumbai contribute to 22% of the overall Food Service market (11% each) followed by six mini metros which include Pune along with Ahmadabad, Bangalore, Chennai, Hyderabad and Kolkata comprised of 20% share in the foodservice market. (***Source:*** *NRAI Technopak India Food Services Report 2016, Technopak Analysis*)

Eating out pattern in Indians is increasing and many factors are responsible for the same as discussed early in the chapter. Indian diners are conservative about their food choices, preferring north Indian food. Restaurant sector in India broadly categorised in to two categories i.e. organised and unorganised sector. Restaurants are classified primarily based on type of food offered. Restaurants vary from reasonably priced and informal lunching or dining places catering to people working nearby, with modest food served in simple settings at low prices, to expensive establishments serving stylish food and fine wines in a formal set up.

Customer can get information of restaurant through restaurant guides that include reviews of restaurants and often ranking of the restaurant based on facilities available. More recently Internet sites have started up which publish both food critic reviews and popular reviews by the public. The study shows that a good reviews about food and beverages prepared and served in a restaurant leads to a significant increase in revenue of restaurants.

Pune is the second largest city in Maharashtra after Mumbai and 101st largest in cities in the world as per population. Pune city emerged as a manufacturing, and IT centre with the 6th highest per capita income in India. Pune city is considered to be the cultural capital of Maharashtra. It is additionally referred as the "Oxford of the East" because of the presence of many well-known educational institutions. The city is also having a very well setup of numerous industries. MIDC provided necessary infrastructure for new businesses to set their operations and industrial development in Pune. Information Technology and Engineering Industry began to attract foreign capital in 1990. At various places like Wagholi, Aundh and Hinjewadi, large IT parks were established and city saw a huge number of people arrivals in city due to opportunities on offer. Pune has the eighth largest metropolitan economy and also the sixth highest per capita financial gain with in the country. The key sectors of the local economy are education, production and information technology (IT). The city is also well known for its Historical attractions, Museums, Parks and green spaces and zoological park. Sports and games that are popular in Pune include Athletics, Kabaddi, Kho-Kho, Chess, Cricket, Basketball, Badminton, Football, Hockey, and Tennis. Healthcare Services within the Pune city are provided by private and public

facilities. For each minor and chronic illness, the healthcare facilities are available within the city.

There are more than 7200 food and beverage service outlets in Pune city which includes quick bites (fast food), casual dining, dessert parlour, bakeries, cafes, bars, beverage shops, sweet shops as per the data available on Zomato. Approximately 250 New Restaurants enters in the Food and Beverage Service Sector of Pune city every year in PMC area – Organized sector (Source: Food and Drug Administration Office, Aundh, Pune). The research in the field suggests that failure rate is almost 59% in the period of the first 3 years of starting a New Restaurant. To compete in a market and maximize profit, it is necessary for one to understand the Marketing Mix in a Restaurant business.

Marketing mix concept is usually known as the balanced combination of 4P's of Marketing: Product, Price, Place and Promotion. McCarty's 4P's of Marketing Mix stayed the standard model for developing the marketing strategy until today. According to Philip Kotler, - **"Marketing mix is the mixture of controllable marketing variable that the firm uses to pursue the sought level of sales in the target market".** To summarise the marketing mix one can say it is an appropriate combination of four P's i.e. Product, Price, Place and Promotion for achieving marketing objectives. For restaurants, 4P's means a simple and effective marketing plan to execute for achieving various goals of the restaurant business. Promotion Mix used broadly for restaurant includes, Marketing through Direct Mail, Calling campaigns, Billboard Advertising, Search Engine Optimization (SEO), Local Search Optimization, Email Marketing, Social Media Marketing, Mobile Marketing, Deals Marketing, Community Marketing, Local Publication, Television and Radio Advertisements and so on.

A restaurant should develop marketing mix plan based on budget allocated, its objectives and marketing channels selected for the same. It can be online or offline improving the chances of its success. It is very essential for restaurant business in today's competitive market to develop and implement a long term marketing mix plan even it is a well established brand or a new entry in the market. Experts and experienced people in the Food and Beverage Service Industry reveal the trick of

using 4P's of Marketing Mix. Based on the real experience it is proven fact that, using 4P's of marketing mix needs to be well balanced for restaurant success. Good food can cover up for bad location or high price. Reasonably priced menu and good service can make up for location and less efforts taken on promotion and so on. However, the core product is most important. Inexpensive price, good location or good marketing cannot save bad food and inhospitable service.

If one knows the most common reasons why restaurants fail, one can identify the problems in time to correct. It can prevent the failure in the restaurant business. Common reasons for Restaurant failure are low start-up capital, poor knowledge about competition, wrong location, poor restaurant promotion, bad partnership relations, poor inventory and staff management, lack of original ideas. Place / Location are another important factor to consider for the success of a restaurant business. In today's world of digital information and fast living, there is no success without a good promotion is the equation. The restaurant menu as a product offered to the customers should be planned as per the needs of potential customers. Special attention must be given to the food prices. It should neither overprice nor underpriced.

Many restaurants fail due to the inability of partners in resolving the dispute in partnership relations. They need to analyze the situation and value the relationship. The best solution to maintain good partnership leading to the success in business is to formalize roles, responsibilities and duties which are clearly defined. It is very essential to understand the needs of the customers and exceed their expectations should be the priority in a restaurant business. Further improvements can be made by listening to customers' feedback.

Inventory control and profitability need to be analysed timely in the restaurant business to prevent theft and reduce unnecessary costs. Study shows that there is about 20 % loss in a restaurant and bar business due to theft, complimentary, overproduction, spillages and other expenses per month without its knowledge to the owner or manager.

Another important and neglected reason for failure in the restaurant business is inconsistent quality of food and service offered. If the quality is not constant chances

of retaining customers are almost zero. There is too strong competition in restaurant business nowadays so it becomes a necessity to make sure that the quality of food and service offered at a restaurant should be of high standards and most important is to keep constant. It can be achieved with the set of Standard Operating Procedures (SOP's) in restaurant business.

The researcher is keen to understand, why there is restaurant failure in Pune city in spite of having a huge potential market. Is there any relation between Marketing Mix elements, use of these elements for restaurant business and its impact on restaurant success? It is also necessary to know whether all marketing mix elements are used by Restaurants in Pune city and to what extent? The researcher would also like to know how the mixture of 7P's is calculated and used by these restaurants and what is the best way of mixing these elements for restaurant success? Many Expert's in this field believes that, if one is able to use the Marketing Mix in right manner for restaurant business, chances of its success are more and it can be saved from failure. Moreover this study and its outcome will be very helpful for all stakeholders of the restaurant industry.

Based on the review of literature and research studies related to this topic, questionnaire was prepared to conduct a pilot study. A pilot study was necessary to take this research study ahead. After completion of pilot study and findings based on the pilot study as per the suggestions of expert committee the final questionnaires were prepared using likert scale. One questionnaire designed for Customers visiting restaurant and second for Restaurant Managers / Owners in Pune Municipal Corporation area majorly focusing on marketing mix and its role in success of a restaurant.

Chapter – 2

Literature Review

Introduction

Restaurant: Concept and Operations

Opening and Operating a Successful Restaurant

Marketing Mix Strategies and Promotion of Restaurant

Marketing Mix for Restaurant Business

State of Restaurant Business in India

Restaurant Business Failure

Research Gap

Summary

Introduction:

Literature review is an attempt to study and organise the literature available related to the research topic to find out the gap (missing areas that need to study). Various studies made related to research topic by different researchers at different time. Studies undertaken by various researchers have been reviewed in detail and brief information is presented as a review of earlier literature available in the related subject.

Literature review uses as database reports of primary or original study and does not report new primary study itself.[73] The primary reports used in the literature may be verbal, but in the vast majority of cases reports are written documents. The types of research may be theoretical, investigative, experimental, or methodological in nature. Second, a literature review seeks to evaluate, describe, summarize, clarify and integrate the content of primary reports.

According to Cooper[74] literature review is a body of text that determines the aims to review the critical points of existing information including substantive findings as well as theoretical and methodological contributions to a particular topic. Review of literature is a standard chapter of a thesis or dissertation. Literature review forms an important chapter in a thesis where its purpose is to provide the background and validation for the research undertaken.

This chapter has covered literature from the time frame of past 31 years (Year 1988 to Year 2019). The researcher has referred various types of literature which includes research articles published in journals (national as well as international), news paper articles, master's thesis, doctoral thesis, blogs, text books and reports.

Major shift noticed in the research work done in the mentioned period in relation to the marketing mix used for the success of restaurant business. Recent 15 years literature is focused more on promotion mix and customer meal experience. It has covered the topics related to information and communication technology (ICT), electronic word of mouth communication, search engine optimization (SEO), use of social media and networking sites (like facebook), website design, brand building – using marketing mix, marketing strategies (local and global) used by restaurants,

coupon promotion, consumer behaviour, customer retention, customer loyalty, customer satisfaction and so on. While the preceding 15 years literature focused more on study of core 4 P's of marketing mix (product, place, price and promotion). Literature covered the topics by considering the 4 P's of marketing mix as a base and discussed specifically more on understanding restaurant success, advertising and promotion strategies used by restaurants, restaurant failure and how to work for restaurant success.

This chapter has incorporated literature associated to the research topic from various nations all over the globe. Flow of the chapter is maintained by the researcher as per the sections or sub headings which may be including the literature from various nations and random year selection to achieve the same. Almost all types of restaurants have considered in the literature available till date including fast food restaurants, independent restaurants and chain restaurants, restaurants in luxury hotels, quick service restaurants (QSR), coffee shops, fine dining restaurants, casual restaurants, small size restaurants, family restaurants and ethnic restaurants.

Restaurant: Concept and Operations

This section in the chapter is typically trying to understand the concepts and operations of restaurant with the help of literature available. It is essential to understand the restaurant concepts and operations before understanding the concept of marketing mix and co-relation between both of these for sustainable and successful restaurant business.

A text book titled "The Restaurant: From Concept to Operation" by author Walker, J. R. published in United States is helpful for one, who wish to start a new restaurant. According to Walker J. R., restaurant concept has to be developed cautiously before starting a business. It is very important to understand the business before getting in to it. Location is the most important factor and needs to be selected wisely for restaurant business. The best thing one should get a good lawyer and accountant who will be able to take care of legal and financing part of restaurant business effectively and efficiently. The next part to focus while starting restaurant business is menu, kitchen and purchasing. Menu planning is the most crucial element and has many considerations like market demand, pricing strategy used, menu mix to

offer, standardization, menu design and layout. Kitchen layout should be planned carefully considering the flow of material. It is advisable to have a kitchen design which is flexible. One should take the help from professional planners for which he/she have to pay consulting fees. Planners may also help to choose equipments that fit the menu and make sure that the chef and kitchen crew have the knowledge and skills to operate the kitchen. Subsequently it is necessary to establish standard purchasing, receiving, storing, issuing and preparation of food and beverages to achieve the quality standards that please the clientele served every time. After all this is set it is important to maintain the standards and serving hygienic and wholesome food to customers by following the approach of food safety. Service staff serving food and beverages at restaurant must be professional with a sense of humour, good health and lively intelligence. Service staff should have desire to please and to serve which is more valuable aspect of restaurant from the customers point of view. Restaurant should also take opportunity for creating cocktails and serving full range beverages and combination of wines with food. Technology and its application for front and back of the house restaurant operations can be implemented for better control on day to day operations. All the food and beverage service operations must be controlled strictly to minimize any wastages, pilferages and losses results from. Once all this set the next most important part for restaurant business is organizing, recruiting and staffing. Staff training and development can help at a great extent to the restaurant to have sustainable and successful business throughout. Organization plan and Human Resource Management together are important for restaurant operations. Restaurant should modify and improve all plans and concept frequently which are adopted at its initial phase as per market requirement.[75]

Opening and Operating a Successful Restaurant

Under this subheading of the chapter researcher have put together all literature discussing on various considerations of opening and operating successful restaurant. The literature includes the study of considerations of restaurant while opening first franchise in foreign nation, important attribute areas for operating successful restaurant, talks on the impact of earnings and borrowings by restaurant, and gap analysis between management perception and customer expectations.

A research paper published by Shrabanee Shah et al. [76] labelled "Contemplations for Opening the First McDonald's Restaurant Franchise in the IT Capital of India's Bangalore" reported that the use to open any new business in a foreign country, especially a restaurant, it must be realistic and suited for the culture, traditions, and customs, it must cater to all age groups and generations with an faultless customer service. Continuing with the authenticity of McDonald's history of customer service, and team effort in building a McDonald's to the satisfaction of the clientele of the host country. The paper offers strategies for effectively expanding into new territories across borders.

The research paper titled, "Operating a Successful Restaurant" published in SNU-Tulsa Research Journal by John P. Harrison with aim to learn the most important attributes needed to operate a restaurant successfully. The Hypothesis were stated for correlation existence between the successes of the restaurant, practice of these attribute areas, restaurant managers and its importance to the success of restaurant. Through the literature review researcher could identify five important attribute areas essential for operating a successful Restaurant namely management understanding, customer service, employee retention, expenditure control and food quality.[77]

The research paper published by Budhwar K. titled, "Understanding the Success Factors for Independent Restaurants in the Delhi / Gurgaon Region: An Analysis of the Gap between Management Perceptions and Customer Expectations" in Journal of Services Research. the study undertaken by researcher to identify perceptual GAPs between what restaurant operators perceive their customers to desire as part of the given service and product and what customers actually look for. The study covers a sample base of 60 restaurants in Delhi and surrounding areas and, covers major geographical and economic segments that comprise the capital's independent dining market. The data analysis as detailed in the paper has turned up some predictable as well as surprising results. Significant GAPs were observed in the study, suggesting that the average operator have a good idea what his/ her customer wants. This highlights the importance of the human element and experience in running an establishment. There are however some important factors where operators do seem to be not in harmony with their client base. The average operators have a

tendency to underestimate competition, do not engage the customer enough doesn't understand the importance of setting and enforcing written standards and does not stress enough on courtesy. There are other variables that operators need to be better aware of. The paper also suggests key recommendations for operators to follow to enhance competitiveness and maintain a loyal customer base. Recommendations in the paper for standalone restaurant operators in Delhi area to get success are understanding competition, document and follow standard operating procedure (SOP), good press relations are important, talk to customers to understand their needs, facilities offered to costumer, hygiene and upkeep, access and parking, stress more on courtesy, use of websites.[78]

According to news article by Dr. Zheng G D. published in "Nation's Restaurant News", restaurant firms with high operation-generated earnings and low borrowings are less likely to go penniless or bankrupt, whereas restaurant firms with low operating earnings but high amounts outstanding are more likely to meet business failure. The restaurant industry had the most business failures of all segments in the retail trade sector during the six-year period from 1992 through 1997. Therefore predicting potential restaurant firm failure and taking necessary corrective actions to turn the business around can help reduce such losses. Bankruptcy is considered as the major reason for the failure of restaurant business.[79]

Marketing Mix Strategies and Promotion of Restaurant

Under this particular section researcher have put together all literature related to marketing mix strategies and its use by restaurants for their promotion.

Nora Mork, a business journalist and editor shares her experience through various articles written for blog and online magazines, such as Australian Reviewer and Boom essays. Her Blog titled "How to Use Local SEO to Grow Your Restaurant's Business"[80] reveals the importance and effectiveness of Local SEO in growing restaurant business. SEO literally means Search Engine Optimization for restaurant website to perform the best it can be the search engines. By optimizing restaurant website, it can help restaurant to appear higher and higher on the search engine results page (SERPs). The higher the restaurant seen in search engines, the more likely people will be to find the restaurant, and the more successful the

restaurant will be. For effective SEO, website pages should be nice and clean, easy to use and have the most up to date information available. Over 50% of all internet traffic these days comes through mobile devices, which increases the chances more number of people going to explore the website of restaurant. If restaurant website is not optimized, the people tend to leave quickly, and it will harm ranking of restaurant. What works on desktop doesn't always translate well to mobile. The good part is many templates are now available with a mobile version that does most of the work for restaurant, but the same should be checked by restaurant operator via mobile to see how potential guests will experience it. Most of the time visitors will be accessing restaurant website to get contact information, check out the menu, or book a table. The restaurant operator need to make sure that this information is as easy as possible to find. Even the facilities like live chat feature which can be answered from phone can be opted by restaurants. Blogs and articles shared on social media are useful because you can bring value and learning to your guests and visitors. Guests and visitors stay on website for longer, thus boosting your SEO ranking and being seen by more people. Blog posts talking about the different types of food served at restaurant, how it's made, how to make it at home, the history behind it, the culture, recipes, what drinks work well with what food, the styles, the flavours, the training and so on.

Marketing strategy is a main element of success for organization. To execute an effective marketing strategy is as important as conceptualizing and creating it. Through marketing strategy implementation firms achieve the set goals and targets. To demonstrate the value of marketing strategy and the process of implementation a detailed literature review was performed by Nashwan Mohammed Abdullah Saif et al.[81]. A total of 45 studies on the topic of marketing strategy have been examined by the author. The literature suggests that there is a relationship of marketing strategy, and marketing mix elements on organizational performance, and emphasizes a further need to perform conceptual and empirical studies.

A thesis titled "Marketing Strategies Restaurant Leaders Use to Develop Their Customer Base" by Carrie Weinreich [82] reveals that surviving in the competitive market for any restaurant is the major concern especially past first year of its operation. Some of the restaurant lacks the marketing strategy to develop a loyal customer base to survive in the market. Researcher have used case study method to

explore the marketing strategies that independent, family-oriented, full-service restaurant leaders located in the Pittsburgh, PA, metro area in business for at least 5 years have used to develop their customer base during the first year of operation. The study was based on 7Ps of marketing mix theory emphasizing how people, including customers and employees, influence the marketing process. Data collected through interviews with restaurant leaders and secondary documentation that included marketing and business strategies, customer base data, and profitability records during the first year of operation. Analysis of data suggest three main strategies for restaurants for survival in the market, 1) Influence of word of mouth, 2) Power of consumer-driven marketing and social media, 3) The need for an integrated marketing mix. Findings indicate that the family oriented, full-service restaurants were able to develop a customer base during their first year of business by integrating marketing strategies including word of mouth, social media, and limited print advertising. The study also assist restaurant leaders in creating best practices for developing a customer base and surviving past the first year of operation.

Research paper by Umeze, G. E.et al. [83]assessed the utilization of marketing mix strategies and entrepreneurial competencies of micro restaurant owners in Calabar metropolis. Proportionate random sampling was used to select 132 restaurants which formed the sample of the study. Results showed that preparing tasty meal was the most utilized marketing mix factor. Result also indicated that there was an association between the use of marketing mix strategies and entrepreneurial competencies of the business owners. Study proved that there is a reasonable degree of agreement among the respondents regarding the ranking of the constraints facing their enterprises. The study recommended consistent application of 7Ps marketing mix strategies to eliminate most of the constraints identified by the operators and continuous capacity building on entrepreneurial skills.

It can be concluded for this particular section that marketing mix strategies and use of social media along with word of mouth (Promotion) are essential for success of restaurant. The major focus highlighted here is on 2P's of marketing mix strategies i.e. Product and Promotion to achieve success in a restaurant business.

Marketing Mix for Restaurant Business

In this section of the chapter researcher have considered literature available discussing on 7P's of Marketing Mix for the services marketing as the restaurant business is a part of service industry. Available literature shows that restaurant chains have already adopted the 4 P's of marketing mix and beyond this they have taken cognizance of extended 3 P's for sustainable and successful operations worldwide. Balanced mix of 7 P's for services marketing demonstrated very helpful for restaurant industry. It also shows relation between place and price is very important inn competitive market. It again highlights significance of promotion by means of advertising, E-marketing, social media and messaging.

Branding emerged as most important marketing strategy in late 20th century and is reason for the success of many companies now days. Beyond this a strong brand is an asset, resulting high sale, more profit and additionally loyal customer. But it takes lot of efforts to build a brand and even more to keep it strong.[84] Concepts like brand personality and more recent brand authenticity are now introduced. Most marketing plans rely greatly on the marketing mix for their accomplishment. The 4 Ps framework used commonly for many years but this is extended to 7Ps when considering services marketing. Brand's marketing mix should have each element of mix working together to present united front and support organizations marketing objectives.

Research paper titled "Global marketing strategies of McDonalds' Corporation (with Reference to India and Russia)" by Devanshi Dixit [85] reveals that McDonald's Corporation's business model is slightly different from that of most other fast-food chains. The researcher has studied on marketing strategies of McDonalds concerning 2 countries that are India and Russia where all the taste & preferences are different. The Research paper included global operation, marketing strategies with product, pricing, promotion, menu food variation in both the countries and further future plans that company have in both the countries. The Technique is used that is SWOT analysis with field survey. Conclusions and suggestion are drawn from the analysis. In India and Russia company want to use attractive and affordability proposition for their customer along with taste and preference. Company has

implemented the strategy of "Think Global Act Local" during its expansion all over the world and serving more than 100 countries.

A thesis submitted by Long Thanh Nguyen, [86] titled "Restaurant Start up Marketing Mix Case study Mad Wok and Helmi restaurant - success and failure in marketing" highlights that just making good quality food is not enough to stand out from the huge competition in food and beverage industry. Restaurant start-up is most popular business that can gain profit quickly as it solves the human's most basic need: Food. Pricing, location and promotions are the other elements of marketing mix (4Ps marketing) for business owner or the restaurant's marketing team to consider. The thesis provides a fundamental background for food and beverage start-up focusing on 4Ps marketing. The study also discussed practical tips and tricks for young entrepreneurs. The most important topic of this thesis is marketing mix strategy (4Ps marketing). Each of the "P" has explained with the basic features. Practical real-life experience tips and tricks of each "P" in 4Ps of marketing mix. Mad Wok and Helmi restaurant are used as case study to analyze the marketing mix effectiveness of each. Discussion and face-to-face interview with marketing directors of restaurant are conducted for data collection. The case study contains a SWOT analysis to process the data for Helmi. Conclusion of the research suggest that running a new business is not easy for start up as they are groups of people being lack of experience and budget to create a perfect environment for each "P". Balanced marketing mix for each "P" is one of the strong points to design a marketing mix for new business. Researcher also suggested to Business owner to spend time and take effort to understand their product and target customers.

A Doctoral study "Marketing Strategies: How Small Restaurant Businesses use Social Media" by Tasheenia Bennett[87] was conducted with a purpose to explore the strategies that small restaurant business owners use to support social media marketing. The target population was five small restaurant business owners in WNC, who successfully used social media marketing for 1 year or more. Data collection included semi structured interviews, documents pertaining to social media marketing strategies, and social media pages and websites from the participating restaurants. Facebook, Yelp, and Instagram were the most used social media platforms. The participants implied that word-of-mouth has the potential to increase sales and to

grow business. Challenges implementing social media included the ability to be consistent and actively engaged on the social media sites to allow business owners to respond quickly to negative posts made by customers. Small restaurant businesses can be successful if they develop and implement a social media presence, encourage customer feedback, and formulate a plan to overcome obstacles and challenges that may arise with implementing social media marketing strategies. These findings contribute to positive social change by increasing the sustainability of small businesses in the community, which may drive economic development and improve community relations.

Social media is important and inseparable part in marketing communication of restaurant today. There might be distrust in marketer-generated communication. Effective use of social media with a clear type and style of communication can serve better for generating positive electronic word of mouth (e-WOM). The study was conducted in Dublin, Ireland to explore types and styles of communication for effective e-WOM. Data collected for the research used interviews with restaurant marketers who handle social media marketing for restaurants. Conclusion of the study suggested that, social media communication should be casual and flexible. Content used for the same should be giving some value to its reader which may include story behind the restaurant or recipes using seasonal ingredients. Specific messages for media should be created and posted.[88]

According to the research paper of Jalal Hanaysha [89] titled "Restaurant Location and Price Fairness as Key Determinants of Brand Equity: A Study on Fast Food Restaurant Industry" restaurant location has significant positive effect on brand image, brand loyalty, brand preference, and brand leadership. The study also able to find that price fairness has significant positive effect on overall brand equity and its dimensions. Results of the study suggest that if a restaurant location is visible and accessible to customers, it helps to achieve a success in business. The research also reveals that the consumers tend to evaluate a restaurant brand based on price fairness that is harmonized with the quality of food and beverages on offering. The study urges strategy makers in fast food restaurant industry to consider restaurant location and price fairness when designing their branding strategies. The purpose of study was to examine the direct effects of restaurant location and price fairness on brand equity

in Malaysian market. The data collected from several customers of international fast food restaurants in East Coast Malaysia. Convenience sampling methodology was utilized to obtain the responses from 384 customers during different times of data collection period. The collected data were coded into SPSS and analysed using structural equation modelling through AMOS 18.

The study was conducted by Ofosu Amofah et al.[90] focusing on the influence of service marketing mix on customers' choice of registered restaurants in the Kumasi Metropolis-Ghana. The study focused on 7Ps, including product, price, place, process, promotion, people and physical evidence. The study used quantitative research approach and primary data were collected through questionnaire to 293 customers of five registered restaurants in the Kumasi Metropolis. The restaurants were stratified into grade 1, grade 2 and grade 3 restaurants and 1 restaurant was selected from grade 1, 2 restaurants were from grade 2 and 3 each. The data collected were analyzed with the use of Statistical Package for Social Sciences (SPSS) and Chi-square and Pearson's Correlation Coefficient were used to test independency and relationship of service marketing mix and customer choice of repeat purchase. Process had the greatest influence on customer's decision to repeat purchase. All other attributes, except place significantly influence decision to repeat purchase. The study recommended that restaurant operators should limit investment on opening of many branches but they should think of making the existing ones more reachable using signage to direct customers. Restaurants operators should increase their investment on the extended 3p's (process, people and physical evidence), especially process by ensuring quick delivery of service, home delivery and having opening and closing time consistent with customers' life style.

Blog titled "How the 4P's of Restaurant Marketing Can Help Your Menu" by Donald Burns[91] reveals the usefulness of exercising 4P's of Marketing for restaurant menu for success. 4P's of Marketing is the concept created by McCarthy and has been used worldwide by all marketing companies. As a first principle of marketing mix the menu i.e. Product is marketing tool for a restaurant. One can use to maximize profit potential through menu. In the opinion of Mr. Donald, menu of the restaurant should not be offering too many food items on choice; rather it should offer limited menu items which are in symphony with the brand identity. Price is the second principle of

marketing mix that needs to be working out correctly for the menu. Cost based pricing is the best strategy as per the writer as compare to competitive piecing. Next principle of marketing is Place. In accordance with menu, how do we get guests to buy more of what you want? should be the prime concern. Menu Engineering is the answer for this question. Better headlines, Boxing and Price justification (with the help of description of the menu item) are few suggestions in menu engineering. Last principle in marketing mix is promotion and that can be achieved best way by training the restaurant staff members on how to make recommendations and inform guests what can make their dining experience incredible. These promotion efforts taken by staff can help to increase profitability for restaurant.

According to Taguinod, [92] Ethnic restaurants are flourishing in the United States. Ethnic restaurants highlight promotional strategies to acclimatize effectively in the competitive market. The study was conducted to find out the effect of using coupons on customer retention in independent ethnic restaurants. It also tried to find out whether coupon promotions help independent ethnic restaurants attract new and old customers? Literature review, referred for this study suggests that there is no effect of coupon promotion with return intention of customer to a particular restaurant. The results of this study will help restaurateurs in their marketing strategy and to improve the overall quality of the business. Using coupons as an advertising and promotion in restaurants enhances the ability to increase sales, attract new customers, willingness to revisit and re-consume, aids in strong market competition, and force new customers to switch brands.

The study was conducted by Eva Cheserem to find out the marketing mix strategies adopted by fast food restaurants in Nairobi Kenya and establish the relationship between marketing mix strategies and customer loyalty. The study used the descriptive survey design. The use of this design facilitated an in depth analysis of the role of marketing strategies on customer loyalty in fast food industry in Nairobi. The population of study was fast food restaurants in Nairobi County. The findings based on data collected confirmed that, branding, product marketing, price considerations and location all form part of the customer intention. The study concluded that customer loyalty is one of the indicators of business performance metrics.[93]

According to the newspaper article published in "Eastern Eye" Chef Mahamud Zaman shared his innovative way to launch a new menu which was designed as per the feedback received from the loyal customers of Zaman Restaurant. As he described customer inspired, a la carte menu at an affordable prices in London. Up gradation and changes in Menu is essential for Restaurant success. [94] This newspaper article is suggesting up gradation of Menu can aid to attract customers to the Restaurant.

Managers have capability to make use of menu in enhancing the meal experience perceptions of customers and attaining the cost and profit objectives of restaurant firms. Menu Management which comprises of menu planning, menu pricing, menu designing, menu operating and menu development is defined as an ongoing process to achieve short term and long term goals of a restaurant.[95] Opinions expressed in this research paper are focusing only on Menu as a Product in Marketing Mix and suggesting it as an important factor which can guide Restaurant to its success.

Restaurant owners should focus more on four factors, service quality, physical design, product quality and price as part of their marketing strategy yet among all these four variables they should take service quality as the most important tool to achieve customer satisfaction and success in a business. It is assumed by customers that all restaurants of almost equal levels are giving same food quality. So, the point of differentiation is not food quality now.[96] Research Paper is focusing on the Service Quality of a Restaurant and the study was conducted for specific Area/ Location. The research also clarify that customers have reference prices in their minds and memories when they go to buy something in restaurant. When price is not in accordance with the expectations of customers their satisfaction level declines. It also found in the research that physical design or atmosphere has second largest contribution effect towards customer satisfaction.

Research paper titled "The Impacts of Marketing Mix on the Consumer Experience in Fast Food Industries" published by R. Uma Maheswari et al. [97] in International Journal of Research and Development – A Management Review

(IJRDMR). The aim of research was analyzing marketing mix of chosen fast food company. For the study data was collected from 120 respondents in Coimbatore City. Percentage analysis, weighter average rank analysis and Chi-square test used for analyzing primary data to find the relation between various marketing mix elements. Co-relation coefficient was used to find the relationship between various elements. Based on the analysis, some suggestions and recommendations were given by the authors. Findings of the study suggest that the menu of fast food industry gives emphasis on customer requirements. Respondent of the study agrees that Fast food industry in Coimbatore city able to offer good quality and packaging of food. Almost 40% of the respondent of the study agreed that the price suggest best value for money. Out of the total respondent, 60% of the respondent agreed that the location aids easy accessibility and most of the fast food outlets are located at prime locations in the city. Promotional strategies are inducing the target customers to purchase the products. Fast food industry is using different Medias for the promotional strategy and it is very helpful for both the customer and the fast food industry. About 50% of the respondents agreed that the staffs employed at fast food industry provide fast and friendly service. Nearly 80% of the respondent agreed the speed of food preparation is well maintained in fast food industry and respondents are satisfied with the marketing mix of McDonalds.

The research was conducted by Dr. Mohammad Haghighi et al.[98] titled "The Evaluation of the Effect of the Marketing Mix Elements on the Performance of Pakat Restaurants Group" with the purpose of examining the effect of the marketing mix elements on the performance of Pakat Restaurants Complex based on the surveys of the consumers and experts. The data obtained from 171 questionnaires gathered from the consumers and the experts of the restaurant. All variables (including quality, price, information, packing, distribution and branding) were important according to the consumers and experts of this industry. The results showed that all variables were significant according to the consumers of this complex except the distribution. According to the strategies predicted in Pakat Complex, it became clear that the performance of the complex was successful to derive customer's satisfaction and increase the number of loyal customers and is proved to promote a brand of healthy and high quality food for the consumers.

The research article titled "Spreading Social Media Messages on Facebook: An Analysis of Restaurant Business-to-Consumer Communications" written by Kwok, L. et al. [99] reveals what types of social media messages work best for hospitality firms. The study conducted on what types of messages gained the most clicks of "Like" and comments on Facebook. The study was based on an analysis of the number of likes and comments regarding nine hundred and eighty-two Facebook messages from ten restaurant chains and two independent operators revealed clear patterns. The more popular keywords involved information about the restaurant (e.g., menu descriptions) and the less popular messages were those that contained marketing-related words (including "winner" and "check"). Dividing the messages into four media types, namely, status (text only), link (containing a URL), video (embedding a video), and photo (showing photos), revealed that photo and status receive more likes and comments than the other two categories. Social media messages can also be categorized into two message types: sales and marketing (about two-thirds of the messages in this study) and conversational messages. Based on number of likes and comments, conversational messages are endorsed by more Facebook users. The results do not expressly assess Facebook users' reactions, the guidelines developed here should help managers improve their use of Facebook, as well as provide groundwork for developing a defined typology of Facebook messages and an automatic text classifier with the machine learning techniques.

The article published in Procedia – Social and Behavioral Sciences Journal titled, "A comparative study on international marketing mix in China and India: The case of McDonald's" by Yeu, C. S. et al. investigated different kind of 4Ps adopted by McDonald's in their international marketing mix.[100]The objective of the study is to analyze and understand the similarities and differences of the international marketing mix strategy implementation by McDonald's. Using comparative analysis, this study focused on 4P approach of marketing mix which is based on product, price, promotion and place analysis. Marketing strategy of the company in China and India were used for this study. The study found that the McDonald has adopted different kind of its 4P in their international marketing mix based on both, localization and globalization approaches. This study revealed that approaches by McDonald's are greatly depending on their localization strategy and globalization strategy. The general menu of McDonald's tends to be typical in all its products and services, for example burger or sandwich, fries, and a drink i.e. Coca-Cola for its main course. But

when it comes to specific countries like China and India, where religious laws and customs are quite sensitive it requires localization approach. In China and India, McDonald's is successful in identifying and making proper changes to suit with the local customer needs and requirement. McDonald's China uses beef, pork, fish, and chicken for burger with less spicy but in India, it has to avoid using beef and pork in its burger products. Only in India, McDonald's serves vegetable McNuggets and mutton based Maharaja Mac. In terms of pricing strategy, McDonald China does not apply market segmentation as compared to McDonald's India. Marketing mix Strategy by McDonald's implementation is closely related to its customers' preference fulfilment.

According to Robin B. DiPietro et al. [101] social media and use of social networking sites help consumers share opinions, insights, experiences, and perspectives. The study relevant to the use of social media sites with the largest chain restaurants in the U.S. and the managers' perceptions of the usefulness of such sites for their organization. The research shows there are no consistent social networking sites restaurant chains use, there are no consistent uses for these sites, and managers have differing opinions about their overall usefulness in restaurant operations and marketing. One consistent theme is that social networking sites are useful for advertising and marketing a restaurant brand at an inexpensive cost to the restaurant. Managerial implications are discussed in the article along with best practices and future research recommendations are made to further explore social networking in the restaurant industry.

A thesis submitted to University of Jammu by Sandeep Singh Chib[102] titled, "Consumer Behaviour In Food And Beverage (F&B) Industry: A Case Study Of Fast Food Industry" to understand the consumer behaviour in fast food and beverage industry which can aid the organisations in achieving their short term and long term objectives. Consumer behaviour has gained tremendous consideration of academia and the industry at the same time as it affects the operational efficiency and performance of organisation. In addition, by precisely interpreting consumer behaviour, the business organisations can elevate the customer satisfaction level by adjusting their operations in accordance to the variable needs and requirements of the customers. The researcher studied with the purpose to find and bridge the gap

between the theory and the practice which has been identified in number of studies. The study revealed that brand loyalty positively influences customer satisfaction, therefore the companies need to adapt strategies to increase brand loyalty. The pricing of the fast food products need to be appropriate as it affects the customer satisfaction. The study highlights that business organisations need to take efforts to improve the behaviour of staff towards customers by providing individualised training programmes and connected appraisal policy for the employee for better customer satisfaction. The study also highlights relation between service quality and customer satisfaction. It suggests that the companies need to take efforts to increase and maintain high level of service quality to achieve better customer satisfaction.

According to Raab, C. et al. [103] setting correct price for hospitality products is a key management task that has a major influence on a firm's productivity. In general, there has been a lack of academic interest in the area of pricing in services. The restaurant industry typically establishes prices by marking up a variable cost percentage and by intuition, or by trial-and-error methods. This study illustrates how restaurant managers can use price-sensitivity measurement to assess their guests' price sensitivity. By means of a relatively simple survey, restaurant managers can get insight about their menu pricing directly from customers. The study uses data collected from a Hong Kong buffet restaurant. The results reveal price ranges that symbolize real value for dinner buffet patrons.

According to the research article titled "The website design and Internet site marketing practices of upscale and luxury hotels in Turkey" published by Baloglu, S. et al. [104] in "Tourism Management", internet provides ample opportunities for marketing with current and emerging multimedia features. It is particularly useful for dealing with intangible nature of the service, and transforming marketing mix variables to capitalize on the informational and transactional potential of the Internet, and to increase a competitive advantage. The study utilized content analysis to analyze the websites of a select group of hotels in Turkey (4- and 5-star) in terms of site design characteristics (interactivity, navigation, and functionality) and site marketing practices on the Internet. The study also investigated variations in design and use of marketing mix elements on the Internet based on hotel type (4- and 5-star resort and transient hotels). The findings showed that the hotels in Turkey are not

utilizing the Internet to its full potential and effectively e-marketing their hotels regardless of the hotel type.

According to article "Food Advertising and Marketing Directed at Children and Adolescents in the US" by Mary Story et al.[105]published in International Journal of Behavioural Nutrition and Physical Activity, children and adolescents are a major market force in food and beverage industry in US. Specialised and intense food marketing efforts are now taken by the organisations to target children and adolescents. Marketers are more interested in youth as a consumer because of their spending power and as future adult consumers. Various techniques are used for brand building and influencing these customers including television advertising, in-school marketing, kids clubs, products with brand logos and youth targeted promotions. The article examines the food advertising and marketing channels used to target children and adolescents in the US and impact of food advertising on eating behaviour, regulation and policies.

The research titled, "Frequency of Restaurant Advertising and Promotion Strategies" conducted by Jackson, F. H. et al.[106] to investigate the benefit and use of ten advertising and promotion strategies used by urban restaurants. A phone survey was conducted of randomly selected restaurant members of an urban restaurant association. Respondents were asked to evaluate each of the strategies based on frequency of use and derived benefit. The survey achieved a 39.7 percent response rate. Overall, respondents reported limited use and benefit from advertising and promotion activities. However, radio advertising, coupons, electronic/Internet media, and food samples appeared to be more frequently used and produce greater benefit when differences did exist. Franchisees, larger restaurants, and higher guest check establishments indicated greater use of and more benefit from these selected advertising and promotion strategies.

Defining market segment and differentiation of product from rival products is the main objective of marketing for Fast Food Restaurants. [107] The study was conducted to discover the consumers' preferences and perceptions for Fast Food Restaurants in the USA and Canada. The study reveals that more number of meals is taken outside by the people as compare to the meals taken at home. It is a prediction

that this tendency of having meals outside will accelerate in future. Fast food markets are having greater growth opportunity as a result. Findings of the study show that need-oriented marketing will be helpful in a competitive fast food market in the USA and Canada for franchisers as well as franchisees.

State of Restaurant Business in India

Under this heading researcher gathered information through literature available to get the exact state of restaurant business in India. The researcher could find out restaurant business in India is one of the largest sector in India and have opportunities for good earnings and employment generation. Considering the ever increasing demands for more and more restaurants in metropolitan cities like Pune and opportunity of making quick money, many entrepreneurs are entering into the restaurant business without its prior knowledge or any plans. Many of them face failure in restaurant business and the failure percentage of such restaurants is very high i.e. 25 to 50 percent.

Niharika Maggo[108] writes about the present state of restaurant business in India in her blog titled "The State of Restaurant Business in India". According to NRAI India food service report, "Restaurant business in India is the largest service sector in India after retail and insurance and is 20 times of the film industry, 4.7 times of hotels and 1.5 times of the pharmaceutical sector". While in an analysis, Forbes found out, "Restaurant business in India will continue to grow which range anywhere from 15 to 30%". Although these are very good facts and figures but there are many Challenges of Running a Restaurant Business in India such as, constantly increasing food cost, unaffordable rent, increasing competition, hiring and retaining employees, slim profit margins and so on. Furthermore author says that Dark Kitchens and Meal Delivery services are the concepts taking up in the Indian market. Towards the conclusion author says, it is always the customer experience is the key for success of restaurant business in India. New trends in Indian Restaurant business are Healthy food, automation in restaurants, off-premises business by restaurants, kiosk and fast casual will be more important players in restaurant industry, reusable packaging, cocktail culture, eating at shopping mall/ complex/ multiplexes, more use of technology in restaurants and so on. Restaurant customers are now technologically savvy, connected, and have high expectations now days. Restaurants in India that

understand their customers started capitalizing on digital/technology investments and analytics, taking opportunity to engage customers in a personalized way. These restaurants can drive increased dining frequency, customer retention, customer conversion, and loyalty.

According to the president of Pune Restaurants and Hoteliers Association (PRAHA) Ganesh Shetty, people get attracted to the concept of owning a restaurant and so they take quick decisions. They think that restaurants are opportunities to make quick money. Further, they dissect the prices of a particular dish and feel that the margin involved is huge, without considering the operational costs incurred. In the opinion of Food processing entrepreneur Mr. Kedar Gadgil, people are entering into the industry without any knowledge of the business or any plans. It is more important to conceive a business plan that incorporates the aspects like inputs, front end and service, compliance, staff trouble and issues with sourcing. Pilferages by staff and customers are also the responsible factors leading business to huge losses which are difficult to cover up later on. Increasing disposable income among citizens has led to a boom in the food and beverage industry in the Pune city with a new Food and Beverage Service outlets opening nearly every day. However, the failure rate of such outlets is also high as many entrepreneurs fail to understand the nature of business and requirements of customers. With investments upwards of Rs. 25 lakh, people are ready to get into the sector despite uncertainties involved. According to research, on an average 20 food outlets are opening in the city each month while 5 to 10 are shutting down. Experts point out that while the profit margin in the industry may seem huge, one must also carefully consider the operational costs that may be incurred. Even some brand owners fail to realize that the local market is different from the cities like Mumbai and Delhi in terms of marketing and promoting their restaurant.[109]

Restaurant Business Failure

The researcher is interested to find out the insights of use of marketing mix and its role in restaurant success and sustainability. For the same reason researcher has put together literature published till the date and have information on failure of restaurant business due to various known and unknown reasons. Certainly both internal as well as external factors are equally responsible for the failure of

restaurants. Existing literature is also exploring the information regarding the impact of affiliation, size of outlet, place or location in relation to restaurant failure.

Association / Affiliation, place, and size of outlet each have significant impacts on restaurant failure. The study shows that independent restaurants have greater closing rates than multiple location group units which are affiliated or associated with someone as a brand in a market. It also states that the place influences the failure rate. The research demonstrates that large size restaurants have better survival probability as compare to small size restaurants. Customers need keeps on changing as their tastes and preferences change. It is the manager's responsibility to keep an eye on the changes and provide for the same and allow employees to do any alterations if required to provide quality services. The location and facilities in hotels / restaurants determines the group and category of customers which eventually affects their success and market share in the industry. [110]The research has more stress on employee empowerment and location along with the facilities on offer as factors affecting everyday performance of hotels and restaurants.

Restaurant failure rate is affected more by inner factors than by outside factors, although both are applicable. [111] Inner factors covered in the research are products on offer, management and type of ownership, work culture, strategy, finance and marketing along with the personal factors such as leadership, personal/family goals. Whereas outside factors includes competition in a market, supply of raw material, type of customers, regulating agencies, legal and political factors, technology, social and cultural factors, financial system and demography.

Research Gap

Research conducted till date in the field of Restaurant's success or failure has covered specific areas related to management plan, human resource management, location, affiliation, food quality (characteristics of food that is acceptable to consumers and should be same every time), service quality (difference between customer expectations for service performance prior to the service and their perceptions of the service received, Asubonteng et al. 1996), and facilities (Reception, reservation, parking, audio visual system, toilets) in relation to specific region and focusing only on one or two factors listed.

As discussed earlier in Chapter 1, Pune city is one of the 6 Mini Metro cities in India and these cities together comprise 20% of the Market share of Food and Beverage Service Industry in India which is a considerable share of this industry. Restaurant Industry in Pune city is expanding at a rapid pace. All categories of Food and Beverage Service outlets in Pune city at present, which includes Fine Dine, Family Restaurant, Fast Food, Casual Dining Restaurant, Bistro, Coffee Shop, Pubs, Ethnic/ Speciality Restaurant, Multi Cuisine Restaurant, Themed Restaurants, Drive-thru Restaurant, Cafe, Buffet-style Restaurant, Cafeteria, Bars, Banquets, A la carte Restaurants, Food Truck, Cafeteria, Pizza Outlets, Home Delivery/ Take Away, Bakery, Quick Service Restaurants (QSR) and so on.

Increasing disposable income among citizens has led to a boom in the food and beverage industry in the Pune city with a new Food and Beverage Service outlets opening nearly every day. As per the information provided by president of Pune Restaurants and Hoteliers Association (PRAHA) Ganesh Shetty, on an average 20 new food outlets are entering in the market in Pune city every month while 5 to 10 are shutting down. This shows that the failure rate in restaurant business in Pune is almost 25% to 50 %. Considering the high failure rate in restaurant business, it becomes necessary to study the local market in Pune city before entering in to the business. As per the information received from experts in the field, one can understand it is a considerable amount of investment to start a restaurant in Pune city that is up to Rs. 25 lakhs. Despite of uncertainties in the sector people are ready to get into restaurant business and invest huge amount of money in Pune city assuming it as an opportunity to make quick money out of this business. Investors or Entrepreneurs doesn't study the market place to understand the requirement of customers. Without considering various types of costs incurred in business like material cost, labour cost and overhead costs entrepreneurs do the pricing for dishes to be offered on menu which is further not helpful to achieve the desired profit margin. Some of these costs are fixed or semi fixed in nature, while remaining are variable in nature. Beyond this entrepreneurs have not calculated the minimum period required to achieve the "Breakeven Point" in restaurant business. It is very important to know the concept of "Breakeven Point" (Point at which total cost in a business and total revenue are equal, i.e. "even" and there is no net loss or profit).For restaurant business the concept of "Breakeven Point"

is must to determine what sales volume is necessary to cover costs. It's particularly important for start-ups that need to know their initial sales goals for sustenance in the market.

Although the study is the limited to specific geographical region, the researcher aims to study all 7P's of Marketing Mix elements in relation to restaurant success. Marketing mix concept of 7 P's is universally accepted and study of the same with the help of data science is helpful to understand consumer behaviour, so the research can be generalised and there is a broader scope for future study. Findings of this research study can be generalised and useful as guidelines for starting up a new restaurant irrespective whether it is used in city like Pune in Indian context or any other place in the world as the study is based on the theoretical framework of marketing mix (7P's) which is accepted worldwide.

Entrepreneurs are entering into the industry without any knowledge of the business or any plans. It is more important to conceive a business plan that incorporates the aspects like inputs, front end and service, compliance, staff trouble and issues with sourcing. Pilferages by staff and customers are also the responsible factors leading business to huge losses which are difficult to cover up later on. The failure rate of such outlets is high in Pune city. In the opinion of experts, profit margin in the industry may seem huge; one must also carefully consider the operational costs that may be incurred. Even some brand owners fail to realize that the local market is different from the cities like Mumbai and Delhi in terms of marketing and promoting their restaurant

Considering all above facts about restaurant industry in Pune city it is very essential to study on marketing mix which explains 7P's elements namely Product, Price, Place, Promotion, People, Process and Physical Evidence for service sector (as restaurant industry is the part of service sector). If one knows the theory of 7P's of marketing mix and practical application of the same in restaurant business, it will definitely help to have a successful restaurant business in Pune city by using the perfect mixture of these 7P's. "Place" is the location (market or segment of market) where the restaurant business planned need to be well studied in terms of its demography and requirements of customers (Their Preferences – likes and dislikes

when they eat out). "Product" as an element of marketing mix is "Menu" in terms of restaurant business that needs to be planned as per the market demand (simply based on study of "Place").

The next element of marketing mix is "Price" of the product offered to the customer. There are various approaches of Pricing the product like cost plus pricing, competitive pricing, penetration pricing and so on, but the one should adopt the right pricing strategy which will help to attract the customers (may be competitive or penetration pricing) and at the same time able to cover up various cost incurred in business to achieve the desired amount of net profit. Another important element of marketing mix which needs to be planned carefully and maintained throughout the journey of restaurant is "Promotion". One should plan restaurant budget with higher share allotted for promotional activities when the restaurant is new in the market and even if the restaurant business set, doing well in terms of sale as well as profitability, certain percentage of budget must be allotted every month for continuous efforts on promotion. [112]

"People" is one of the most important elements in marketing mix for service sector as all these services are offered by the people (staff) to people (customer). Human touch in this industry is the key factor for its success or failure. A well groomed, neatly dressed in uniform, professionally trained and humble staff can make very pleasant dining experience for the customer. On the other hand the same staff can prepare poor quality food or offer wrong food; delayed service can spoil customers' dining experience at restaurant. It is very important to have professional and well trained staff at restaurant in all its sections from reception staff, production department till service staff.

One more essential element in marketing mix that plays an important role to make restaurant operations sustainable and successful is "Process". It is more over known as SOP (Standard Operating Procedures) in Hospitality industry. These SOP's enable to offer same quality and quantity of products prepared to the customers in exactly the same and standard way every time.

Last but not the least and equally important element of 7P's of marketing mix is "Physical Evidence" which is environment created at restaurant by due consideration of various tangible factors like decoration, furnishing, staff uniforms, menu card, cutlery and crockery used and so on. Essentially all these tangible factors should be in harmony with the restaurant theme or the food on offer. As the restaurant industry is a part of service industry, it is necessary to portray the picture by means of physical evidence for potential customers about what can be expected and how it will be delivered by the restaurant to make it a memorable experience.

This research will try to cover all 7P's of Marketing Mix contributing to success of restaurant operations pertaining to Pune Municipal Corporation area. As the preliminary study and survey shows there is high failure rate in restaurant business, it is essential to understand the importance of market survey at the time of opening a new restaurant. Beyond this a well-planned marketing mix will help restaurant business to sustain in the market for long run and increased chances of getting good return on investment. The successful operation of a restaurant is important for future or potential operators, current operators and employees of the restaurant industry.

Research in the field of restaurant operations has covered specifically about its success or failure in relation to a particular area (the region in the world) and focusing only on specific factors (internal or external) responsible for the same. Researches published in the field till now have not covered all 7P's marketing mix elements and its co-relation with the restaurant success (as basic fundamentals of marketing mix). Researcher wants to put all 7P's of marketing mix together and study its co-relation with the success of restaurants through this study in detail.

The researcher has considered a limited time frame to complete the research work abiding financials and other factors in consideration. Even if some new elements of marketing mix will discover in future, the same needs to study for taking this research study ahead. Considering the dynamic nature of the restaurant industry and due consideration to the development in theoretical framework of marketing mix in future, there is always a scope of similar researches in future at various region in the world exploring the new perspectives.

Summary

Sr. No.	Source Name	Publication Year, Place	Author	Topics Covered
1.	Nextrestaurants	2019, Australia	Mork, N.	How to use local SEO to grow your restaurants business
2.	Limetray	2019, India	Maggo, N.	State of Restaurant Business in India
3.	Times of India	2018, India	Rujuta Parekh	Several eateries shut shop, even as hospitality industry booms in Pune
4.	Sage Publication UK	2017, United Kingdom	Masterson, R., Phillips, N., & Pickton, D.	Building Brands: Using The Marketing Mix
5.	All Research Journal	2017, India	Dixit, D.	Global marketing strategies of McDonald's Corporation (with Reference to India and Russia)
6.	Doctoral Thesis, Centria University of Applied Sciences	2017, Finland	Nguyen, L. T.	Restaurant Startup Marketing Mix: Success And Failure In Marketing
7.	Doctoral Thesis, Walden University	2017, United States	Bennett, T.	Marketing Strategies: How Small Restaurant Businesses use Social Media.

8.	Tourism And Hospitality Management	2016, Ireland	Fox, G., & Longart, P.	Electronic word-of-mouth: Successful communication strategies for restaurants
9.	International Journal of Marketing Practices	2016, India	Shah, S., & Mujtaba, B. G.	Considerations for Opening the First McDonald's Restaurant Franchise in the IT Capital of India's Bangalore
10.	International Journal of Management Science and Business Administration	2016, China	Saif, N. M. A.	Value and Process of Marketing Strategy: Review of Literature
11.	Business and Economic Research	2016, Malaysia	Hanaysha, J.	Restaurant location and price fairness as key determinants of brand equity: A study on fast food restaurant industry
12.	European Journal of Business and Management	2016, Ghana	Amofah, O., Gyamfi, I., & Tutu, C. O.	Influence of service marketing mix on customer choice of repeat purchase of restaurant in Kumasi, Ghana
13.	Doctoral Thesis, Walden University	2016, United States	Weinreich, C.	Marketing strategies

				restaurant leaders use to develop their customer base
14.	Foodable	2016, United States of America	Burns, D.	How the 4 P's of restaurant marketing can help menu
15.	Master's Thesis, Johnson & Wales University	2016, United States of America	Taguinod, A. J.	Effects of Coupon Promotion on Customer Retention
16.	Master's Thesis, University of Nairobi	2016, Kenya	CHESEREM, E. V. A.	Influence Of Marketing Mix Strategies On Customer Loyalty In Fast Food Restaurants In Nairobi, Kenya.
17.	Eastern Eye	2015, United Kingdom	Zaman	Menu Reflects Recipe For Success Restaurant.
18.	AgEcon Search – Research in Agriculture & Applied Economics	2015, Nigeria	Umeze, G. E., & Ohen, S. B.	Marketing Mix Strategies and Entrepreneurial Competence
19.	International Journal of gastronomy and food science	2014, Turkey	Ozdemir, B., & Caliskan, O.	Restaurant menus: Specifying the managerial issues
20.	Journal of Asian Business Strategy	2014, Pakistan	Sabir, R. I., Irfan, M., Akhtar, N., Pervez, M. A., & ur Rehman, A.	Customer Satisfaction in the restaurant industry

21.	International Journal on Research and Development - A Management Review	2014, India	Maheswari, R., & Nagamuthu, G.	Impacts of Marketing Mix on the Consumer Experience in Fast Food Industries
22.	International Journal of Learning & Development	2013, Iran	Haghighi, M., Yasvari, T. H., & Taherkhanchi, A.	The Evaluation of the Effect of the Marketing Mix Elements on the Performance of Pakat Restaurants Group.
23.	Cornell Hospitality, Quarterly – Sage Publication	2013, United States	Kwok, L., & Yu, B.	Spreading social media messages on Facebook: An analysis of restaurant business-to-consumer communications
24.	Sciencedirect	2012, India and China	Yeu, C. S., Leong, K. C., Tong, L. C., Hang, S., Tang, Y., Bashawir, A., & Subhan, M.	Comparative study on international marketing mix in China and India: The case of McDonald's
25.	Journal of Foodservice Business Research	2012, United States	DiPietro, R. B., Crews, T. B., Gustafson, C., & Strick, S.	Use of social networking sites in the restaurant industry
26.	Doctoral dissertation, University of Jammu	2012, India	CHIB, S. S.	Consumer Behaviour In Food And Beverage

				(F&B) Industry: A Case Study Of Fast Food Industry
27.	Tulsa Research Journal	2011, United States of America	Harrison, J. P.	Operating a successful restaurant
28.	Journal of Foodservice Business Research	2011, United States of America	Parsa, H. G., Self, J., Sydnor-Busso, S., & Yoon, H. J.	Why restaurants fail? The impact of affiliation, location, and size on restaurant failures: Results from a survival analysis
29.	Journal of Hospitality & Tourism Research	2009, Hong Kong China	Raab, C., Mayer, K., Kim, Y. S., & Shoemaker, S.	Price-sensitivity measurement: a tool for restaurant menu pricing
30.	Text Book, John Wiley & Sons	2007, United States of America	Walker, J. R.	Restaurant: Concept and Operation
31.	Tourism Management	2006, Turkey	Baloglu, S., & Pekcan, Y. A.	Website design and Internet site marketing practices of luxury hotels in Turkey
32.	Cornell Hotel and Restaurant Administration Quarterly	2005, United States of America	Parsa, H. G., Self, J. T., Njite, D., & King, T.	Why restaurants fail
33.	Journal of services research	2004, India	Budhwar, K.	Understanding the success factors for independent restaurants in the

				Delhi/ Gurgaon region: An analysis of the gap between management perceptions and customer expectations
34.	International Journal of Behavioral Nutrition and Physical Activity	2004, United States	Story, M., & French, S.	Food advertising and marketing directed at children and adolescents in the US
35.	Journal of Food Products Marketing	2004, United States	Jackson, F. H., Titz, K., & Defranco, A. L.	Restaurant advertising and promotion strategies for exploring an urban market
36.	Nation's Restaurant News	1999, United States of America	Zheng, G. D.	Predicting potential failure, taking corrective action are keys to success
37.	Thousand Oaks Sage Publication	1998, United States	Cooper, Harris.	*Synthesizing research: a guide for literature reviews*
38.	International Journal of Contemporary Hospitality Management	1995, United States of America and Canada	Kara, A., Kaynak, E., & Kucukemiroglu, O.	Marketing strategies for fast-food restaurants: a customer view
39.	Centre for Research in Social	1988,	Cooper, Harris.	Structure of

	Behaviour, University of Missouri - Columbia, USA	United States of America		knowledge synthesis, Knowledge in Society

Chapter – 3
Research Methodology

Objectives of the Study

Hypotheses

Research Design

Type of Data Sources

Sampling Design

Reliability and Validity of the Measures Used

Statistical Tools to Test the Hypothesis

Scope and Limitations of the Study

Summary

Title of the Research Study

"Study of selective marketing mix contributing to success of restaurant operations in Pune Municipal Corporation area (Period: April 2014 to march 2017)"

Objectives of the Study

1. To study the role of selective Marketing Mix in the success of restaurant operations in PMC Area.
2. To identify the chronology of selective Marketing Mix factors in success of Restaurant operations in Pune Municipal Corporation Area.

Hypotheses

H_1: Place is not an important marketing mix factor in success of restaurant operations

H_2: Product is an important marketing mix factor in success of restaurant operations.

H_3: Price is not an important marketing mix factor in success of restaurant operations.

H_4: Promotion is an important marketing mix factor in success of restaurant operations.

H_5: Physical evidence is not an important marketing mix factor in success of restaurant operations.

H_6: People are an important marketing mix factor in success of restaurant operations.

H_7: Process is an important marketing mix factor in success of restaurant operations.

Research Design

Methods and procedures used to conduct a research can be called as "Research Design". These methods and procedures are helpful for the collecting, measuring and analyzing data collected for the research purpose. For the present research, researcher has adopted descriptive research design which describes attitudes of people, collection of quantitative information, description of categories of qualitative information, gathering of data that describe events and then organization, tabulation, depiction, and

description of data. In the present study, data is organized in such a way that it appears in analysis and with visual aids it is presented. For the same purpose graphs and charts are used to help readers.[113]

Type of data sources

Researcher has used together primary and secondary data as information source to collect data required. Structured questionnaires were developed to collect primary data for the research. Various types of questions like multiple choice, dichotomous and likert - type scale are included in these questionnaires. In addition, questionnaires comprised scale like ordinal, nominal, ratio and interval to formulate the questionnaires effective and to make sure quality of replies received. The researcher paid attention to the sequence of questions while preparing the questionnaires. Researcher has used books, magazines, research articles, industry literatures and online reports of various research and government organizations to collect secondary data.

Sampling Design

I.   *Population:*

A specific plan to obtain a sample from a given population is known as 'Sampling Design'. Researcher has chosen diversified techniques while selecting the items for the samples. Since the present study is based on selective marketing mix strategies contributing to success of restaurant operations in Pune Municipal Corporation area, each hotel kitchen / restaurant under various categories are potential units of getting responses for research questionnaire and can be a part of the Research population. Thus population consisting of hotels and restaurants with various categories like Speciality Restaurants, Multi-cuisine Restaurants, Ethnic Restaurants, Fast Food Restaurants and Fast Casual Restaurants, etc. in the region. After referring the list of licensed food and beverage service outlets received from (FDA) Food and Drug Administration office, Pune, researcher has able to establish a list of population consisting 768 units of hotel kitchens and restaurants. Thus, population for this study is considered as 768 units.

Out of all potential units i.e. from population, the researcher has chosen the restaurants with Multi Cuisine International, Multi Cuisine Indian, Fast Food, Quick

Service Restaurant and Specialty Cuisine. The responses were obtained from restaurant owners, managers and supervisors. One organization (kitchen / restaurant) is considered as one unit for response of questionnaire. To get more insight into the subject, researcher has also conducted survey with the help of designed questionnaire for customers who frequently visit those restaurants.

II. *Sample Size:*

Sample size is the number of items needs to be chosen from population to make up 'Sample' for Research. Formula to derive the right sample size 'By Proportion' is,

$$n = z^2 * p * q / e^2,$$

The sample size is 256 with 95% level of confidence along with 50% of precision for the population of 768. For better output in terms of more detailed and qualitative information the researcher has circulated 500 questionnaires. As a response, researcher received total 258 appropriate responses. This makes a 51.2% rate of response in this case. Likewise, for infinite population of customers, researcher has distributed 900 questionnaires and received 502 appropriate responses, which is 55.7% rate of response.

III. *Sampling Method:*

Simple random sampling technique is used by researcher based on the list of hotels, kitchens and restaurants in Pune region which refers to sample selection method. This method creates an equal chance for each potential sample combination for being picked up and every item in the whole population has equal possibility of being incorporated in sample. On the other hand, to collect the data from customers, researcher has used convenience sampling technique.

Validity and Reliability of Measures Used for Research

After collecting 30 responses and tested for validity in terms of content validity, face validity and pre-test with regards to check the dependability and soundness of research measures.

Statistical Tools used to Test Hypothesis

To test the hypotheses descriptive statistics is used along with inferential statistics plus One Sample t –Test. SPSS of version 17.0 (Statistical Package for Social Sciences Program) is used for this research study for the assessments of all statistical data. All the data was checked carefully to remove incorrect entries and missed values. It is necessary to check all the data collected before its assessment to get reliable analysis at the end.

Scope and Limitations of the Study

Primary and secondary methods are used by researcher for various data collection. There is a possibility of data collected is affected directly or indirectly due to various reasons. The researcher has complete awareness of these possibilities. Beyond this the researcher tried to take care to get the results which are representative for the universe. In addition, researcher is also aware following limitations of research work. There is a scope for further research regards to this topic. Limitations of this study are as follows,

a. The researcher had chosen Pune Municipal Corporation region as a geographical region for the research study. With the available and limited resources researcher has opted for limited geographical area for research study. Similar research can be conducted in future with more and sufficient resources availability.

b. Considering the time frame constraint the research study was conducted. Restaurant industry is very dynamic in nature and there are chances of references become obsolete. For the same reason, research need to be completed in a certain time frame. Taking into account the limitations of time, only Pune Municipal Corporation region is selected for the study by researcher.

c. Undoubtedly, restaurant industry is very dynamic in nature. Though the researcher had made every effort to account for these 'happenings' in the industry, but it was beyond the scope of the study to cover all the happenings.

d. At the outset of the need of secondary data, reliability of the presumption and observations naturally depend on the authenticity of the secondary source of information and also the information itself. Of course, while doing so and being aware of these limitations, the researcher herein has taken due care and precautions at very possible stage not allowing any prejudice or bias in the work.

While considering the limitations of the existing study, the researcher proposes that the similar kind of study can be conducted in other parts of the country to get more insight into the subject.

Summary

The researcher has used both primary and secondary data sources to collect information. Structured and un-disguised questionnaires were developed as a research instrument to collect primary data. However, researcher has collected the secondary data through books, magazines, research articles, industry literatures and online reports of various research and government organizations.

The present study is based on selective marketing mix strategies contributing to success of restaurant operations in Pune Municipal Corporation area. Population consisting of hotels and restaurants with various categories likes Speciality Restaurants, Multi-cuisine Restaurants, Ethnic Restaurants, Fast Food Restaurants and Fast Casual Restaurants, etc. in the region. After referring the list of licensed food and beverage service outlets received from (FDA) Food and Drug Administration office, Pune, researcher has able to establish a list of population consisting 768 units of hotel kitchens and restaurants. Thus, population for this study is considered as 768 units.

Out of all potential units i.e. from population the responses were obtained from restaurant owners, managers and supervisors. One organization (kitchen / restaurant) is considered as one unit for response of questionnaire. To get more insight into the subject, researcher has also conducted survey with the help of designed questionnaire for customers who frequently visit those restaurants.

As per the sample size formula 'By Proportion' **($n=z^2*p*q/e^2$)**, when population is 768 and at 95% confidence level and 50% precision; the sample size is 256. To get more detailed and qualitative output the researcher has distributed 500 questionnaires. In response to that, researcher has received 258 appropriate responses, which is 51.2% rate of response. Likewise, for infinite population of customers, researcher has distributed 900 questionnaires and received 502 appropriate responses, which is 55.7% rate of response.

The researcher has adopted simple random sampling technique based on the list of hotels kitchens and restaurants in Pune region which refers to that method of sample selection which gives each possible sample combination an equal probability of being picked up and each item in the entire population to have equal chance of

being included in the sample. However, to collect the data from customers, researcher has used convenience sampling technique.

In this study, descriptive statistics is used followed by inferential statistics including One Sample t-Test to test the hypotheses. The Statistical Package for the Social Sciences Program (SPSS) version 17.0 was used in this study for all the statistical assessments.

The researcher had chosen Pune Municipal Corporation region as a geographical spread for the study. By the limited resources available with the researcher, the geographical area was limited. However, the study could have been conducted on a larger geographical area with availability of sufficient resources. On account of the highly dynamic nature of the restaurant industry, it is always possible that the data, references and periodicals may become obsolete. Also, because of having limitations of time, the researcher has to limit his study to the selected samples in Pune Municipal Corporation region. It is beyond the scope of the study to cover all the happenings in restaurant industry.

While considering the limitations of the existing study, the researcher proposes that the similar kind of study can be conducted in other parts of the country to get more insight into the subject.

Chapter 4

Data Analysis and Interpretation

Introduction

Data Analysis of Questionnaire 1: Customers Survey

Data Analysis of Questionnaire 2: Restaurant Survey

Hypotheses Validation

Summary

Introduction

In the data analysis, descriptive statistics was first used followed by inferential statistics as One-Sample t-Test to test the hypotheses. Following table provides an overview of type of data and statistical tools used for analysis for questionnaire 1 (customer survey) and questionnaire 2 (restaurant survey):

Table 4.1: Types of Data and Analytical Techniques Used

Sr. No.	Type of Data	Question Numbers	Analytical Tool Used
	Questionnaire 1		
1	Nominal and Ordinal Data		Percentage, Cumulative Percentage
2	Scale (Interval and Ratio)		Percentage, Cumulative Percentage, One-Sample t-Test
	Questionnaire 2		
1	Nominal and Ordinal Data		Percentage, Cumulative Percentage
2	Scale (Interval and Ratio)		Percentage, Cumulative Percentage, One-Sample t-Test

Data Analysis of Questionnaire 1: Customers Survey

Table 4.2: Respondents Profession

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Service	230	45.8	45.8	45.8
	Self-Employed	43	8.6	8.6	54.4
	Others (Student/House-Wife)	229	45.6	45.6	100.0
	Total	502	100.0	100.0	

Figure 4.1: Respondents Profession
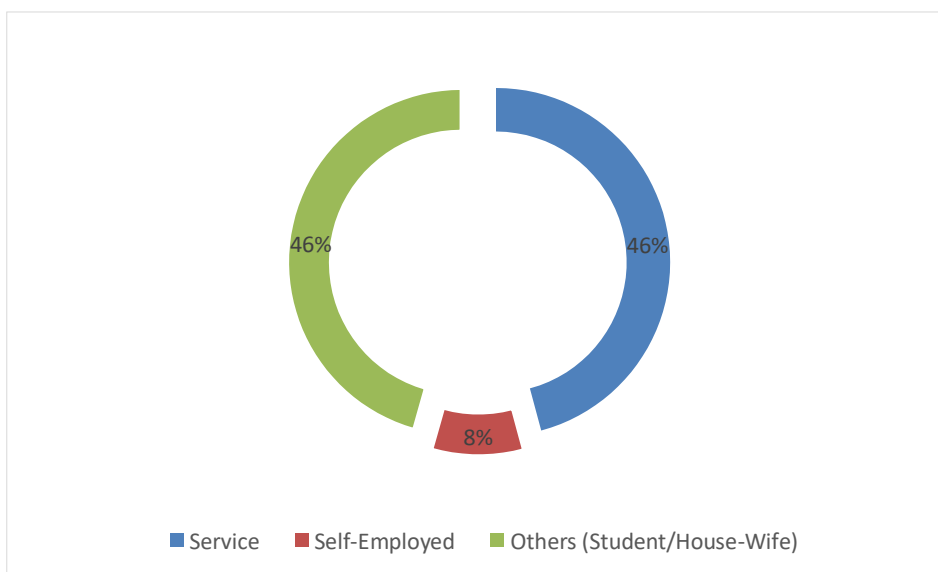
Asking a person's income is a sensitive question to the point that some people even think of it as an invasive one. However, occupation / employment status of an individual gives the better platform to respondent to express him/her. People with different occupational background have differences in opinion. We can say that out of 502 respondents, most of respondents were from service class and recorded 45.8 percent of total response followed by 45.6 percent of respondents form other category (house-wife, students, etc.). Remaining 43 respondents were self-employed and covered 8.6 percent of response. Diagrammatic representation of the analysis is illustrated in figure 4.1.

Table 4.3: Gender of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	329	65.5	65.5	65.5
	Female	173	34.5	34.5	100.0
	Total	502	100.0	100.0	

Figure 4.2: Gender of Respondents
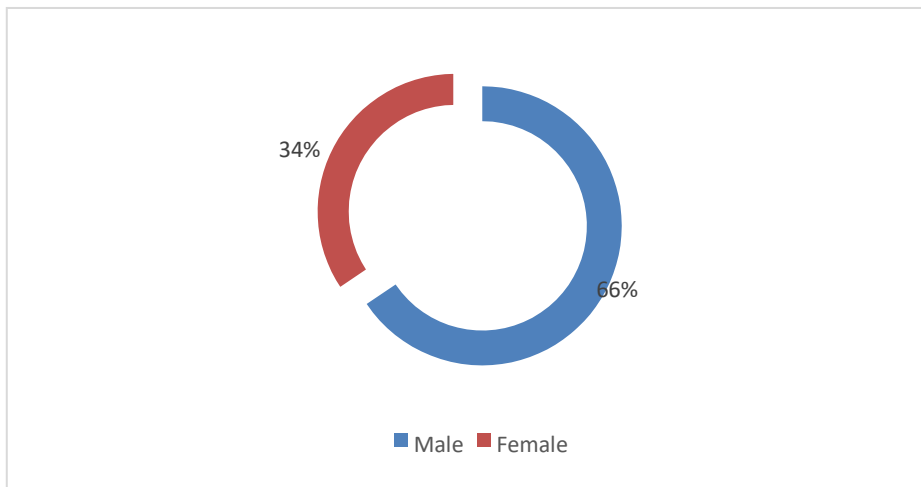
A person's gender can have a huge effect on their way of thinking, thus majorly affecting the result of the survey. Table 4.3 tells us respondents' gender-wise division. It clarifies that majority of the respondents are male, covering 65.5 percent of the total response followed by 34.5 percent of responses from female respondents. Diagrammatic representation of the analysis is illustrated in figure 4.2.

Table 4.4: Age of Respondents'

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 to 28	273	54.4	54.4	54.4
	29 to 39	139	27.7	27.7	82.1
	40 to 50	70	13.9	13.9	96.0
	More than 50	20	4.0	4.0	100.0
	Total	502	100.0	100.0	

Figure 4.3: Age of Respondents'
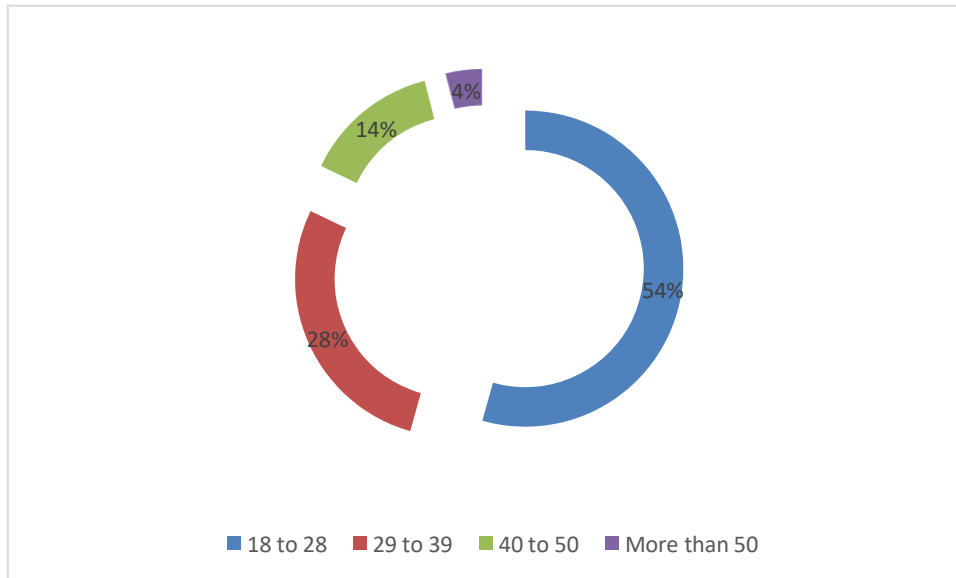
Age can make a difference in several aspects of life. Table 4.4 presents respondents' age-wise breakup.

273 respondents out of 502 respondents were from the age group between 18 to 28 years and accounted to 54.4 percent of response. Similarly, 139 respondents were from the age group between 29 to 39 years, covered 27.7 percent of total response. Likewise, 70 respondents were between age of 40 to 50 years, reported 13.9 percent of response. Merely, 20 respondents were above age of 50 years and marked as 4 percent of response. Figure 4.3 presents the graphical illustration of the data.

Table 4.5: Frequency of Dining Out per Month

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-1 times	113	22.5	22.5	22.5
	2-3 times	231	46.0	46.0	68.5
	4-5 times	102	20.3	20.3	88.8
	6-7 times	25	5.0	5.0	93.8
	More than 8 times	31	6.2	6.2	100.0
	Total	502	100.0	100.0	

Figure 4.4: Frequency of Dining Out per Month
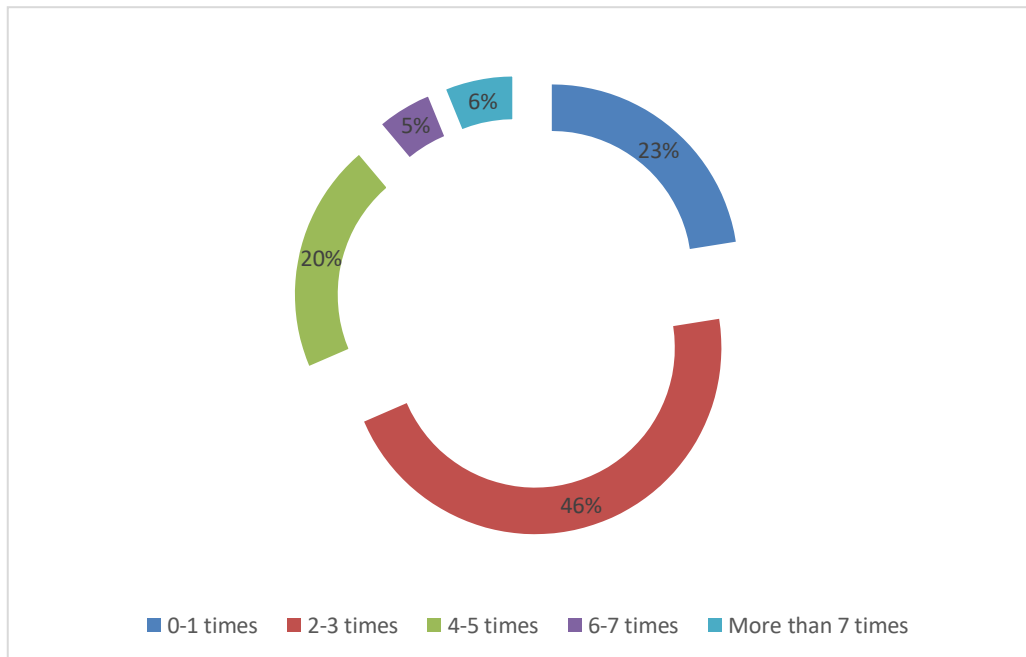
Since independence Indian lifestyle has undergone many changes. Food and taste habits are no exception to this. Moreover, Indian economy has been growing at tremendous pace for last few years. The rising income levels of population leads to increase in spending. Moreover, nuclear families with more than one earning member leads to more spending in Indian family structures. This is observed in the change in the eating-out habits of the population where more preference is given to dine out. Table above represents frequency of dining out per month by respondents. It can be stated that 46 percent respondents prefer 2 to 3 times dining out per month followed by 22.5 percent of respondents go once a month for dining out in the restaurant. Table above shows that out of total respondents 20.3 percent of respondents like to 4 to 5 times out for dining. Likewise 5 percent like to 6 to 7 times out for dining. Table also shows that there are 6.2 percent of respondents who prefer to go more than 8 times a month for dining out. Figure 4.4 presents the graphical illustration of the data presented in the above table.

Table 4.6: Selection Criterion of Restaurant (Family)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Convenience to Reach	146	29.1	29.1	29.1
	Food Taste and Quality	229	45.6	45.6	74.7
	Price of Food	86	17.1	17.1	91.8
	Known Brand	41	8.2	8.2	100.0
	Total	502	100.0	100.0	

Figure 4.5: Selection Criterion of Restaurant (Family)
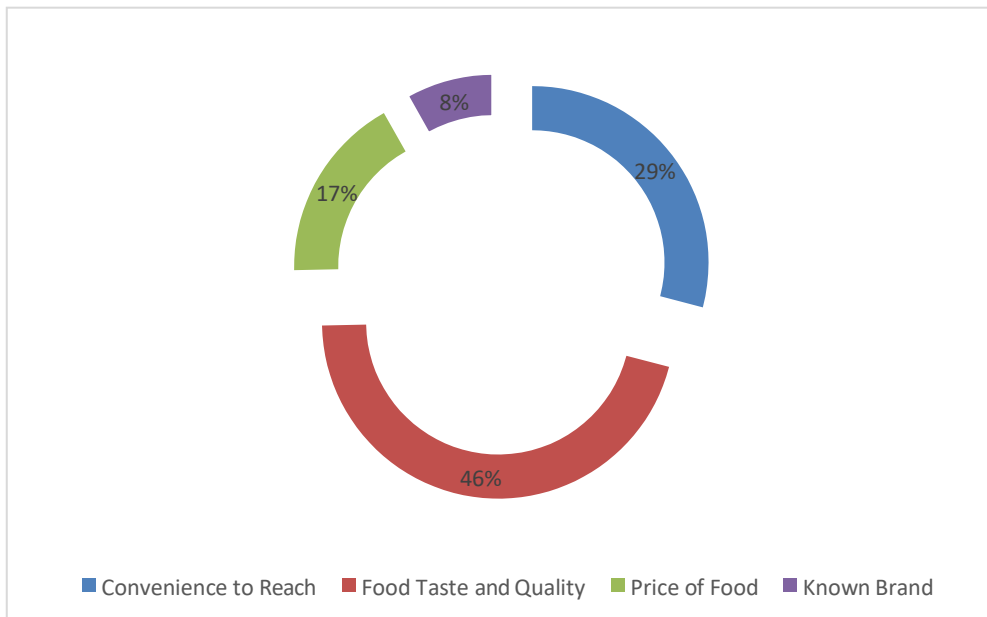
Family customers are generally composed of households from definite cultural, ethnic and economic backgrounds and most of who have certain and conflicting restaurant preferences. As such, they have different characteristics; hence, they tend to use different criteria in selecting restaurants. Table 4.6 presents viewpoint of respondents on criterions they look when they go out for dining in restaurants with their families. There are 229 respondents out of total respondents who prefer taste of food and quality over rest of criterion and accounts for 45.6 percent of response. However, 146 respondents, i.e. 29.1 percent of respondents

prefer convenience of restaurant as an important criterion while selecting restaurant for dining out with family. It can be observed that from17.1 percent of respondents price of food product is an important criterion of selection of restaurant. Merely 8.2 percent of respondents prefer brand as a section criterion over other elements while dining out with family. Diagrammatic representation of the analysis is illustrated in figure 4.5.

Table 4.7: Selection Criterion of Restaurant (Friends)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Convenience to Reach	241	48.0	48.0	48.0
	Food Taste and Quality	171	34.1	34.1	82.1
	Price of Food	66	13.1	13.1	95.2
	Known Brand	24	4.8	4.8	100.0
	Total	502	100.0	100.0	

Figure 4.6: Selection Criterion of Restaurant (Friends)

Table 4.7 presents the selection criterion that respondents look for while going out for dining with their friends. "Reach of restaurant" is the most important criterion affects section of restaurant for respondents while dining out with friends and this count to 241 responses, i.e. 48 percent of total response. Food taste and quality is the rated as the important criterion for 34.1 percent of respondents while dining out with friends. Likewise from the perspective of 13.1 respondents price of food affects their selection of restaurant while dining out with

friends and for 4.8 percent of respondents, brand of restaurant affects their selections while dining out with friends. Data is graphically presented in the figure 4.6.

Table 4.8: Selection Criterion of Restaurant (Colleagues)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Convenience to Reach	198	39.4	39.4	39.4
	Food Taste and Quality	189	37.6	37.6	77.1
	Price of Food	79	15.7	15.7	92.8
	Known Brand	36	7.2	7.2	100.0
	Total	502	100.0	100.0	

Figure 4.7: Selection Criterion of Restaurant (Colleagues)

Table above presents the statistics about selection criterion of restaurant while going out for dining with colleagues. In the opinion of 39.4 percent of respondents' convenience to reach influences their selection of restaurant while going out for dining with colleagues. However, 37.6 percent of respondents give importance to food taste and quality while going out for dining with colleagues. Likewise from the opinion of 15.7 percent of respondents, price of food impacts their selection of restaurant while going out for dining with colleagues.

Remaining 7.2 percent of respondents give importance to band of restaurant while going out for dining with colleagues. Figure 4.7 illustrates the data in graph.

Table 4.9: First Choice of Cuisine

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Multi Cuisine International	90	17.9	17.9	17.9
	Multi Cuisine Indian	242	48.2	48.2	66.1
	Fast Food	54	10.8	10.8	76.9
	Quick Service Restaurant	64	12.7	12.7	89.6
	Specialty Cuisine	52	10.4	10.4	100.0
	Total	502	100.0	100.0	

Figure 4.8: First Choice of Cuisine
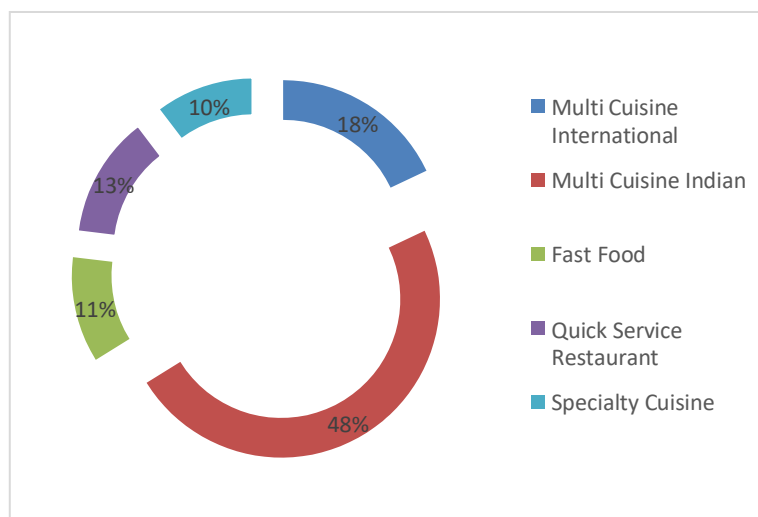
A cuisine is definite customary of cooking practices and traditions, often related with a specific culture and/or region. Each cuisine involves food preparation in a certain style, of food and drink of certain types, to produce individually consumed items or distinct meals. In the world of globalization, today's customers can experience numerous cuisines at any desired place. Above table presents the statistics of fondness of respondents for select cuisines as specified. Most of the respondents are fond of multi cuisine Indian food and

accounts for 48.2 percent of response. Similarly, 17.9 percent of respondents are fond of multi cuisine international food. Table also reveals that 12.7 percent of respondents prefer visiting quick service restaurant followed by 10.8 percent of respondents prefer visiting fast food restaurants. Remaining 10.4 percent of respondents are affectionate to specialty cuisines. Diagrammatic representation of the analysis is illustrated in figure 4.8.

Table 4.10: Selection based on Promotion and Print Media

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	17	3.4	3.4	3.4
	Rarely	41	8.2	8.2	11.6
	Occasionally	45	9.0	9.0	20.5
	Mostly	147	29.3	29.3	49.8
	Always	252	50.2	50.2	100.0
	Total	502	100.0	100.0	

Mean: 4.14; S.D: 1.09

Figure 4.9: Selection based on Promotion and Print Media

■ Never ■ Rarely ■ Occasionally ■ Mostly ■ Always
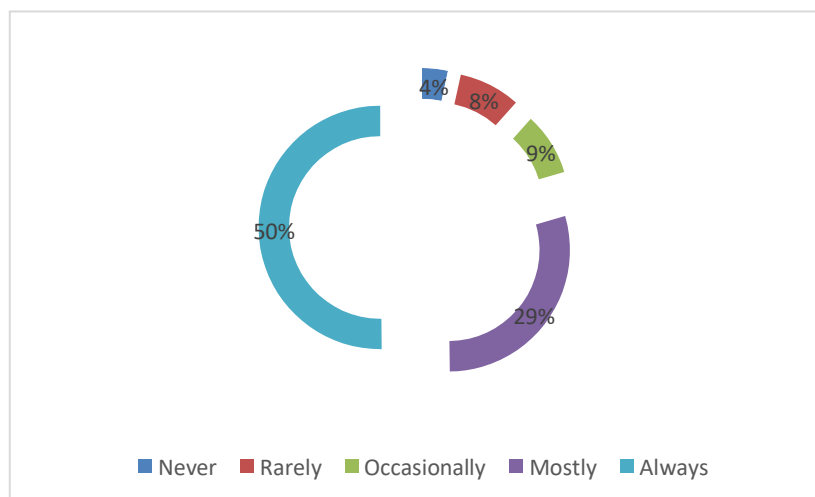
Promotion and print media advertising involves all activities concerned with effectively communicating product information to selected target audience. All promotions are done with purpose. The prime purpose of communication through promotions is to seek cognitive, affective or behavioural response. Through promotion, communicator want to imprint something into consumer's mind, change an attitude or get the consumer to act. To find out how promotion and print media advertisements affects the respondents' selection criterion of

restaurants, researcher has developed and used five point likert scale where responses were recorded on 'always' to 'never' approach; where (5) being the highest and (1) being the lowest score on response bench.

252 respondents have acknowledged that their selection of restaurant is always influenced by promotion and print advertisements and recorded for 50.2 percent of total response. Similarly, 29.3 percent of respondents have affirmed that their selection of restaurant is mostly influenced by promotion and print advertisements. Merely, 3.2 percent of respondents acknowledged that they never select the restaurant based on promotion and print advertisements. The mean value of an element is observed as 4.14 with 1.09 values of standard deviations. As standard deviation is lesser than one third of mean, mean is the representative value. Thus it can be concluded that respondents select restaurants based on promotion and print advertisements. Diagrammatic representation of the analysis is illustrated in figure 4.9.

Table 4.11: Comfort and Seating Arrangement

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all Important	13	2.6	2.6	2.6
	Less Important	31	6.2	6.2	8.8
	Moderately Important	60	12.0	12.0	20.7
	Important	144	28.7	28.7	49.4
	Very Important	254	50.6	50.6	100.0
	Total	502	100.0	100.0	

Mean: 4.18; S.D.: 1.03

Figure 4.10: Comfort and Seating Arrangement
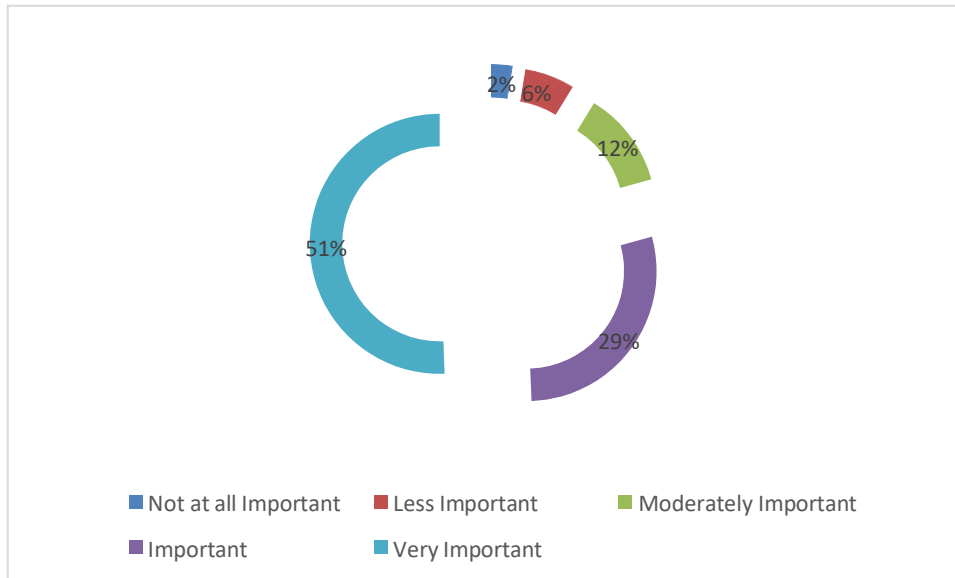
Eating out is not just about food. It is the experience that matters. Customer needs to feel extra special. Eating out is not just about the tongue. It involves all the human senses and if each of these senses is pleased, the whole experience becomes pleasurable. The right comfort and seating arrangement can really make restaurant stand out among the rest. To find out the importance of comfort and seating arrangement from the perspective of respondents, researcher has developed and used five point likert scale where responses were recorded on 'very important' to 'not at all important' approach; where (5) being the highest and (1) being the lowest score on response bench. Out of total 502 respondents 254 respondents acknowledged that comfort and seating arrangement is very important element while selecting restaurant and accounts for 50.6 percent of response. Likewise, 28.7 percent of respondents acknowledged that comfort and seating arrangement is important element while selecting restaurant. Merely, 2.6 percent of respondents did not acknowledge that comfort and seating arrangement is very important element while selecting restaurant. The mean value of an element is observed as 4.18 with 1.03 values of standard deviations. As standard deviation is lesser than one third of mean, mean is the representative value. Thus it can be concluded that comfort and seating arrangement is one of the important elements of selecting restaurant. Diagrammatic representation of the analysis is illustrated in figure 4.10.

Table 4.12: Quality, Quantity and Service of Food

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all Important	74	14.7	14.7	14.7
	Less Important	130	25.9	25.9	40.6
	Moderately Important	68	13.5	13.5	54.2
	Important	130	25.9	25.9	80.1
	Very Important	100	19.9	19.9	100.0
	Total	502	100.0	100.0	

Mean: 3.10; S.D.: 1.37

Figure 4.11: Quality, Quantity and Service of Food
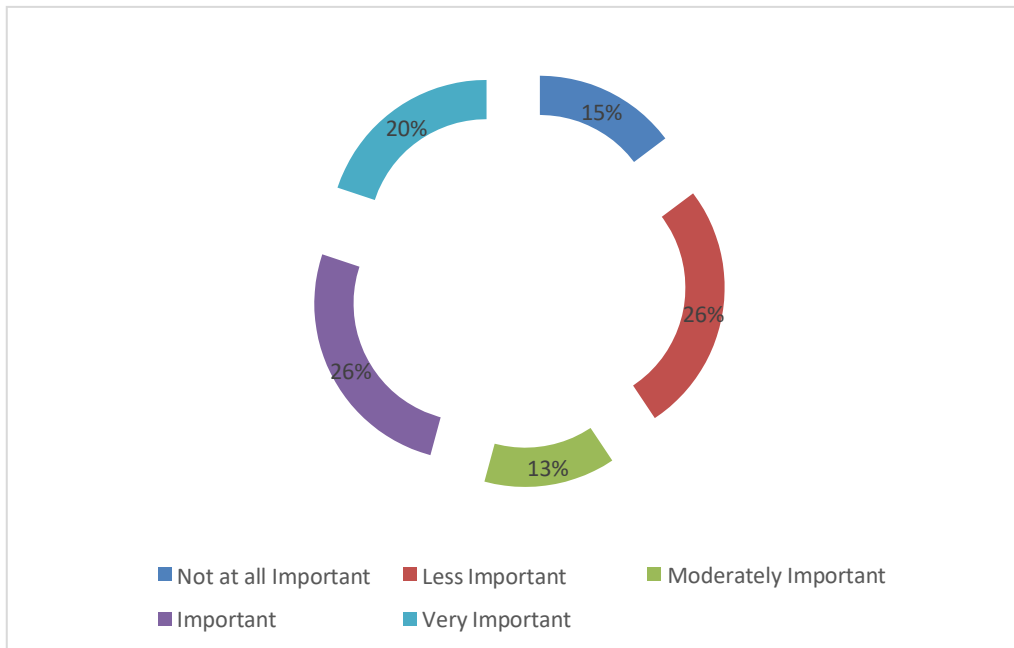
Food quality is the feature characteristics of food that is acceptable to customers. Food quality includes external factors as size, shape, colour, gloss, consistency, texture, and flavour. Whereas food quantity refers to right quantity of food that can be finished by desired number of customers; and service refers to delivery of right food at right time to right customer. Undoubtedly, today, eating out is more than just a food. Nevertheless, to find out

the importance of quality, quantity and service of food from the perspective of respondents, researcher has developed and used five point likert scale where responses were recorded on 'very important' to 'not at all important' approach; where (5) being the highest and (1) being the lowest score on response bench.

130 respondents acknowledged the importance of quality, quantity and service of food while selecting restaurant. However, same amount of respondents acknowledged that quality, quantity and service of food are not important while selection of restaurant. The mean value of an element is observed as 3.10 with 1.37 values of standard deviations. Though mean value is more than the mid of measurement scale, standard deviation is greater than one third of mean. Thus it can be concluded that mean is not the representative value. Thus it can be concluded that the quality, quantity and service of food are not important elements of selecting restaurant. Diagrammatic representation of the analysis is illustrated in figure 4.11.

Table 4.13: Professional Staff

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all Important	16	3.2	3.2	3.2
	Less Important	69	13.7	13.7	16.9
	Moderately Important	72	14.3	14.3	31.3
	Important	210	41.8	41.8	73.1
	Very Important	135	26.9	26.9	100.0
	Total	502	100.0	100.0	

Mean: 3.75; S.D.: 1.09

Figure 4.12: Professional Staff
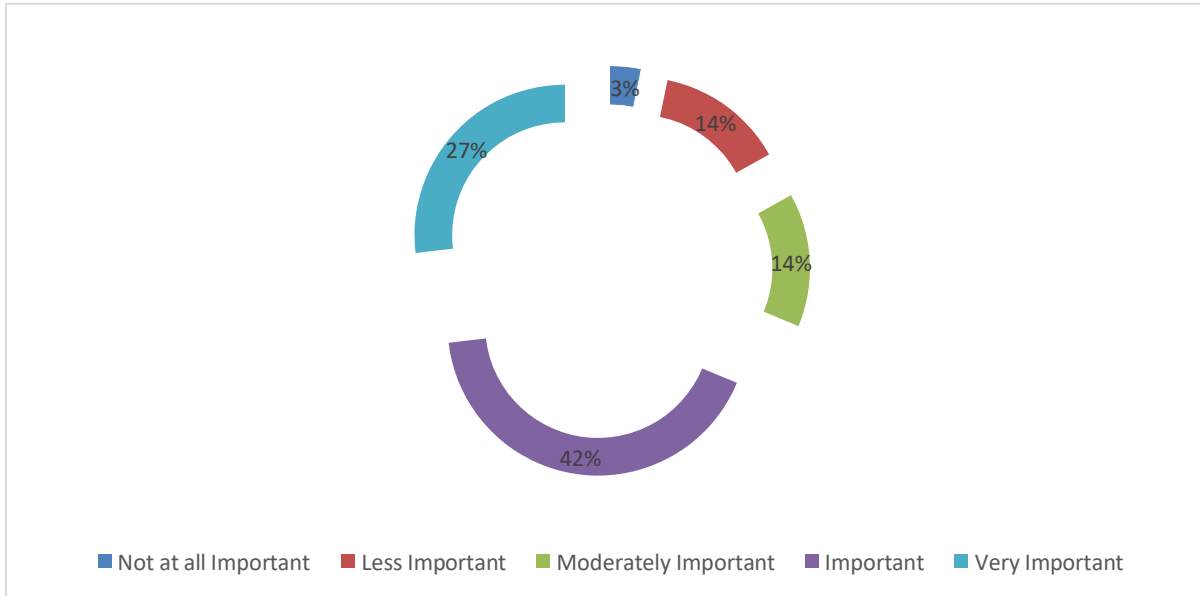
There are several things that keep a restaurant running, but one of the most important sources of fuel for the continued success in business is great professional employees. The professional staff creates first impression. They are responsible for creating the entire dining experience, from seating of the customer to serving dessert and clean-up. To find out the importance of professional staff while selecting the restaurant from the perspective of respondents, researcher has developed and used five point likert scale where responses were recorded on 'very important' to 'not at all important' approach; where (5) being the highest and (1) being the lowest score on response bench.

210 respondents have acknowledged the importance of professional staff while selecting the restaurant and recorded 41.8 percent of response. Likewise, 135 respondents, i.e. 26.9 percent, have recognized that professional staff is very important element of selection of restaurant. Merely, 3.2 percent of respondents have not acknowledged the importance of staff in selection of restaurant. The mean value of an element is observed as 3.75 with 1.09 values of standard deviations. As mean value is more than the mid value of measurement scale and standard deviation is lesser than one third of mean, mean is the representative value. Thus it can be concluded that professional staff is an important element of selection of restaurant from respondents' perspective. Diagrammatic representation of the analysis is illustrated in figure 4.12.

Table 4.14: Price of Food Products Impacts Restaurant Preference

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	13	2.6	2.6	2.6
	Disagree	55	11.0	11.0	13.5
	Undecided	119	23.7	23.7	37.3
	Agree	210	41.8	41.8	79.1
	Strongly Agree	105	20.9	20.9	100.0
	Total	502	100.0	100.0	

Mean: 3.67; S.D.: 1.00

Figure 4.13: Price of Food Products Impacts Restaurant Preference
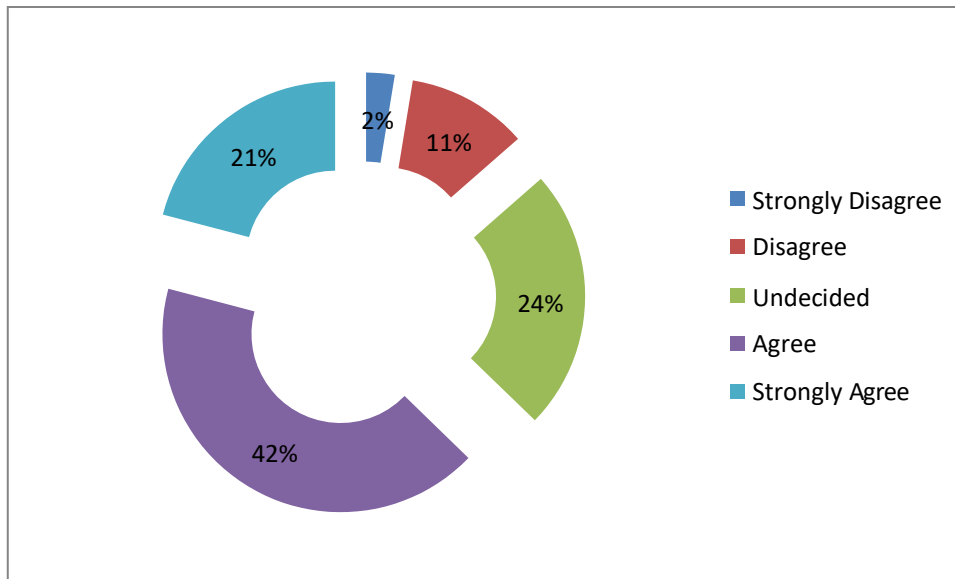
Price is the amount of money charged for a product or service. Price is the amount of money needed to acquire some combination of other and its accompanying services. Broadly, price is the total amount that being exchange by the customer to obtain a benefit of the product or service owning. Indeed, price of the product affects the buying decision of customers. To find out the importance of price while selecting the restaurant from the perspective of respondents, researcher has developed and used five point likert scale where responses were recorded on

'strongly agree' to 'strongly disagree' approach; where (5) being the highest and (1) being the lowest score on response bench.

210 respondents have agreed that price of the food products impacts their preference for restaurants and accounts to 41.8 percent of response. Likewise, 20.9 percent of respondents have strongly agreed that price of the food products impact their preference for restaurants. Merely, 2.6 percent of respondents have strongly disagreed to the fact that prices of food products impact their preference for restaurants. The mean value of an element is observed as 3.67 with 1.00 values of standard deviations. As mean value is more than the mid value of measurement scale and standard deviation is lesser than one third of mean, mean is the representative value. Thus it can be concluded that price is an important element of selection of restaurant from respondents' perspective. Diagrammatic representation of the analysis is illustrated in figure 4.13.

Table 4.15: Price defines Quality of Food and Beverages at Restaurants

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	17	3.4	3.4	3.4
	Disagree	73	14.5	14.5	17.9
	Undecided	86	17.1	17.1	35.1
	Agree	227	45.2	45.2	80.3
	Strongly Agree	99	19.7	19.7	100.0
	Total	502	100.0	100.0	

Mean: 3.63; S.D.: 1.05

Figure 4.14: Price defines Quality of Food and Beverages at Restaurants
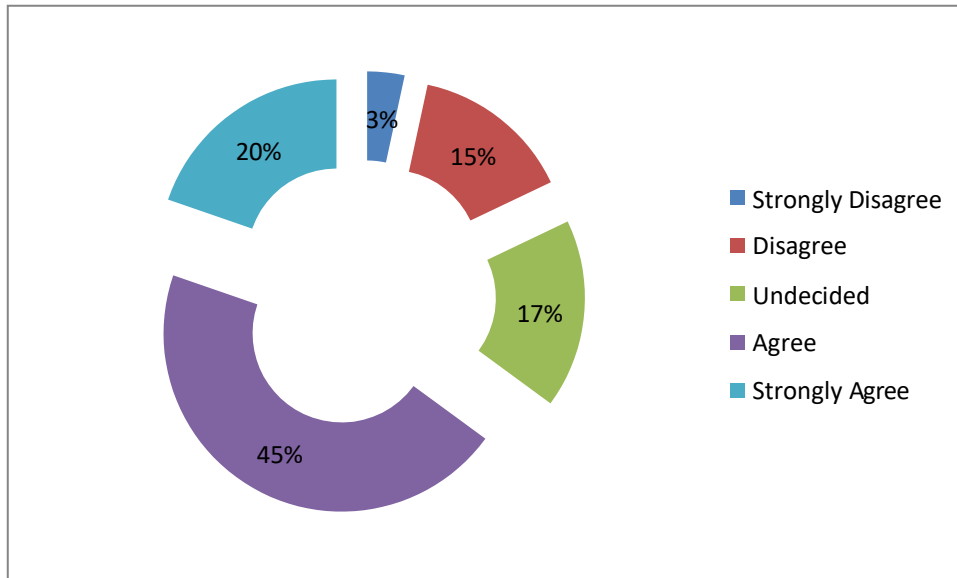
One might expect a strong positive relationship between price of the product and quality. Usually, a high price indicates either bad value or good quality product, whereas low price indicates either good value or poor quality product. To find out perception of respondents for quality against price of food and beverages, researcher has developed and used five point likert scale where responses were recorded on 'strongly agree' to 'strongly disagree' approach; where (5) being the highest and (1) being the lowest score on response bench.

227 respondents have strongly agreed that price defines quality of food and beverages at restaurants and recorded 45.2 percent of response. Moreover, 19.7 percent of respondents have strongly agreed to the fact that price defines quality of food and beverages at restaurants. Merely, 3.4 percent of respondents have strongly disagreed to the fact that price defines quality of food and beverages at restaurants. The mean value of an element is observed as 3.63 with 1.05 values of standard deviations. As mean value is more than the mid value of measurement scale and standard deviation is lesser than one third of mean, mean is the representative value. Thus it can be concluded that price defines quality of food and beverages at restaurants. Diagrammatic representation of the analysis is illustrated in figure 4.14.

Table 4.16: Essentials of Hygiene and Sanitation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	19	3.8	3.8	3.8
	Disagree	71	14.1	14.1	17.9
	Undecided	111	22.1	22.1	40.0
	Agree	209	41.6	41.6	81.7
	Strongly Agree	92	18.3	18.3	100.0
	Total	502	100.0	100.0	

Mean: 3.56; S.D.: 1.06

Figure 4.15: Essentials of Hygiene and Sanitation

Hygiene is a set of personal practices that contribute to good health whereas sanitation is the effective use of tools and actions that keep our environment healthy. To find out sensitivity of respondents on hygiene and sanitation while selecting restaurant, researcher has developed and used five point likert scale where responses were recorded on 'strongly agree' to 'strongly disagree' approach; where (5) being the highest and (1) being the lowest score on response bench.
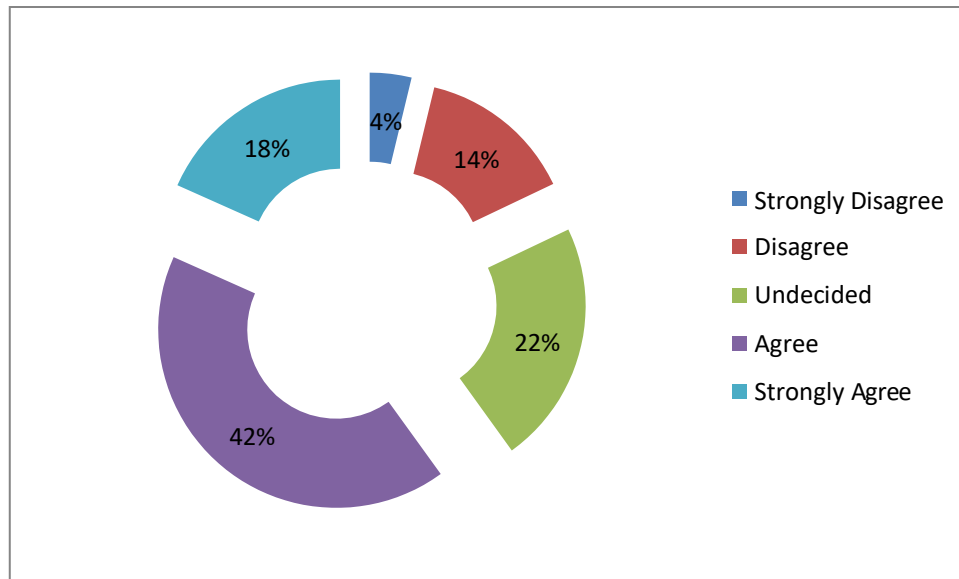
209 respondents have agreed that hygiene and sanitation are important elements of their consideration while selecting restaurant which accounts for 41.6 percent of response. Likewise, 18.3 percent of respondents have strongly agreed that hygiene and sanitation are important elements of their consideration while selecting restaurant. Merely, 3.8 percent of respondents have strongly disagreed that hygiene and sanitation are important elements of their consideration while selecting restaurant. The mean value of an element is observed as 3.56 with 1.06 values of standard deviations. As mean value is more than the mid value of measurement scale and standard deviation is lesser than one third of mean, mean is the representative value. Thus it can be concluded that hygiene and sanitation are important elements of consideration while selecting restaurant. Diagrammatic representation of the analysis is illustrated in figure 4.15.

Table 4.17: Helpfulness of Website and Feedback * Website and Feedback

		Website and Feedback		
		No	Yes	Total
Usefulness of Website and Feedback	Not Applicable	111	0	111
	Not Helpful at all	0	31	31
	Little Helpful	0	75	75
	Moderately Helpful	0	129	129
	Helpful	0	103	103
	Very Helpful	0	53	53
Total		111	391	502

Figure 4.16: Helpfulness of Website and Feedback * Website and Feedback
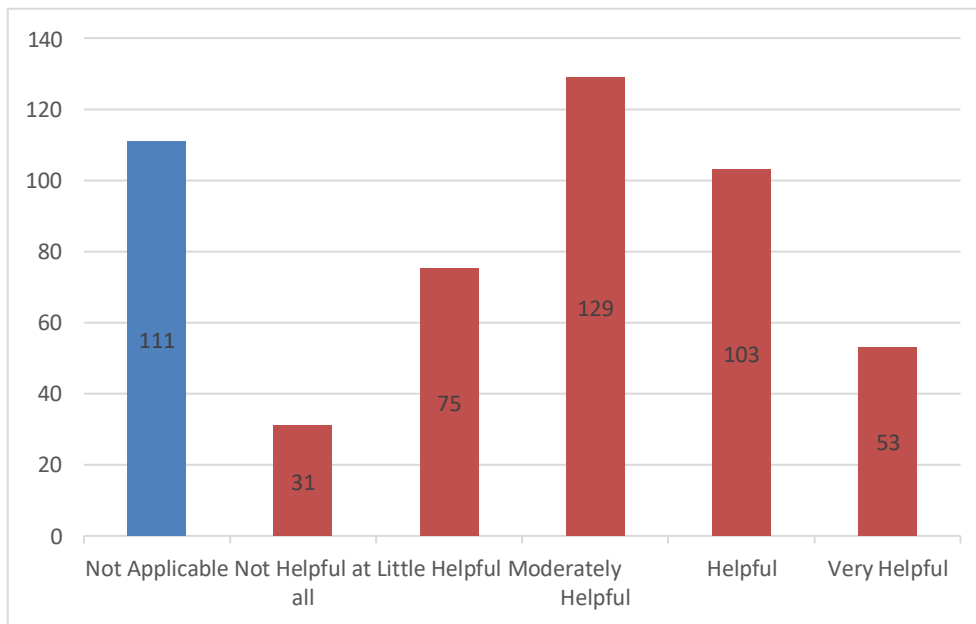
Websites and feedback mechanism provides a sense of credibility to organizations. Moreover, they further establishes brand as a professional service. Having a website and feedback mechanism provides businesses an opportunity to build a long-lasting relationship with customers. Out of 502 respondents, 111 respondents do not check the internet website of a restaurant and feedback written about restaurant before selecting a restaurant. Conversely, 391 respondents have acknowledged that they visit the website of a restaurant and check for feedback written about restaurant before selecting a restaurant. However, from the opinion of 75 respondents these websites and feedback are little helpful for selecting restaurant. More than that 31 respondents believe that these websites and feedback are not at all helpful for selecting restaurant. Diagrammatic representation of the analysis is illustrated in figure 4.16.

Table 4.18: Selection of Restaurant due to Word-of-Mouth

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	82	16.3	16.3	16.3
	Rarely	69	13.7	13.7	30.1
	Occasionally	165	32.9	32.9	62.9
	Mostly	142	28.3	28.3	91.2
	Always	44	8.8	8.8	100.0
	Total	502	100.0	100.0	

Mean: 2.99; S.D.: 1.19

Figure 4.17: Selection of Restaurant due to Word-of-Mouth

Word of mouth is a free form of advertisement communication. It is shared by customers and triggered by their experiences. These experiences are something beyond what is expected. To find out effect of word of mouth on selecting restaurant, researcher has developed and used

five point likert scale where responses were recorded on 'always' to 'never' approach; where (5) being the highest and (1) being the lowest score on response bench.

142 respondents have affirmed effect of word of mouth on selection of restaurant and recorded 28.3 percent of response. However, 32.9 percent of respondents were undecided on the fact that word of mouth affects their selection of restaurant. Moreover, 16.3 percent of respondents have affirmed that word of mouth never affects their selection of restaurant. The mean value of an element is observed as 2.99 with 1.19 values of standard deviations. As mean value is less than the mid value of measurement scale and standard deviation is more than one third of mean, mean cannot be the representative value. Thus it can be concluded that word of mouth does not affects the selection of restaurant for respondents. Diagrammatic representation of the analysis is illustrated in figure 4.17.

Table 4.19: Reasons for Failure

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Inappropriate Location	241	48.0	48.0	48.0
Inappropriate Menu and Quality	171	34.1	34.1	82.1
Wrong Pricing	66	13.1	13.1	95.2
No/Less Promotion Efforts	24	4.8	4.8	100.0
Total	502	100.0	100.0	

Figure 4.18: Reasons for Failure
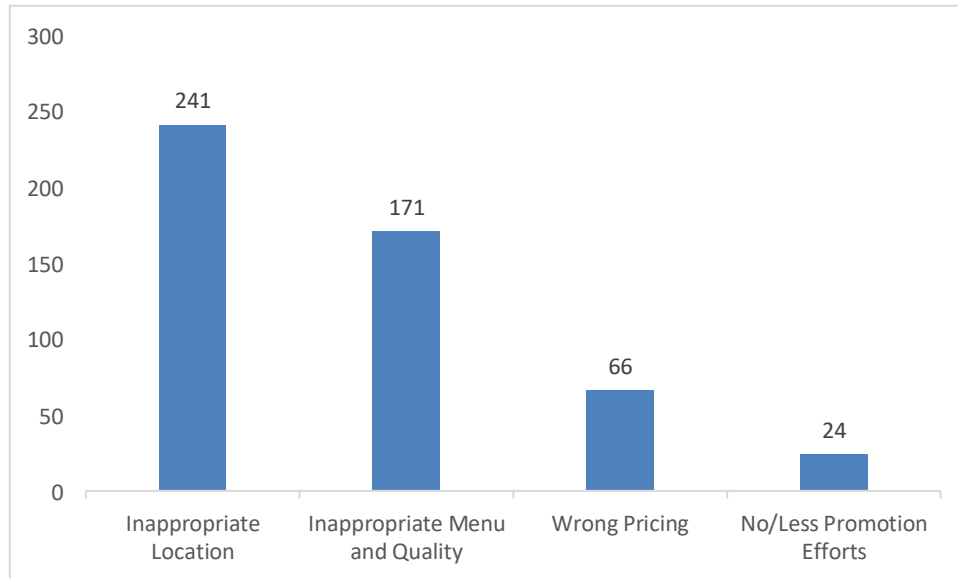
Businesses fail for many reasons. Above table presents the opinion of respondents for failure of restaurant business. Out of total respondents, 241 respondents believed that inappropriate location of restaurant is the prime reason of failure of restaurant business and it accounts for 48 percent of response. Likewise, 171 respondents believe that inappropriate menu and quality are the prime reason of failure of restaurant business, recorded 34.1 percent of response. Table also reveals that 13.1 percent of respondents consider that wrong pricing is the reason for of failure of restaurant business followed by 4.8 percent of respondents considers less promotional efforts as reason for of failure of restaurant business. Diagrammatic representation of the analysis is illustrated in figure 4.18.

4.3 Data Analysis of Questionnaire 2: Restaurant Survey

Table 4.20: Designation of Respondent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Owner	86	33.3	33.3	33.3
	Manager	152	58.9	58.9	92.2
	Supervisor	20	7.8	7.8	100.0
	Total	258	100.0	100.0	

Figure 4.19: Designation of Respondent
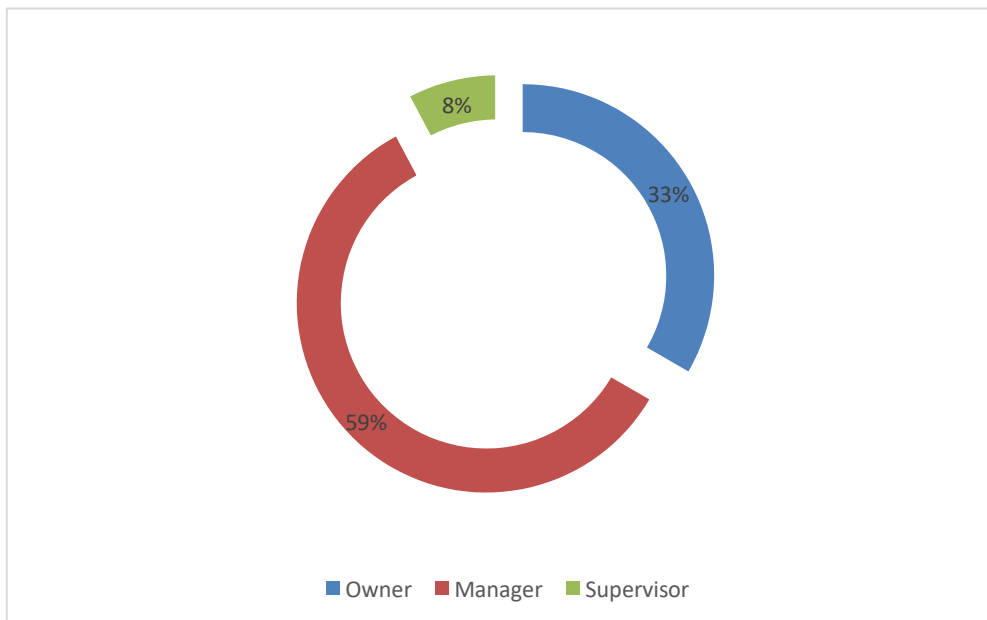
Table 4.20 presents the designation of respondents for questionnaire 2. Most of the respondents were working as the position of manager and recorded for almost 59 percent of response. Similarly, out of total respondents, nearly 33 percent respondents were owner of restaurants. Remaining 8 percent of respondents for survey questionnaire 2 were supervisors. Figure 4.19 reveals the graphical presentation of the data.

Table 4.21: Gender of Respondent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	233	90.3	90.3	90.3
	Female	25	9.7	9.7	100.0
	Total	258	100.0	100.0	

Figure 4.20: Gender of Respondent
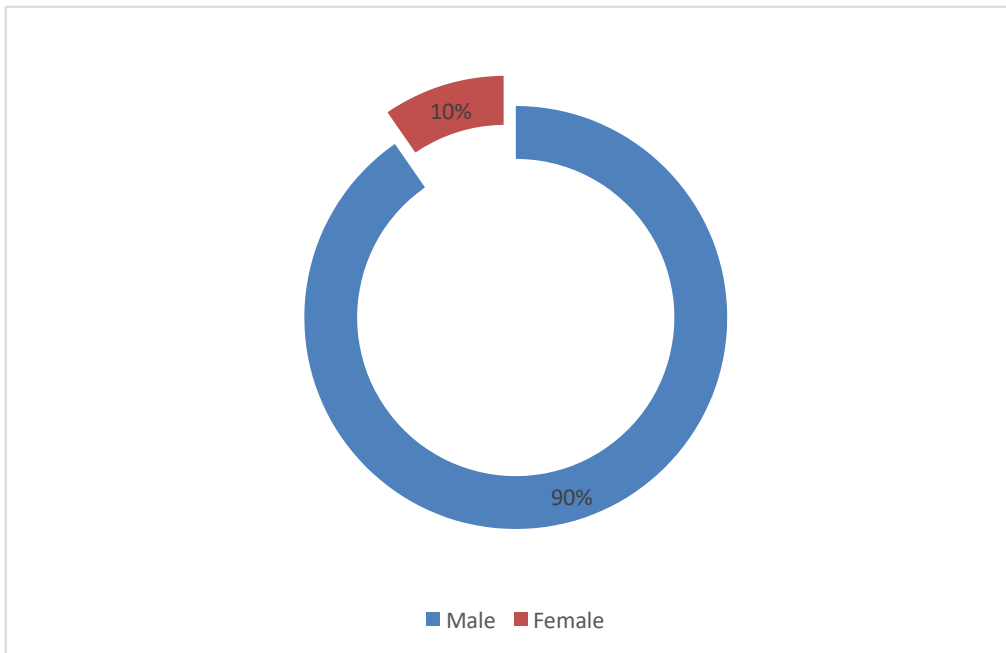
Gender-wise breakup of respondents is shown in the table 4.21. It is shown in the table that out of total 258 respondents there are 233 male respondents which calculated for approximately 90 percent. Remaining 9.7 percent of respondents are female. Diagrammatic representation of the data is exhibited in the figure 4.20.

Table 4.22: Respondents Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 to 28	19	7.4	7.4	7.4
	29 to 39	101	39.1	39.1	46.5
	40 to 50	130	50.4	50.4	96.9
	More than 50	8	3.1	3.1	100.0
	Total	258	100.0	100.0	

Figure 4.21: Respondents Age
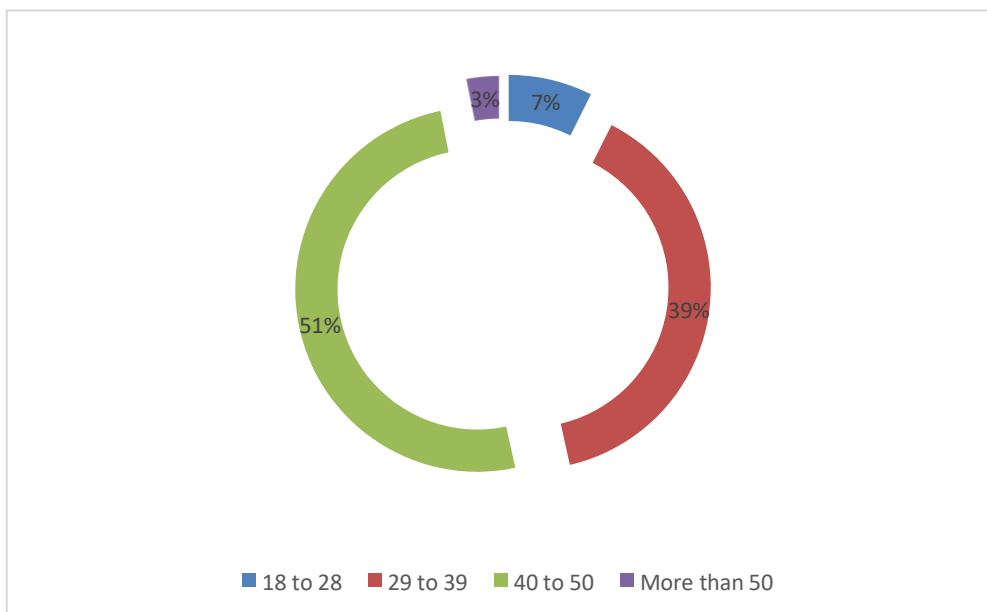
Age-wise bifurcation is shown in the table 4.22. Bulk of respondents was from the age group between 40 to 50 years and accounted for 51 percent of respondents followed by 39 percent respondents from the age group between 29 to 39 years. Also, 7 percent of respondents belonged to age group of 18 to 28 years. Remaining 3 percent of respondents were aged more than 50 years. Figure 4.21 illustrated diagrammatic representation of the data.

Table 4.23: Restaurant Industry Experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	3 to 5	14	5.4	5.4	5.4
	5 to 7	20	7.8	7.8	13.2
	7 to 9	36	14.0	14.0	27.1
	9 to 11	44	17.1	17.1	44.2
	More than 11	144	55.8	55.8	100.0
	Total	258	100.0	100.0	

Figure 4.22: Restaurant Industry Experience
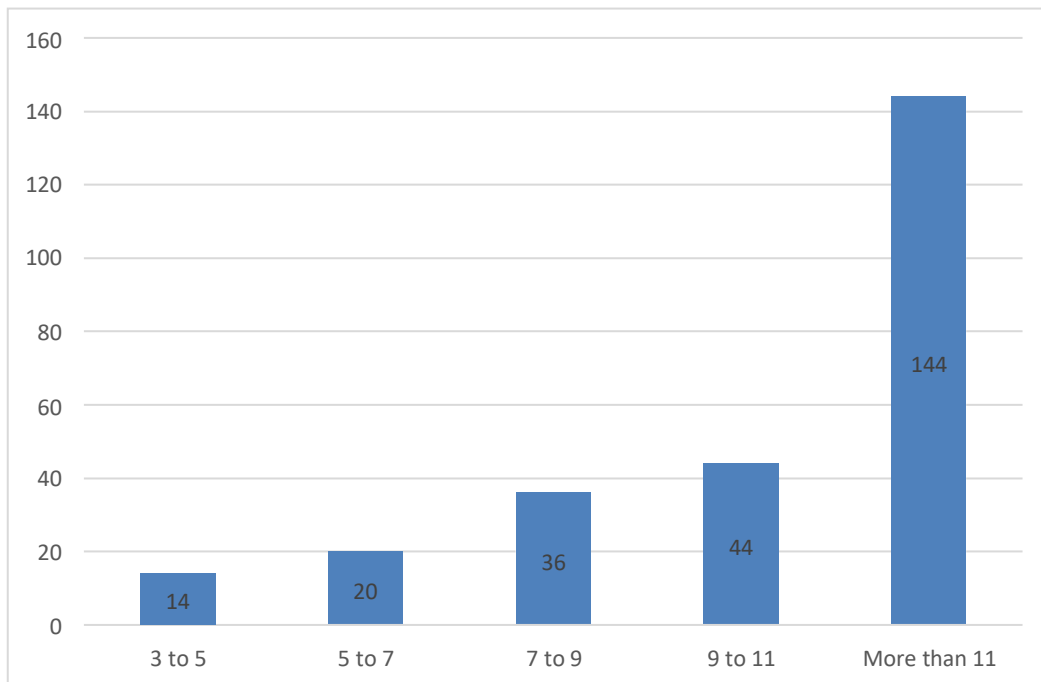
Table 4.23 reveals the experience of respondents with restaurant industry. It can be said that major of the respondents were having more than 11 year of work experience with restaurant business and recorded for 55.8 percent of response. Moreover, 44 respondents were having restaurant work experience between 9 to 11 years followed by 36 respondents were having experience of 7 to 9 years. Merely, 14 respondents were having work experience with

restaurant industry between 3 to 5 years. Figure 4.22 illustrated diagrammatic representation of the data.

Table 4.24: Experience of Restaurant Management

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 to 3	12	4.7	4.7	4.7
	3 to 5	39	15.1	15.1	19.8
	5 to 7	61	23.6	23.6	43.4
	7 to 9	66	25.6	25.6	69.0
	More than 9	80	31.0	31.0	100.0
	Total	258	100.0	100.0	

Figure 4.23: Experience of Restaurant Management
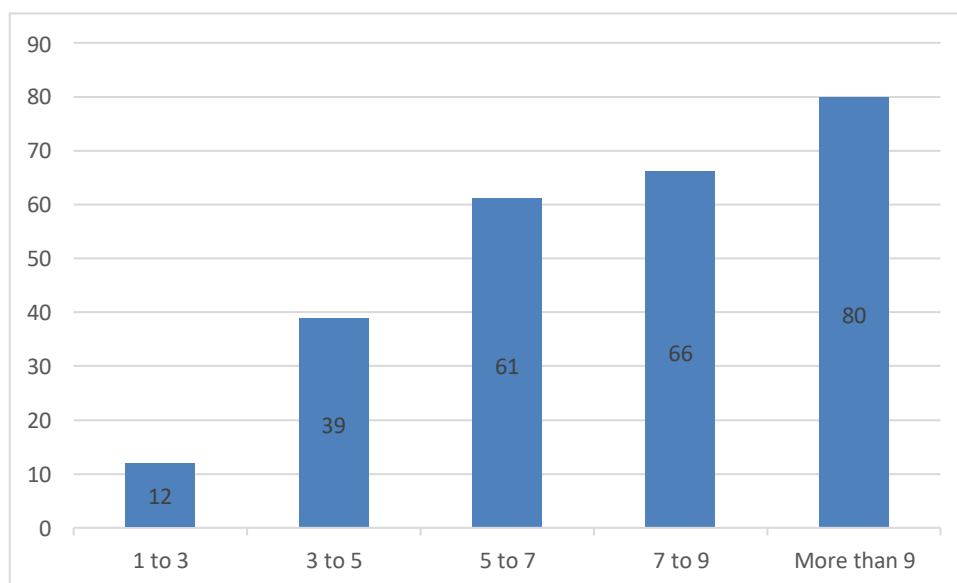
Table 4.14 reveals the experience of respondents for managing present restaurant. 80 respondents were having experience of managing present restaurant from more than 9 years and accounted for 31 percent response. Likewise, 66 respondents, i.e. 25.6 percent of respondents were managing present restaurant since 7 to 9 years.

23.6 percent of respondents were dealing in managing the present restaurant since 5 to 7 years. Table also reveals that 4.7 percent of respondents were managing present restaurant from 1 to 3 years. Figure 4.23 illustrates the diagrammatic presentation of the data.

Table 4.25: Size of Restaurant

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10 Cover Seating	5	1.9	1.9	1.9
	10 to 20 Covers	15	5.8	5.8	7.8
	20 to 30 Covers	24	9.3	9.3	17.1
	30 to 40 Covers	68	26.4	26.4	43.4
	More than 40 Covers	146	56.6	56.6	100.0
	Total	258	100.0	100.0	

Figure 4.24: Size of Restaurant
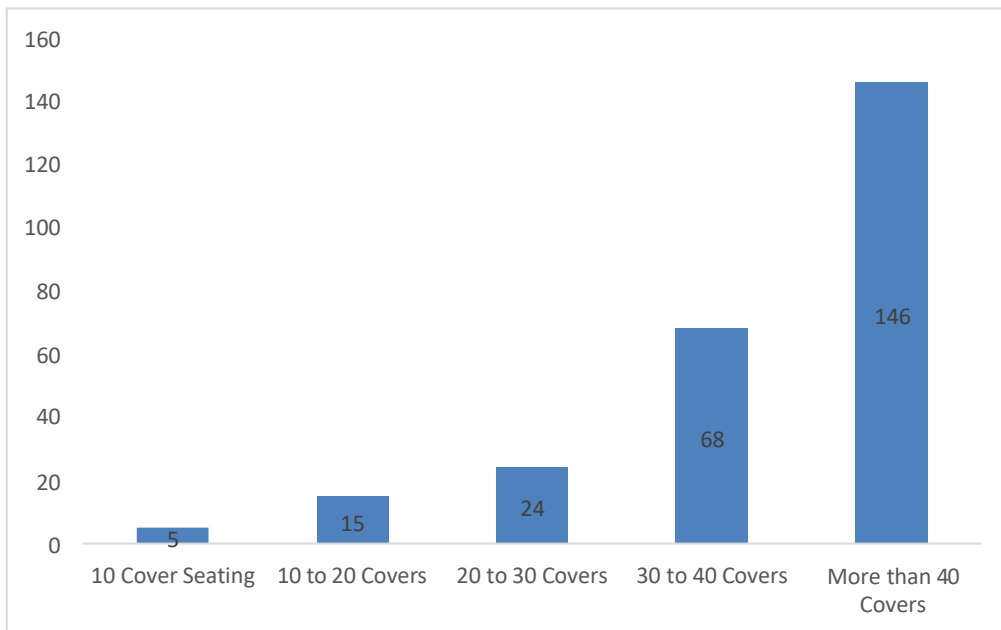
When it comes to restaurant size, one plan does not fit all. Table above presents the statistics about the sizes of restaurant. Most of the restaurants were having more than 40 covers and recorded for 56.6 percent of response. Likewise, 68 restaurants were between 30 to 40 covers and accounted for 26.4 percent of total response. Merely, 1.9 percent of restaurants were of 10 covers seating. Figure 4.24 presents the diagrammatic illustration of the data.

Table 4.26: 100 Percent Occupancy of Restaurant in a Day

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Once	18	7.0	7.0	7.0
	Twice	70	27.1	27.1	34.1
	Thrice	23	8.9	8.9	43.0
	Four Times	24	9.3	9.3	52.3
	More than Four Times	123	47.7	47.7	100.0
	Total	258	100.0	100.0	

Figure 4.25: 100 Percent Occupancy of Restaurant in a Day
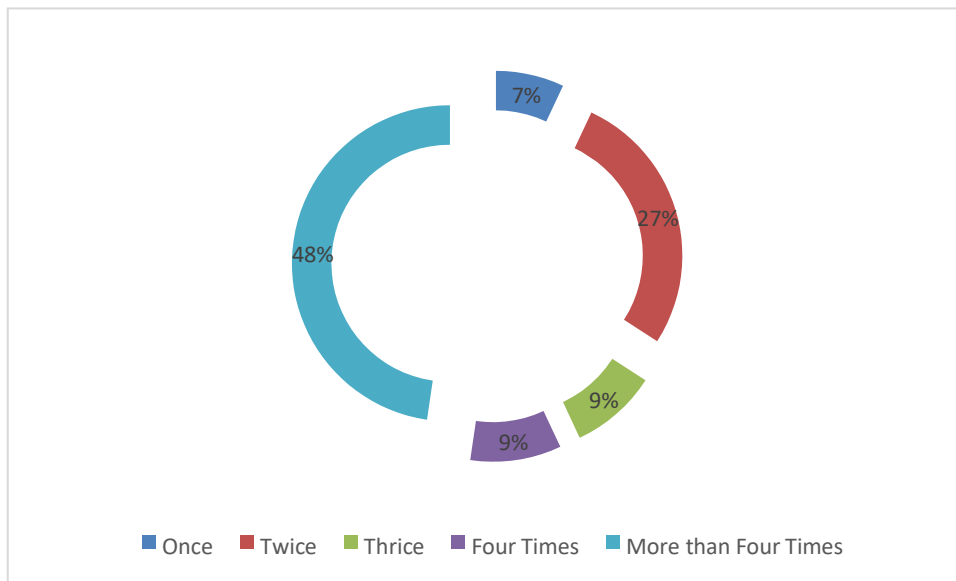
Occupancy refers to the ratio of used space to the total amount of available space. More the occupancy defines more the revenue in restaurant business. Table above provides the statistics of occupancy of restaurant in a day.

123 restaurants have claimed 100 percent occupancy more than 4 times in a day and recorded for 47.7 percent of response. Likewise, 9.3 percent of restaurants have claimed the same for 4 times in a day. Merely, 7 percent of restaurants have claimed 100 percent occupancy just a single time in a day. Diagrammatic presentation of the data is illustrated in the figure 4.25.

Table 4.27: Location of Restaurant

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	At Prime Location and at Densely Populated Area	204	79.1	79.1	79.1
	At Prime location but not at Densely Populated Area	32	12.4	12.4	91.5
	Not at Prime Location but at Densely Populated Area	18	7.0	7.0	98.4
	Neither at Prime Location nor at Densely Populated Area	4	1.6	1.6	100.0
	Total	258	100.0	100.0	

Figure 4.26: Location of Restaurant
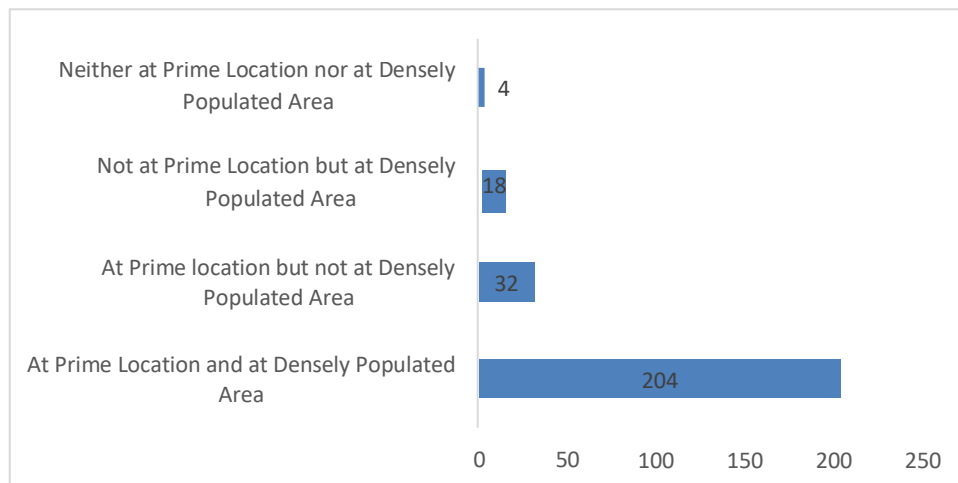
The location of restaurant surely impacts its success nearly as much as the menu. If restaurant is in the wrong place, it does not attract the amount of customers that need in order to stay in business.

204 respondents have claimed that their restaurant is located at prime location and at densely populated area, recorded for 79.1 percent of response. Similarly, 32 respondents have claimed

that their restaurant is located at prime location but not at densely populated area and recorded for 12.4 percent of response. Merely, 1.6 percent of respondents believe that their restaurants are neither at prime location nor at densely populated area. Figure 4.26 illustrated diagrammatic presentation of the data.

Table 4.28: Parking Facility

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Inside Own Premises as well as Outside Premise	65	25.2	25.2	25.2
	Inside Own Premises but not at Outside Premise	137	53.1	53.1	78.3
	Not Inside Own Premises but at Outside Premise	53	20.5	20.5	98.8
	Neither at Inside Premises not at Outside Premises	3	1.2	1.2	100.0
	Total	258	100.0	100.0	

Figure 4.27: Parking Facility

- Inside Own Premises as well as Outside Premise
- Inside Own Premises but not at Outside Premise
- Not Inside Own Premises but at Outside Premise
- Neither at Inside Premises not at Outside Premises
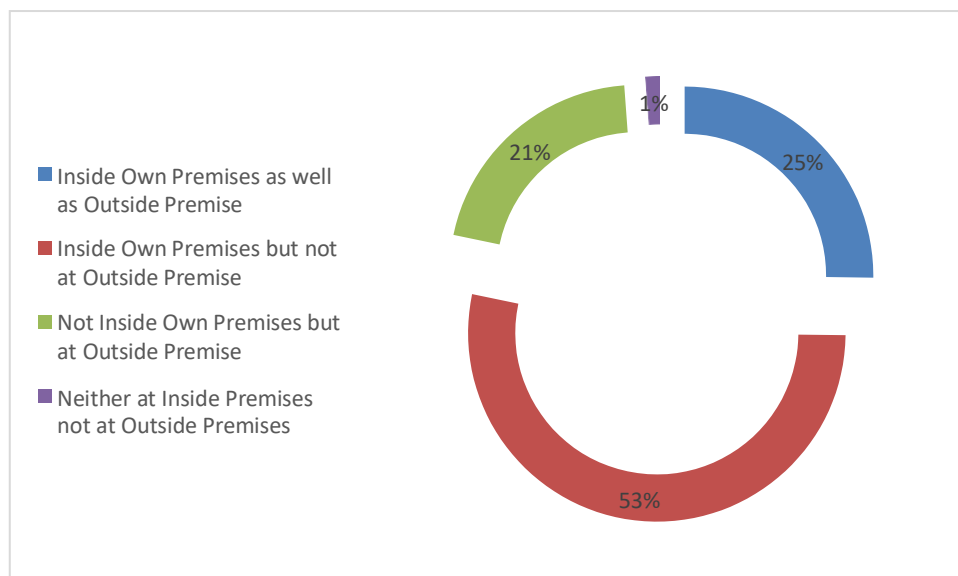
Parking spaces are very important in restaurant business. A restaurant must have enough parking spaces to provide their visitors a place to park their car. Since cars are a main factor in transportation, a restaurant must meet the needs of the guests.

53.1 percent of restaurants have parking facility inside their own premises followed by 25.2 percent of restaurants was having it inside as well as outside of their premises. Merely, 1 percent of restaurants were affirmed of not having parking facilities. Data is presented diagrammatically in the figure 4.27.

Table 4.29: Revenue from Home Delivery / Parcel * Home Delivery / Parcel Facility

Count

		Home Delivery / Parcel Facility		
		Yes	No	Total
Revenue from Home Delivery / Parcel	Up to 10 percent of Sales	9	0	9
	10 to 20 percent of Sales	21	0	21
	20 to 30 percent of Sales	60	0	60
	30 to 40 percent of Sales	40	0	40
	More than 40 percent of Sales	11	0	11
	Not Applicable	0	116	116
Total		141	116	257

Figure 4.28: Revenue from Home Delivery / Parcel * Home Delivery / Parcel Facility
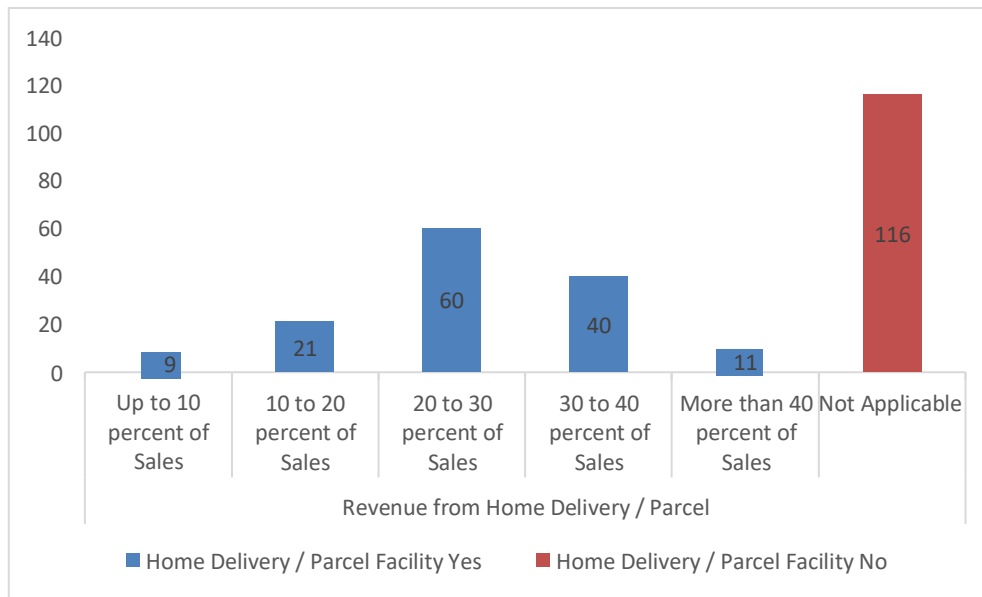
Table above presents cross tabulation data about home delivery facility and revenue generation percentage out of it from the information available with restaurants. Out of total restaurants under survey, 141 restaurants were having home delivery/parcel facilities. Form the above table it is also observed that out of 141 restaurants, having home delivery/parcel facilities, 60 restaurants have claimed of generation of 20 to 30 percent of their sales from these facilities followed by 40 restaurants claiming 30 to 40 percent of their sales. Table also reveals that there are 11 restaurants earning more than 40 percent of their sales form home delivery or parcel facilities. Diagrammatic presentation of the data is illustrated in the figure 4.28.

Table 4.30: Practice of Standard Operating Procedures

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	For all Procedures	155	60.1	60.1	60.1
	For Selected Procedures	80	31.0	31.0	91.1
	Only for Kitchen Procedures	9	3.5	3.5	94.6
	Only for Service Procedures	9	3.5	3.5	98.1
	Not at all	5	1.9	1.9	100.0
	Total	258	100.0	100.0	

Figure 4.29: Practice of Standard Operating Procedures
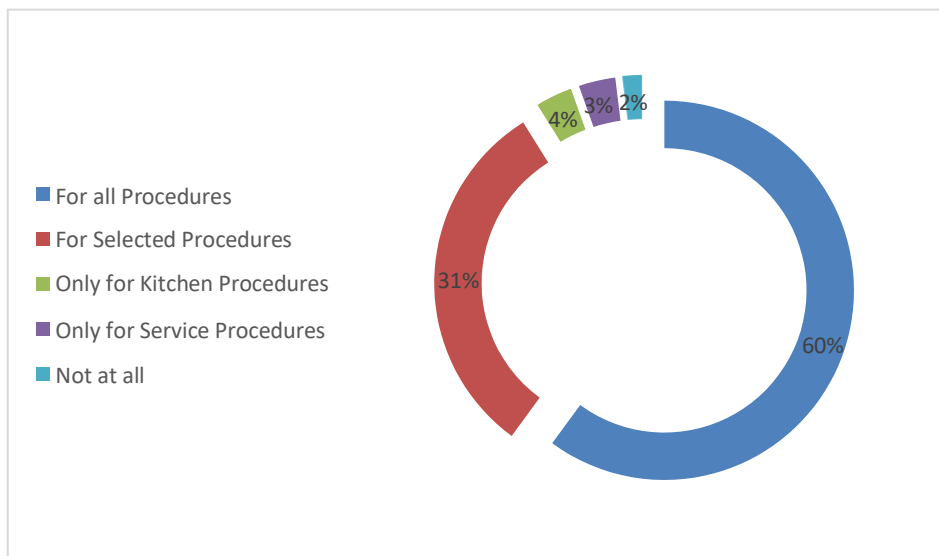
Standard operating procedures are set of step-by-step instructions compiled by an organization to help workers carry out complex routine operations.

60.1 percent of restaurants follow standard operating procedures for all practices at their restaurants followed by 31 percent of restaurants following standard operating procedures for selected practices at restaurants. Merely, there are 3.5 percent of restaurants following standard operating procedures for only kitchen practices and only for service practices. Data also observes that 1.9 percent of restaurants do not have standard operating procedures. Diagrammatic presentation of the data is illustrated in the figure 4.29.

Table 4.31: Accurate and Speedy Services

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Rarely	8	3.1	3.1	3.1
	Occasionally	11	4.3	4.3	7.4
	Mostly	148	57.4	57.4	64.7
	Always	91	35.3	35.3	100.0
	Total	258	100.0	100.0	

Mean: 4.24; S.D.: 0.67

Figure 4.30: Accurate and Speedy Services
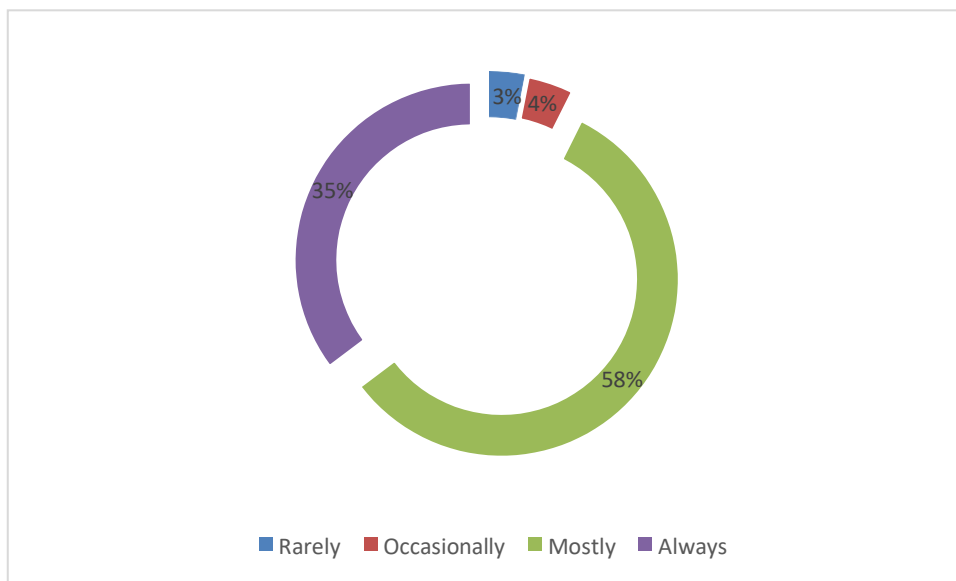
With so much competition in restaurant business, restaurants are committed to provide quick and accurate services. To find out opinion of respondents from restaurant on accurate and speedy services, researcher has developed and used five point likert scale where responses were recorded on 'always' to 'never' approach; where (5) being the highest and (1) being the lowest score on response bench.

148 respondents have affirmed that they most of the times able to offer accurate and speedy services to their customers and recorded 57.4 percent of response. Likewise, 35.3 percent of respondents have affirmed that they always able to offer accurate and speedy services to their

customers. Merely, 3.1 percent of respondents have affirmed that they rarely able to offer accurate and speedy services to their customers. The mean value of an element is observed as 4.24 with 0.67 values of standard deviations. As mean value is less than the mid value of measurement scale and standard deviation is more than one third of mean, mean cannot be the representative value. Thus it can be concluded that restaurants are able to offer accurate and speedy services. Diagrammatic representation of the analysis is illustrated in figure 4.30.

Table 4.32: Type of Cuisine

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Multi Cuisine International	61	23.6	23.6	23.6
	Multi Cuisine Indian	123	47.7	47.7	71.3
	Fast Food	42	16.3	16.3	87.6
	Quick Service Restaurant	9	3.5	3.5	91.1
	Specialty Cuisine	23	8.9	8.9	100.0
	Total	258	100.0	100.0	

Figure 4.31: Type of Cuisine

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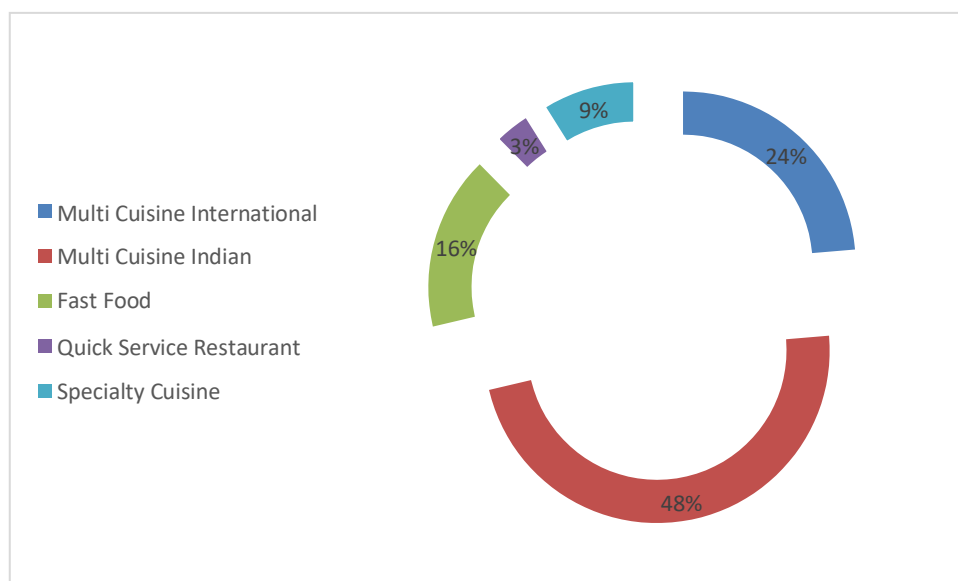
Table 4.32 reveals the type of cuisine served at surveyed restaurants. Out of 258 restaurants, 123 restaurants were serving multi cuisine Indian food and recorded for 47.7 percent of response. Likewise, 23.6 percent of restaurants were serving multi cuisine international food. From the data it is observed that out of total restaurants, 3.5 percent restaurants were quick service restaurants. Diagrammatic representation of the analysis is illustrated in figure 4.31.

Table 4.33: Menu Revision

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Quarterly	21	8.1	8.1	8.1
	Twice a Year	104	40.3	40.3	48.4
	Once in a Year	94	36.4	36.4	84.9
	Once in Two Years	14	5.4	5.4	90.3
	Cyclical / Seasonal Menu	25	9.7	9.7	100.0
	Total	258	100.0	100.0	

Figure 4.32: Menu Revision
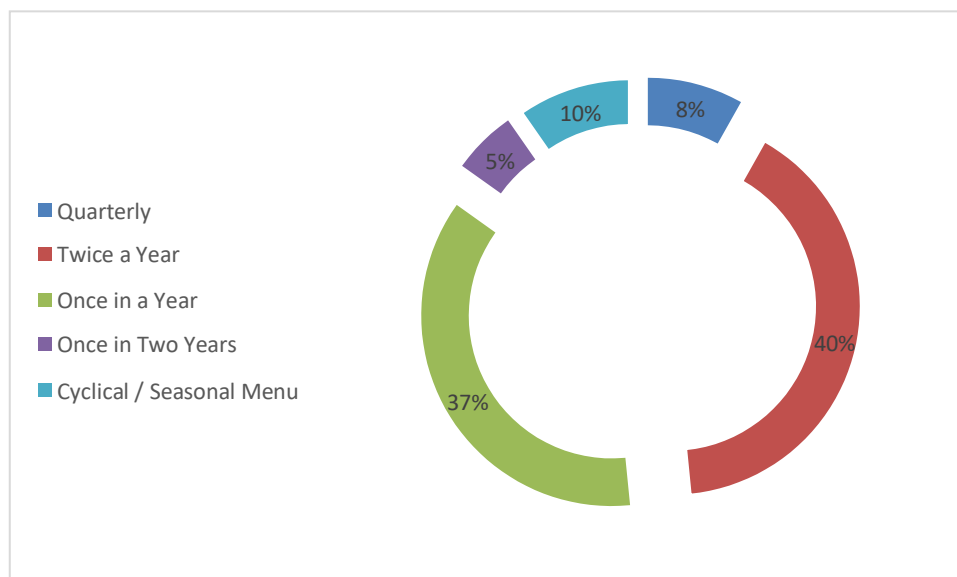
Table 4.33 reveals the frequency of menu revision. Table above shows that 104 restaurants revise the menu twice a year and accounts for 40.3 percent of response. Likewise, there are 36.4 percent of restaurants revise the menu once a year followed by 9.7 percent of restaurants

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revising the menu seasonally. Merely, there are 5.4 percent of restaurants revising the menu once in two years. Diagrammatic representation of the analysis is illustrated in figure 4.32.

Table 4.34: Impact of Price Rise on Customer Visits

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Huge Decrease	14	5.4	5.4	5.4
	Small Decrease	148	57.4	57.4	62.8
	No Impact	89	34.5	34.5	97.3
	Small Increase	7	2.7	2.7	100.0
	Total	258	100.0	100.0	

Figure 4.33: Impact of Price Rise on Customer Visits
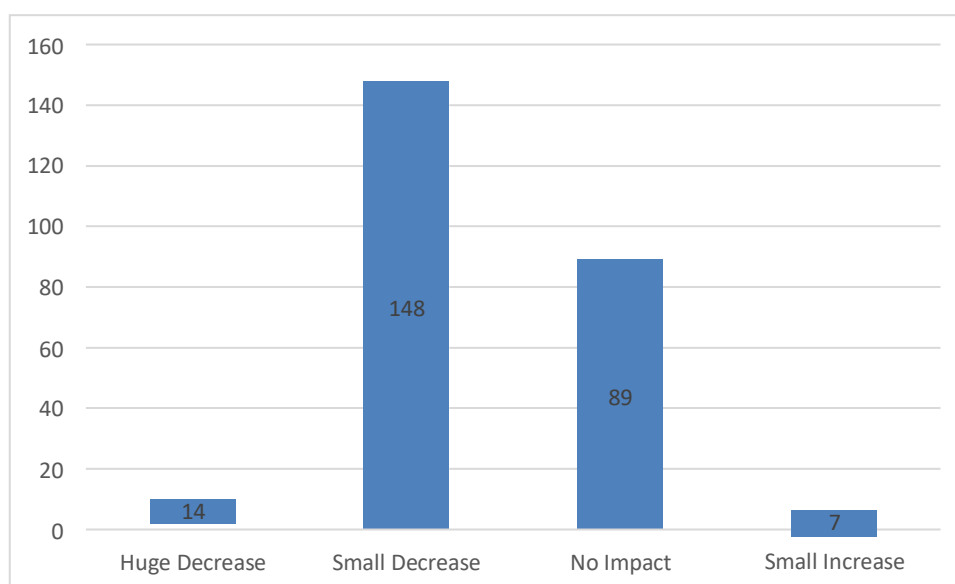
Table 4.34 reveals data of impact of price on restaurant customer visits.

148 respondents have acknowledged that they observed small decrease in sales with rise in price and recorded for 57.4 percent of response. However, 34.5 percent of respondents claimed that they have not observed any impact of increase in price on customer visit. Surprisingly, 2.7 percent of respondents have claimed to observed increase in customer visits instead of increase in price. Diagrammatic representation of the analysis is illustrated in figure 4.33.

Table 4.35: Frequency to Increase Price

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Quarterly	7	2.7	2.7	2.7
	Twice a Year	116	45.0	45.0	47.7
	Once in a Year	86	33.3	33.3	81.0
	Once in Two Years	19	7.4	7.4	88.4
	Cyclical / Seasonal Menu	30	11.6	11.6	100.0
	Total	258	100.0	100.0	

Figure 4.34: Frequency to Increase Price
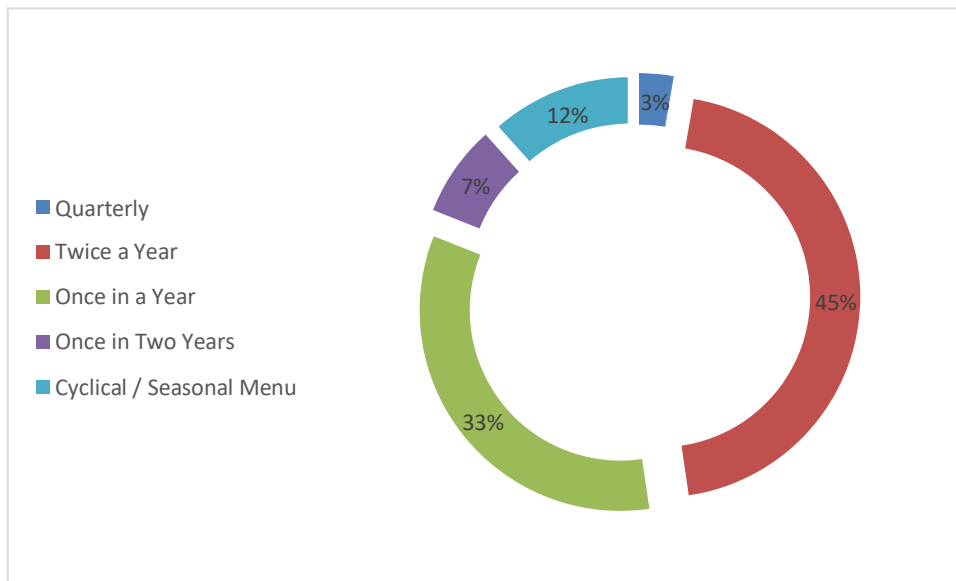
Table above displays the practice of frequency to increase the menu prices by surveyed restaurants.

116 restaurants have claimed that they prefer to increase price twice a year and recorded for 45 percent of response. Similarly, 86 respondents, i.e. 33.3 percent of respondents have confirmed that they increase price of product once a year. From the table it is also observed that 11.6 percent of restaurants prefer to increase price of food cyclically or seasonally. Diagrammatic presentation of the data is illustrated in the figure 4.34.

Figure 4.36: Criterion to Change Price of Menu Products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Costing	150	58.1	58.1	58.1
	Competitors Pricing	15	5.8	5.8	64.0
	Seasonality	21	8.1	8.1	72.1
	Offerings	7	2.7	2.7	74.8
	Profit Margin	65	25.2	25.2	100.0
	Total	258	100.0	100.0	

Figure 4.35: Criterion to Change Price of Menu Products

Price of the product depends on many factors. Table 4.36 reveals the criterion to change price of menu products by surveyed restaurants.

58.1 percent of restaurants change the price of menu with respect to change in cost of production followed by 25.2 percent of restaurants change the price with change in expectation of profit margin. Out of total responses, merely, 2.7 percent of restaurants change the price of menu with the change in offering. Diagrammatic presentation of the data is illustrated in the figure 4.35.

Table 4.37: Employee Training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	At Recruitment Level	40	15.5	15.5	15.5
	Quarterly	13	5.0	5.0	20.5
	Twice in a Year	9	3.5	3.5	24.0
	Once in a Year	9	3.5	3.5	27.5
	Need Based	187	72.5	72.5	100.0
	Total	258	100.0	100.0	

Figure 4.36: Employee Training
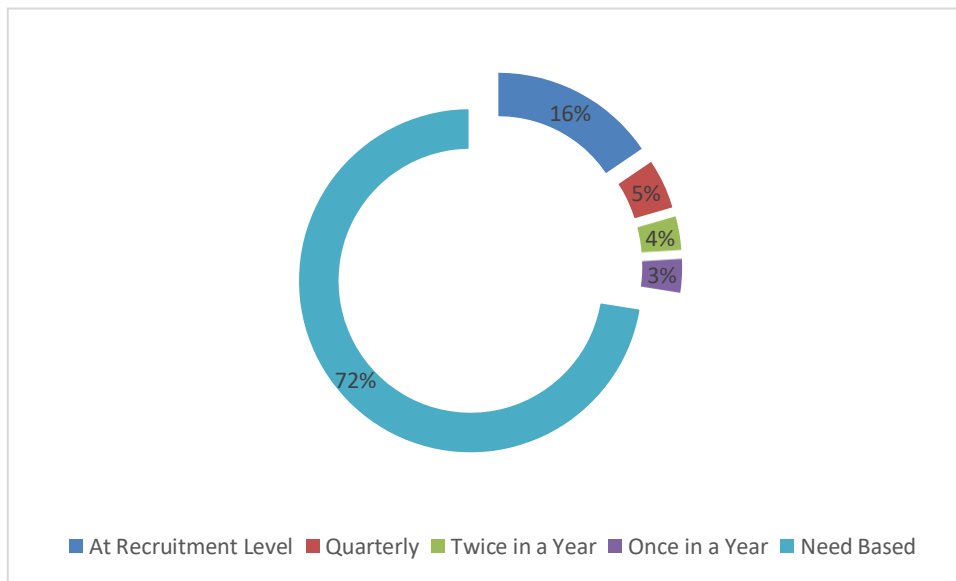
Training is a program that helps employees learn specific knowledge or skills to improve performance in their current roles. Table above reveals the data about the frequency of employee training by surveyed restaurants. Majority of the restaurants conduct the employee training based on the necessity of operations and recorded for 72.5 percent of response. Likewise, 15.5 percent of restaurants conduct the employee training at the time of joining. Diagrammatic presentation of the data is illustrated in the figure 4.36.

Table 4.38: Staff with Formal Educational Qualification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	None	8	3.1	3.1	3.1
	40 percent	95	36.8	36.8	39.9
	60 percent	90	34.9	34.9	74.8
	80 percent	62	24.0	24.0	98.8
	100 percent	3	1.2	1.2	100.0
	Total	258	100.0	100.0	

Figure 4.37: Staff with Formal Educational Qualification
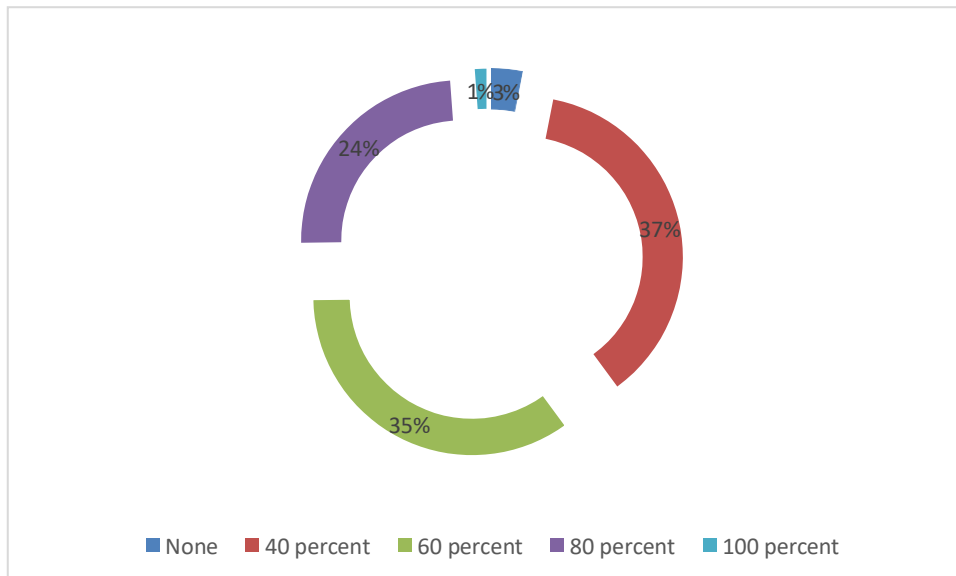
Table 4.37 provides the data about the formal education of staff at surveyed restaurant. There are merely 3 restaurants having 100 percent of staff with formal education and accounted for 1.2 percent of response. From the table it is observed that there were 95 restaurants with 40 percent of staff with formal education followed by 90 restaurants with 60 percent of staff with formal education accounting for 36.8 and 34.9 percent of response respectively. Surprisingly data shows that there are 3 restaurants with staff of no formal education. Diagrammatic presentation of the data is illustrated in the figure 4.37.

Table 4.39: Decor with Aesthetic Expectations of Customers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	60	23.3	23.3	23.3
	Only for Service Area	85	32.9	32.9	56.2
	Only for Entrance and External	3	1.2	1.2	57.4
	Not Essentially	104	40.3	40.3	97.7
	No	6	2.3	2.3	100.0
	Total	258	100.0	100.0	

Figure 4.38: Decor with Aesthetic Expectations of Customers
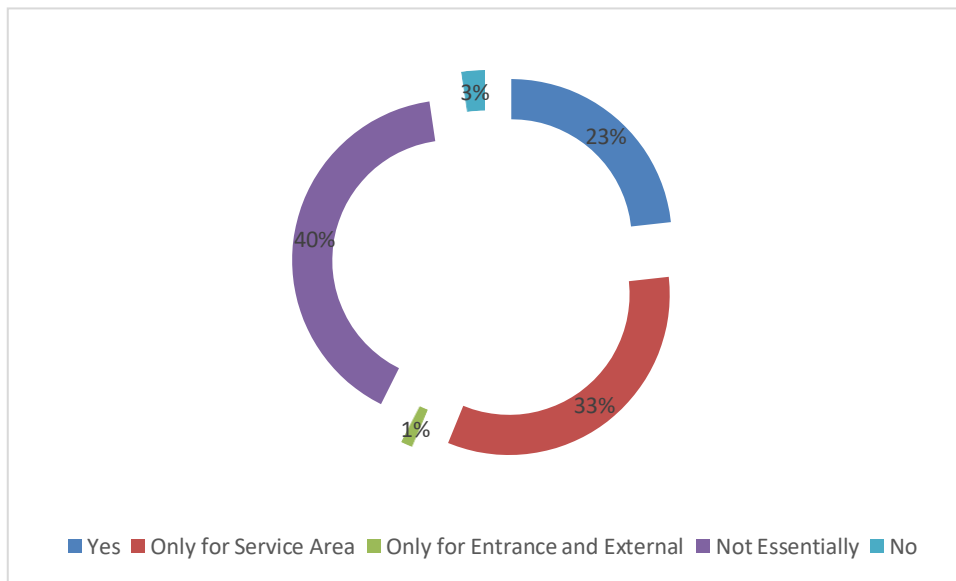
Décor of restaurant is one of the factors that influence customer satisfaction. There are 23.3 percent of restaurants have claimed of having décor with aesthetic expectation of customers. However, 32.9 percent of respondents have claimed of having décor with aesthetic expectation of customers only at service area. Surprisingly, 40.3 percent of respondents claimed of not essentially having décor with aesthetic expectation of customers. Diagrammatic presentation of the data is illustrated in the figure 4.38.

Table 4.40: Cleanliness Procedures

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Once	3	1.2	1.2	1.2
	Twice	46	17.8	17.8	19.0
	Thrice	40	15.5	15.5	34.5
	Four Times	13	5.0	5.0	39.5
	More than Four Times	156	60.5	60.5	100.0
	Total	258	100.0	100.0	

Figure 4.39: Cleanliness Procedures
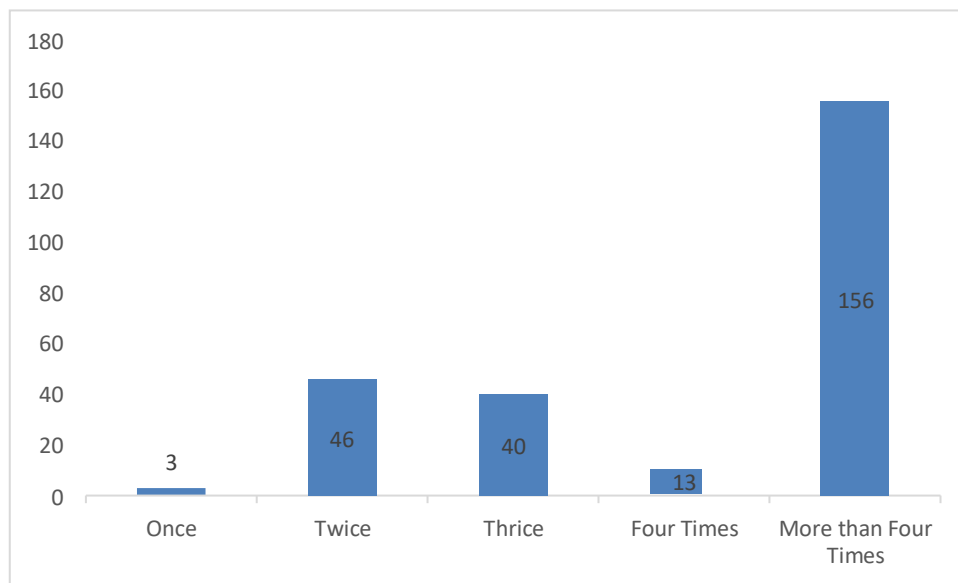
Cleanliness is most important for physical well-being and a healthy environment. Out of 258 restaurants, 156 restaurants clean their restaurants more than four times a day and recorded for 60.5 percent of respondents. Likewise, 17.8 percent of restaurants claimed that they clean their restaurant twice a day followed by 15.5 percent of restaurants cleaning it thrice a day. Diagrammatic presentation of the data is illustrated in the figure 4.39.

Table 4.41: Entertainment Facility

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	27	10.5	10.5	10.5
	Occasionally (Event Based)	98	38.0	38.0	48.4
	Only on Weekends	9	3.5	3.5	51.9
	On Customer Demand	36	14.0	14.0	65.9
	Not at all	88	34.1	34.1	100.0
	Total	258	100.0	100.0	

Figure 4.40: Entertainment Facility
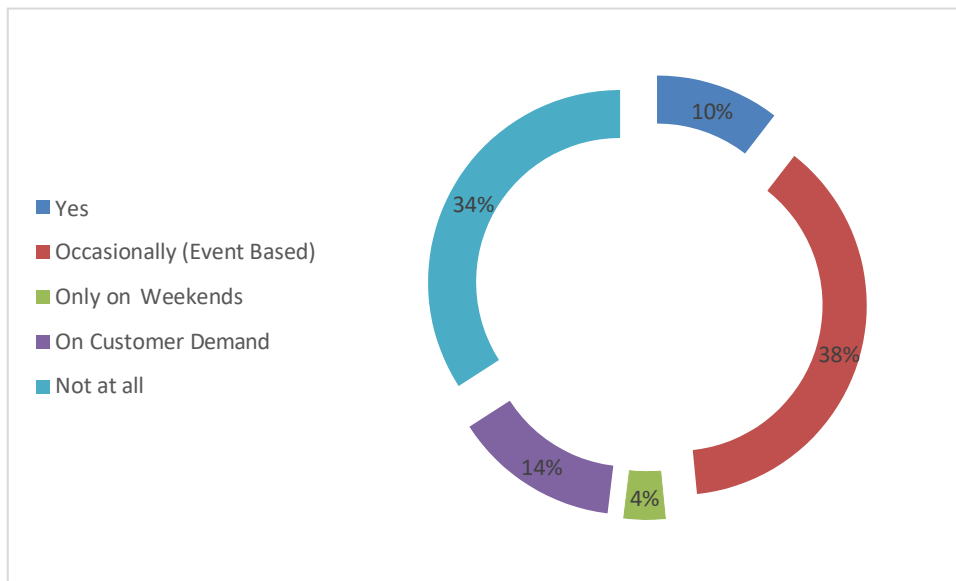
Providing entertainment at restaurant is a great way to interest new customers and encourage returning guests to come dine regularly. There are 98 restaurants offer entertainment facilities on occasional or event basis and recorded for 38 percent of response. Likewise, 14 percent of restaurant offer entertainment facilities based on customer demand. There are only 10.5 percent of total restaurants offering entertainment facilities to their customers on regular basis. Data also reveals that there are 34.1 percent of restaurants with no entertainment facilities. Diagrammatic presentation of the data is illustrated in the figure 4.40.

Table 4.42: Usefulness of Website to Attract Customers * Website of the Restaurant

Count

		Website of the Restaurant		Total
		Yes	No	
Usefulness of Website to Attract Customers	Not Applicable	0	206	206
	Little Helpful	3	0	3
	Neutral	5	0	5
	Helpful	26	0	26
	Very Helpful	18	0	18
Total		52	206	258

Figure 4.41: Usefulness of Website to Attract Customers * Website of the Restaurant
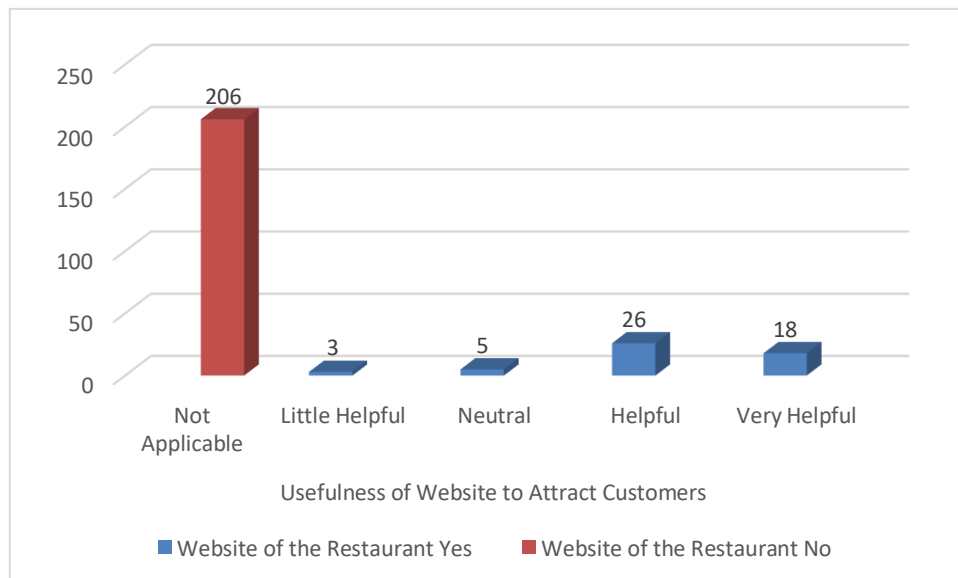
Undoubtedly, websites defines the credibility of business. Out of 258 surveyed restaurants, merely 52 restaurants have their website. Moreover, out of these 52 restaurants, 18 believe that these websites are very helpful for communication followed by 26 restaurants believe that website is somewhat helpful for communication with customers. Diagrammatic presentation of the data is illustrated in the figure 4.41.

Table 4.43: Use of Public Relations and Print Advertisements

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	13	5.0	5.0	5.0
	Rarely	14	5.4	5.4	10.5
	Occasionally	106	41.1	41.1	51.6
	Mostly	102	39.5	39.5	91.1
	Always	23	8.9	8.9	100.0
	Total	258	100.0	100.0	

Mean: 3.41; S.D.: 0.91

Figure 4.42: Use of Public Relations and Print Advertisements
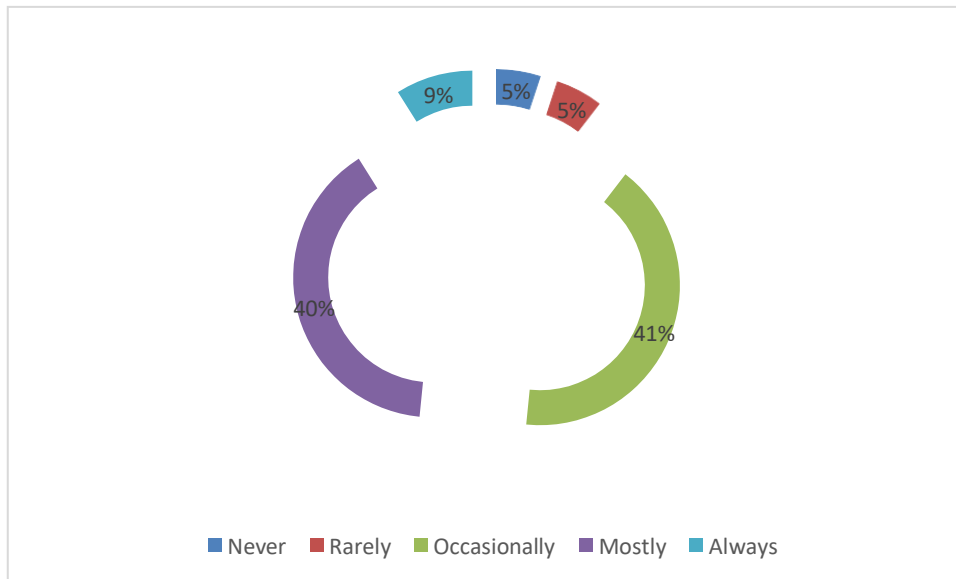
Public relations and print media advertising involve all activities concerned with effectively communicating product information to selected target audience. All promotions are done with purpose. To find out frequency of use of public relations and print media advertisements, researcher has developed and used five point likert scale where responses were recorded on 'always' to 'never' approach; where (5) being the highest and (1) being the lowest score on response bench. Majority of the respondents occasionally use public media and print media

advertisements to communicate with their target customers and recorded for 41.1 percent of response. There are only 8.9 percent of restaurants who frequently uses print media advertisements to communicate with their target customers. The mean value of an element is observed as 3.41 with 0.91 values of standard deviations. As standard deviation is lesser than one third of mean on five point likert scale, mean is the representative value. Thus it can be concluded that restaurants frequently uses public relations and print media advertisements to communicate with their target customers. Diagrammatic representation of the analysis is illustrated in figure 4.42.

Table 4.44: Type of Media to Attract the Customers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Television	31	12.0	12.0	12.0
	Radio	8	3.1	3.1	15.1
	Newspaper	38	14.7	14.7	29.8
	On Screens of Multiplex	5	1.9	1.9	31.8
	Messages on Mobile	176	68.2	68.2	100.0
	Total	258	100.0	100.0	

Figure 4.43: Type of Media to Attract the Customers
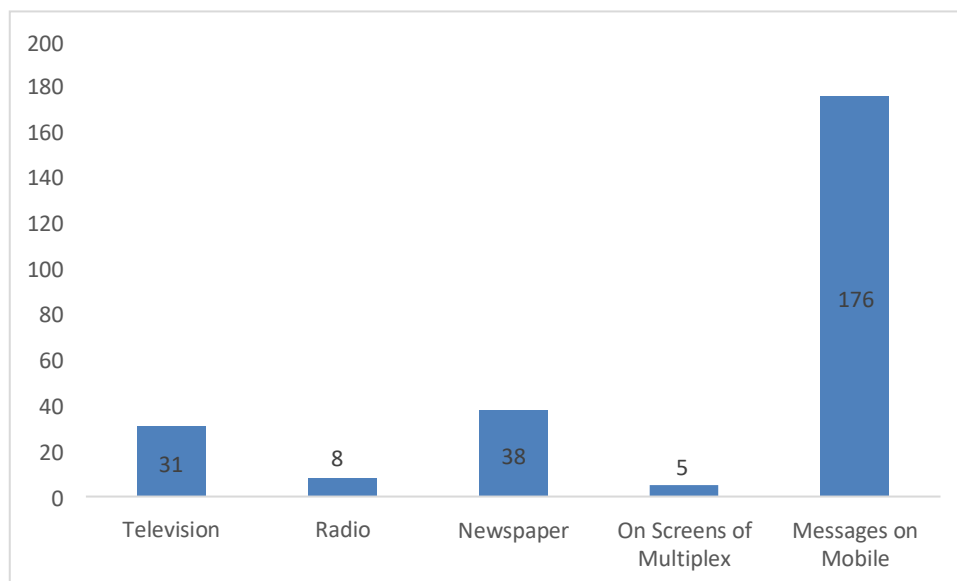
Table 4.44 reveals the data of type of media that restaurants use to attract customers. Total 176 restaurants prefer sending messages on customer mobiles as a part of promotional efforts and accounted for 68.2 percent of response. Likewise, 14.7 percent of restaurants follow newspapers as a medium of communication with customers. Merely, 1.9 percent of restaurants prefer advertising on screens of multiplexes. Diagrammatic representation of the analysis is illustrated in figure 4.43.

Table 4.45: Usefulness of Affiliation / Franchise of Chain Restaurant *
Affiliation / Franchise of Chain Restaurant

Count

		Affiliation / Franchise of Chain Restaurant		
		Yes	No	Total
Usefulness of Affiliation / Franchise of Chain Restaurant	Not Applicable	0	191	191
	Not at all Helpful	5	0	5
	Little Helpful	3	0	3
	Neutral	6	0	6
	Helpful	24	0	24
	Very Useful	29	0	29
Total		67	191	258

Figure 4.44: Usefulness of Affiliation / Franchise of Chain Restaurant * Affiliation / Franchise of Chain Restaurant
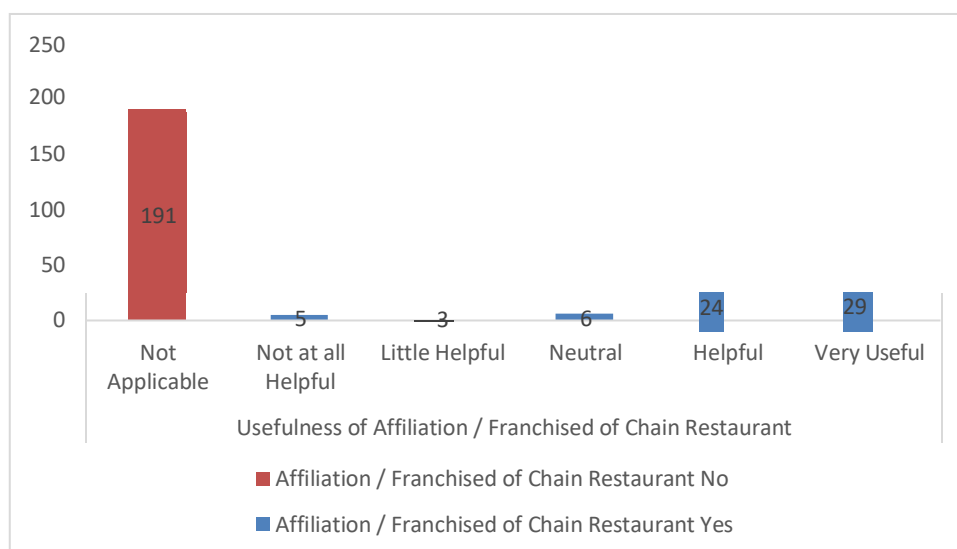
Table 4.45 reveals the statistics on franchise association of surveyed restaurants. Out of 258 restaurants merely 67 restaurants were franchise restaurants. Franchise comes with the benefits and 29 restaurants believed that this franchise association was very helpful for sustainable restaurant operation. Likewise, 24 restaurants were believed that franchise association was helpful for sustainable restaurant operation. Merely, 5 respondents were not trusting that franchise association was helpful for sustainable restaurant operation. Diagrammatic representation of the analysis is illustrated in figure 4.44.

Table 4.46: Satisfaction with Restaurant Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Up to 60 percent	5	1.9	1.9	1.9
	Up to 70 percent	102	39.5	39.5	41.5
	Up to 80 percent	61	23.6	23.6	65.1
	Up to 90 percent	68	26.4	26.4	91.5
	100 percent	22	8.5	8.5	100.0
	Total	258	100.0	100.0	

Figure 4.45: Satisfaction with Restaurant Business
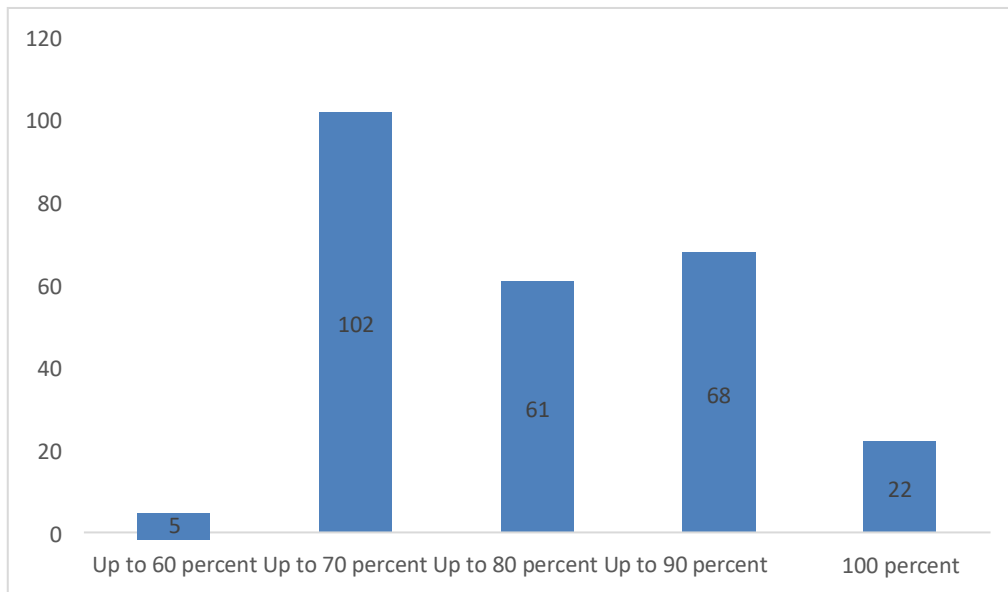
Table 4.46 reveals the opinion of respondents regarding their satisfaction with their restaurant business. Table above shows that 102 respondents were 70 percent satisfied, with their restaurant business and accounted for 39.5 percent of response. Similarly, 26.4 percent were 90 percent satisfied with their restaurant business followed by 23.6 percent were 80 percent satisfied with their restaurant business. Diagrammatic representation of the analysis is illustrated in figure 4.45.

Table 4.47: Importance of Place

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all Important	18	7.0	7.0	7.0
	Not Important	17	6.6	6.6	13.6
	Somewhat Important	9	3.5	3.5	17.1
	Moderately Important	18	7.0	7.0	24.0
	Important	25	9.7	9.7	33.7
	Very Important	45	17.4	17.4	51.2
	Extremely Important	126	48.8	48.8	100.0
	Total	258	100.0	100.0	

Figure 4.46: Importance of Place
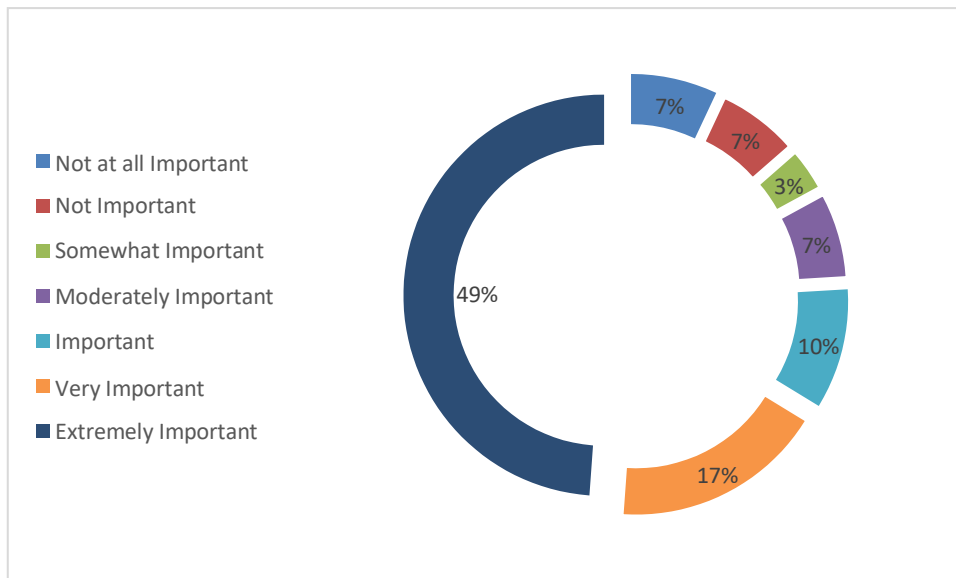
To find out importance of place from restaurant perspective, researcher has developed and used seven point rating scale where responses were recorded on 'extremely important' to 'not

at all important' approach; where (7) being the highest and (1) being the lowest score on response bench.

126 respondents believe that place is extremely important factor for starting a new restaurant at a new place and accounted for 48.8 percent of response. Likewise, 17.4 percent of respondents believe that place is very important factor for starting a new restaurant at a new place. Merely, 7 percent of respondents believe that place is not at all important factor for starting a new restaurant at a new place. Mean value of an element is observed as 5.53 on 7 point rating scale. Thus it can be concluded from the opinion of respondents that place is an important factor for starting a new restaurant at a new place. Diagrammatic representation of the analysis is illustrated in figure 4.46.

Table 4.48: Importance of Product

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all Important	12	4.7	4.7	4.7
	Not Important	16	6.2	6.2	10.9
	Somewhat Important	20	7.8	7.8	18.6
	Moderately Important	11	4.3	4.3	22.9
	Important	54	20.9	20.9	43.8
	Very Important	101	39.1	39.1	82.9
	Extremely Important	44	17.1	17.1	100.0
	Total	258	100.0	100.0	

Mean: 5.16; S.D.: 1.64

Figure 4.47: Importance of Product

To find out importance of product from restaurant perspective, researcher has developed and used seven point rating scale where responses were recorded on 'extremely important' to 'not at all important' approach; where (7) being the highest and (1) being the lowest score on response bench.

101 respondents believe that product is very important factor for starting a new restaurant at a new place and accounted for 39.1 percent of response. Likewise, 20.9 percent of respondents believe that product is important factor for starting a new restaurant at a new place. Merely, 4.7 percent of respondents believe that product is not at all important factor for starting a new restaurant at a new place. Mean value of an element is observed as 5.16 with 1.64 values of standard deviations on 7 point rating scale. As standard deviation is less than one third of mean, mean is the representative value. Thus it can be concluded from the opinion of respondents that product is an important factor for starting a new restaurant at a new place. Diagrammatic representation of the analysis is illustrated in figure 4.47.

Table 4.49: Importance of Price

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all Important	33	12.8	12.8	12.8
	Not Important	39	15.1	15.1	27.9
	Somewhat Important	28	10.9	10.9	38.8
	Moderately Important	20	7.8	7.8	46.5
	Important	89	34.5	34.5	81.0
	Very Important	41	15.9	15.9	96.9
	Extremely Important	8	3.1	3.1	100.0
	Total	258	100.0	100.0	

Mean: 3.96; S.D.: 1.77

Figure 4.48: Importance of Price

Price is the amount of money charged for a product or service, or the sum of values that customers exchange for the benefits of having or using the product or service. To find out importance of price from restaurant perspective, researcher has developed and used seven point rating scale where responses were recorded on 'extremely important' to 'not at all important' approach; where (7) being the highest and (1) being the lowest score on response bench.
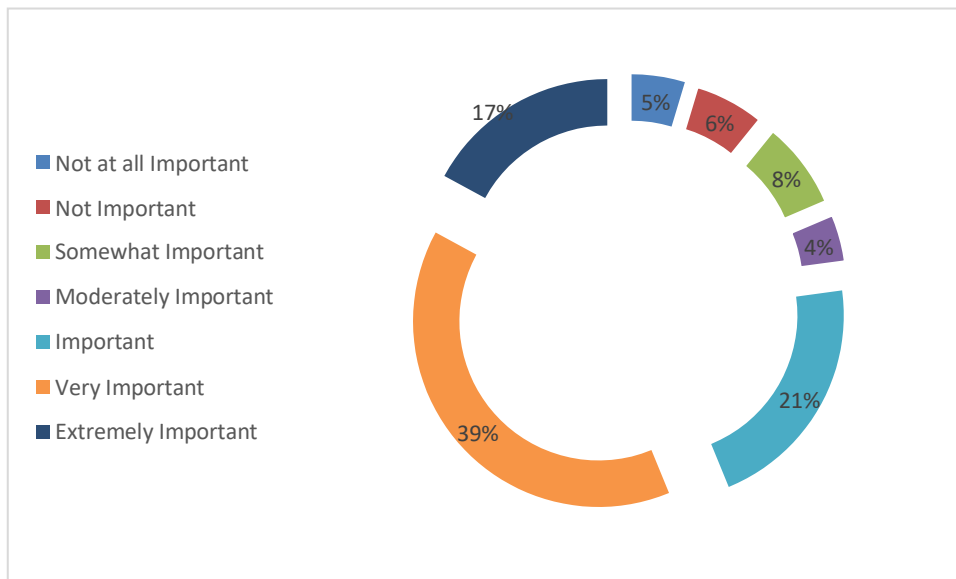
89 respondents believe that price is important factor for starting a new restaurant at a new place and accounted for 34.5 percent of response. Likewise, 15.9 percent of respondents believe that price is very important factor for starting a new restaurant at a new place. Merely, 3.1 percent of respondents believe that price is extremely important factor for starting a new restaurant at a new place. Mean value of an element is observed as 3.96 with 1.77 values of standard deviations on 7 point rating scale. As standard deviation is more than one third of mean, mean cannot be the representative value. Thus it can be concluded from the opinion of respondents that price is not an important factor for starting a new restaurant at a new place. Diagrammatic representation of the analysis is illustrated in figure 4.48.

Table 4.50: Importance of Promotion

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all Important	58	22.5	22.5	22.5
	Not Important	35	13.6	13.6	36.0
	Somewhat Important	26	10.1	10.1	46.1
	Moderately Important	100	38.8	38.8	84.9
	Important	14	5.4	5.4	90.3
	Very Important	12	4.7	4.7	95.0
	Extremely Important	13	5.0	5.0	100.0
	Total	258	100.0	100.0	

Mean: 3.25; S.D.: 1.67

Figure 4.49: Importance of Promotion

Promotion refers to tools and activities that the company uses to persuasively communicate customer value and build customer relationship. To find out importance of promotions from restaurant perspective, researcher has developed and used seven point rating scale where responses were recorded on 'extremely important' to 'not at all important' approach; where (7) being the highest and (1) being the lowest score on response bench.
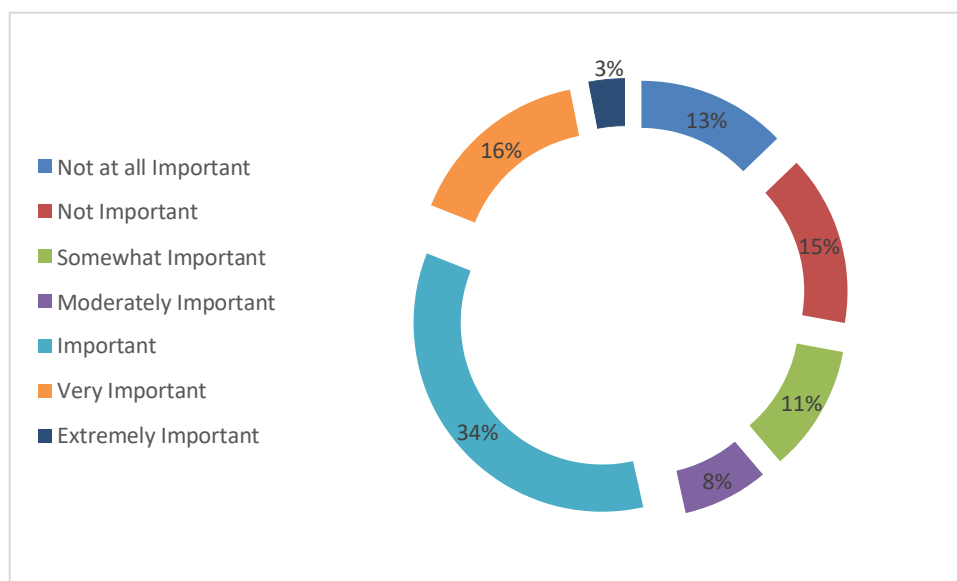
100 respondents believe that promotion is moderately important factor for starting a new restaurant at a new place and accounted for 38.8 percent of response. Likewise, 10.1 percent of respondents believe that promotion is somewhat important factor for starting a new restaurant at a new place. Merely, 5 percent of respondents believe that promotion is extremely important factor for starting a new restaurant at a new place. Mean value of an element is observed as 3.25 with 1.67 values of standard deviations on 7 point rating scale. As standard deviation is more than one third of mean, mean cannot be the representative value. Thus it can be concluded from the opinion of respondents that promotion is not an important factor for starting a new restaurant at a new place. Diagrammatic representation of the analysis is illustrated in figure 4.49.

Table 4.51: Importance of Physical Evidence

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all Important	96	37.2	37.2	37.2
	Not Important	36	14.0	14.0	51.2
	Somewhat Important	54	20.9	20.9	72.1
	Moderately Important	27	10.5	10.5	82.6
	Important	24	9.3	9.3	91.9
	Very Important	13	5.0	5.0	96.9
	Extremely Important	8	3.1	3.1	100.0
	Total	258	100.0	100.0	

Mean: 2.68; S.D.: 1.72

Figure 4.50: Importance of Physical Evidence

Physical evidence is the material part of a service. To find out importance of physical evidence from restaurant perspective, researcher has developed and used seven point rating scale where responses were recorded on 'extremely important' to 'not at all important' approach; where (7) being the highest and (1) being the lowest score on response bench.
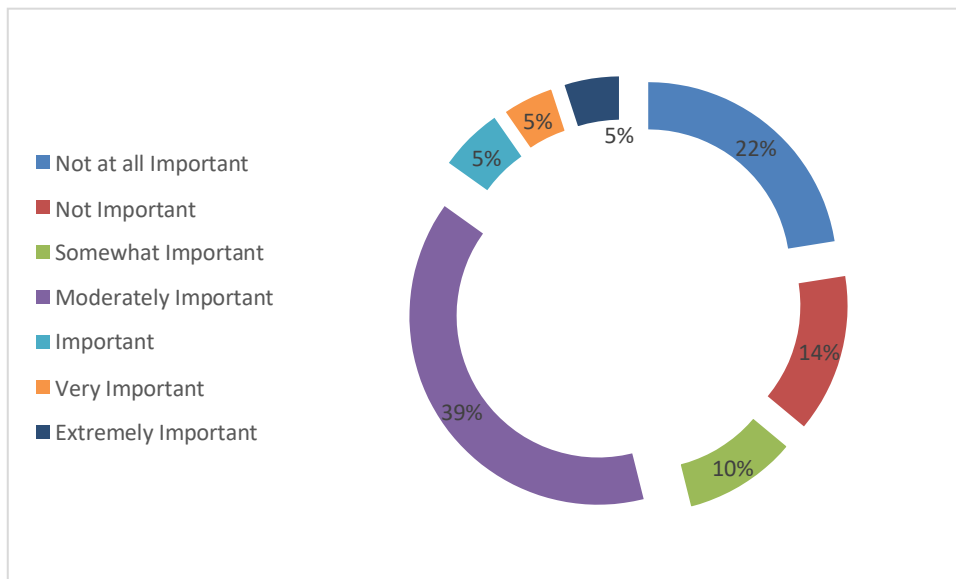
96 respondents believe that physical evidence is not at all important factor for starting a new restaurant at a new place and accounted for 37.2 percent of response. Likewise, 14 percent of respondents believe that physical evidence is not important factor for starting a new restaurant at a new place. Merely, 3.1 percent of respondents believe that physical evidence is extremely important factor for starting a new restaurant at a new place. Mean value of an element is observed as 2.68 with 1.72 values of standard deviations on 7 point rating scale. As standard deviation is more than one third of mean, mean cannot be the representative value. Thus it can be concluded from the opinion of respondents that physical evidence is not an important factor for starting a new restaurant at a new place. Diagrammatic representation of the analysis is illustrated in figure 4.50.

Table 4.52: Importance of People

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all Important	17	6.6	6.6	6.6
	Not Important	56	21.7	21.7	28.3
	Somewhat Important	66	25.6	25.6	53.9
	Moderately Important	48	18.6	18.6	72.5
	Important	26	10.1	10.1	82.6
	Very Important	29	11.2	11.2	93.8
	Extremely Important	16	6.2	6.2	100.0
	Total	258	100.0	100.0	

Mean: 3.62; S.D.: 1.64

Figure 4.51: Importance of People

People include everyone who is involved in production, marketing, distribution, and delivery of the products and services to the customers. To find out importance of people from

restaurant perspective, researcher has developed and used seven point rating scale where responses were recorded on 'extremely important' to 'not at all important' approach; where (7) being the highest and (1) being the lowest score on response bench.
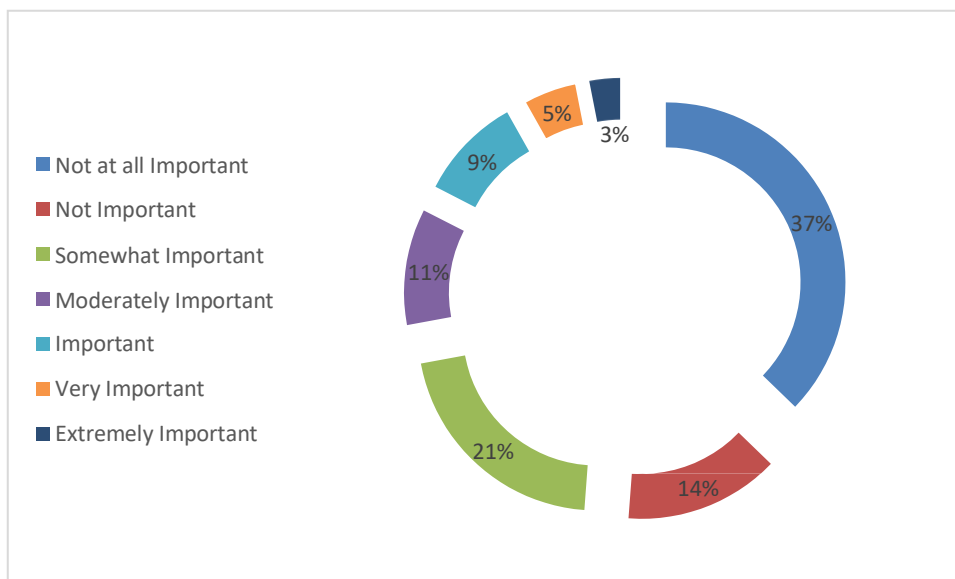
66 respondents believe that people is somewhat important factor for starting a new restaurant at a new place and accounted for 25.6 percent of response. Likewise, 18.6 percent of respondents believe that people is moderately important factor for starting a new restaurant at a new place. Merely, 6.2 percent of respondents believe that people is extremely important factor for starting a new restaurant at a new place. Mean value of an element is observed as 3.62 with 1.64 values of standard deviations on 7 point rating scale. As standard deviation is more than one third of mean, mean cannot be the representative value. Thus it can be concluded from the opinion of respondents that people is not an important factor for starting a new restaurant at a new place. Diagrammatic representation of the analysis is illustrated in figure 4.51.

Table 4.53: Importance of Process

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all Important	24	9.3	9.3	9.3
	Not Important	59	22.9	22.9	32.2
	Somewhat Important	55	21.3	21.3	53.5
	Moderately Important	34	13.2	13.2	66.7
	Important	26	10.1	10.1	76.7
	Very Important	17	6.6	6.6	83.3
	Extremely Important	43	16.7	16.7	100.0
	Total	258	100.0	100.0	

Mean: 3.78; S.D.: 1.94

Figure 4.52: Importance of Process
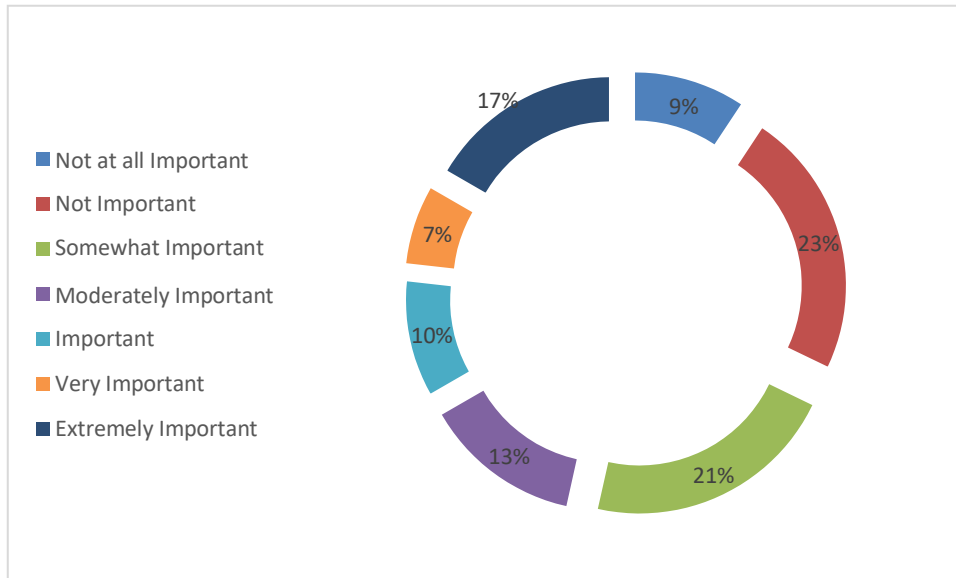
Process refers to the processes involved in delivering products and services to the customer. To find out importance of process from restaurant perspective, researcher has developed and used seven point rating scale where responses were recorded on 'extremely important' to 'not at all important' approach; where (7) being the highest and (1) being the lowest score on response bench.
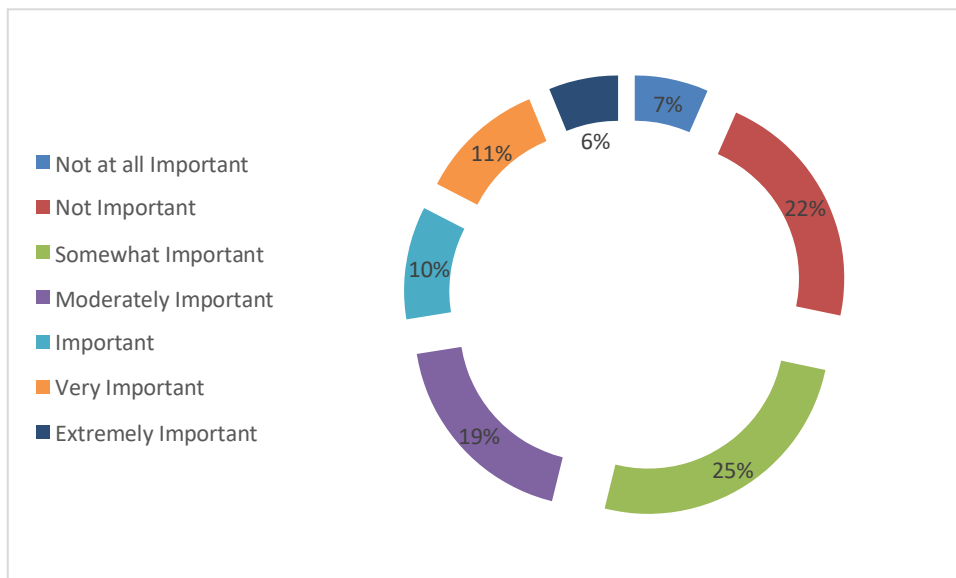
59 respondents believe that people is not important factor for starting a new restaurant at a new place and accounted for 22.9 percent of response. Likewise, 9.3 percent of respondents believe that process is not at all important factor for starting a new restaurant at a new place. Merely, 16.7 percent of respondents believe that process is extremely important factor for starting a new restaurant at a new place. Mean value of an element is observed as 3.78 with 1.94 values of standard deviations on 7 point rating scale. As standard deviation is more than one third of mean, mean cannot be the representative value. Thus it can be concluded from the opinion of respondents that process is not an important factor for starting a new restaurant at a new place. Diagrammatic representation of the analysis is illustrated in figure 4.52.

Hypotheses Validation

H₀: Product is not an important marketing mix factor in success of restaurant operations.

H₁: Product is an important marketing mix factor in success of restaurant operations.

Table 4.54: t-Test: One Sample for Means

	Importance of Product
Mean	5.162790698
Variance	2.712695684
Standard Deviation	1.647026315
Observations	258
Hypothesized Mean Difference	5
Df	257
P(T<=t) one-tail	0.056804071
t Critical one-tail	1.65080425

One-sample one-tail t-test is used to validate the hypothesis H_1. The One Sample t Test determines whether the sample mean is statistically different from a known or hypothesized population mean. Table 4.54 presents the sample statistics. Mean impression score (5.16 ± 1.64) is greater than the population 'normal' impression score of 5.0. The One-Sample Test table reports the result of the one-sample one-tail t-test.

From the present analysis, calculated value of *t*-statistics is observed as 1.65 with on one-tail. As calculated t-value is greater than table value of *t*-statistics (1.64) at 5% level of significance and 257 degrees of freedom, researcher accepts alternate hypothesis. Thus, it is concluded that product is an important marketing mix factor in success of restaurant operations.

H₀: Price is not an important marketing mix factor in success of restaurant operations.

H₂: Price is an important marketing mix factor in success of restaurant operations.

Table 4.55: t-Test: One Sample for Means

	Importance of Price
Mean	3.96124031
Variance	3.134678611
Standard Deviation	1.770502361
Observations	258
Hypothesized Mean Difference	5
df	257
P(T<=t) one-tail	1.32414
t Critical one-tail	1.65080425

One-sample one-tail t-test is used to validate the hypothesis H₂. The One Sample t Test determines whether the sample mean is statistically different from a known or hypothesized population mean. Table 4.55 presents the sample statistics. Mean impression score (3.96 ± 1.77) is lesser than the population 'normal' impression score of 5.0. The One-Sample Test table reports the result of the one-sample one-tail t-test.

From the present analysis, calculated value of *t*-statistics is observed as 1.65 on one-tail. As calculated t-value is greater than table value of *t*-statistics (1.64) at 5% level of significance and 257 degrees of freedom, researcher accepts alternate hypothesis. Thus, it is concluded that price is an important marketing mix factor in success of restaurant operations.

H₀: Place is not an important marketing mix factor in success of restaurant operations.

H₃: Place is an important marketing mix factor in success of restaurant operations.

Table 4.56: t-Test: One Sample for Means

	Importance of Place
Mean	5.534883721
Variance	3.775042983
Standard Deviation	1.942946984
Observations	258
Hypothesized Mean Difference	5
df	257
P(T<=t) one-tail	7.2256
t Critical one-tail	1.65080425

One-sample one-tail t-test is used to validate the hypothesis H_3. The One Sample t Test determines whether the sample mean is statistically different from a known or hypothesized population mean. Table 4.56 presents the sample statistics. Mean impression score (5.53 ± 1.94) is greater than the population 'normal' impression score of 5.0. The One-Sample Test table reports the result of the one-sample one-tail t-test.

From the present analysis, calculated value of *t*-statistics is observed as 1.65 on one-tail. As calculated t-value is greater than table value of *t*-statistics (1.64) at 5% level of significance and 257 degrees of freedom, researcher accepts alternate hypothesis. Thus, it is concluded that place is an important marketing mix factor in success of restaurant operations.

H₀: Promotion is not an important marketing mix factor in success of restaurant operations.

H₄: Promotion is an important marketing mix factor in success of restaurant operations.

Table 4.57: t-Test: One Sample for Means

	Importance of Promotion
Mean	3.251937984
Variance	2.811766658
Standard Deviation	1.676832328
Observations	258
Hypothesized Mean Difference	5
df	257
P(T<=t) one-tail	2.3443
t Critical one-tail	1.650804

One-sample one-tail t-test is used to validate the hypothesis H₄. The One Sample t Test determines whether the sample mean is statistically different from a known or hypothesized population mean. Table 4.57 presents the sample statistics. Mean impression score (3.25 ± 1.67) is lesser than the population 'normal' impression score of 5.0. The One-Sample Test table reports the result of the one-sample one-tail t-test.

From the present analysis, calculated value of *t*-statistics is observed as 1.65 on one-tail. As calculated t-value is greater than table value of *t*-statistics (1.64) at 5% level of significance and 257 degrees of freedom, researcher accepts alternate hypothesis. Thus, it is concluded that promotion is an important marketing mix factor in success of restaurant operations.

H₀: Physical evidence is not an important marketing mix factor in success of restaurant operations.

H₅: Physical evidence is an important marketing mix factor in success of restaurant operations.

Table 4.58: t-Test: One Sample for Means

	Importance of Physical Evidence
Mean	2.682170543
Variance	2.964739239
Standard Deviation	1.721841816
Observations	258
Hypothesized Mean Difference	5
Df	257
P(T<=t) one-tail	4.46681
t Critical one-tail	1.65080425

One-sample one-tail t-test is used to validate the hypothesis H_5. The One Sample t Test determines whether the sample mean is statistically different from a known or hypothesized population mean. Table 4.58 presents the sample statistics. Mean impression score (2.68 ± 1.72) is lesser than the population 'normal' impression score of 5.0. The One-Sample Test table reports the result of the one-sample one-tail t-test.

From the present analysis, calculated value of *t*-statistics is observed as 1.65 on one-tail. As calculated t-value is greater than table value of *t*-statistics (1.64) at 5% level of significance and 257 degrees of freedom, researcher accepts alternate hypothesis. Thus, it is concluded that physical evidence is an important marketing mix factor in success of restaurant operations.

H₀: People are not an important marketing mix factor in success of restaurant operations.

H₀: People are not an important marketing mix factor in success of restaurant operations.

H₆: People are an important marketing mix factor in success of restaurant operations.

Table 4.59: t-Test: One Sample for Means

	Importance of People
Mean	3.624031008
Variance	2.694673182
Standard Deviation	1.641545973
Observations	258
Hypothesized Mean Difference	5
df	257
P(T<=t) one-tail	1.25383
t Critical one-tail	1.9692374

One-sample one-tail t-test is used to validate the hypothesis H₆. The One Sample t Test determines whether the sample mean is statistically different from a known or hypothesized population mean. Table 4.59 presents the sample statistics. Mean impression score (3.62 ± 1.64) is lesser than the population 'normal' impression score of 5.0. The One-Sample Test table reports the result of the one-sample one-tail t-test.

From the present analysis, calculated value of *t*-statistics is observed as 1.96 on one-tail. As calculated t-value is greater than table value of *t*-statistics (1.64) at 5% level of significance and 257 degrees of freedom, researcher accepts alternate hypothesis. Thus, it is concluded that people are an important marketing mix factor in success of restaurant operations.

H₀: Process is not an important marketing mix factor in success of restaurant operations.

H₇: Process is an important marketing mix factor in success of restaurant operations.

Table 4.60: t-Test: One Sample for Means

	Importance of Process
Mean	3.782945736
Variance	3.797062106
Standard Deviation	1.948605169
Observations	258
Hypothesized Mean Difference	5
df	257
P(T<=t) one-tail	3.3536
t Critical one-tail	1.969237496

One-sample one-tail t-test is used to validate the hypothesis H₇. The One Sample t Test determines whether the sample mean is statistically different from a known or hypothesized population mean. Table 4.60 presents the sample statistics. Mean impression score (3.78 ± 1.94) is lesser than the population 'normal' impression score of 5.0. The One-Sample Test table reports the result of the one-sample one-tail t-test.

From the present analysis, calculated value of *t*-statistics is observed as 1.96 on one-tail. As calculated t-value is greater than table value of *t*-statistics (1.64) at 5% level of significance and 257 degrees of freedom, researcher accepts alternate hypothesis. Thus, it is concluded that process is an important marketing mix factor in success of restaurant operations.

Ranking of Marketing Mix Elements for Success of Restaurant

Based on the mean value, researcher has tried to rank Marketing Mix elements in order of its importance for success of restaurant operations. Following table provides the overview of the data:

Table 4.61: Ranking of marketing mix elements for success of restaurant

Marketing Mix Element	Mean Value	Ranking
Product	5.16	2
Price	3.96	3
Place	5.53	1
Promotion	3.25	6
People	3.62	5
Process	3.78	4
Physical Evidence	2.68	7

Thus, from the below table it is observed that from the opinion of respondents, Place is the most important marketing mix element for the success of restaurant business followed by product and price. However, from the opinion of respondents it is also observed that physical evidence is treated as one of the least important marketing mix elements for the success of restaurant business.

Summary

Eating out is increasing ever in last decade in India due to number of reasons as discussed in chapter 1. Food and Beverage service sector in India has shown a tremendous growth and Pune city is not an exception for the same. Pune is well known as an Education Hub, City with the set up of MIDC clusters boosting manufacturing industry and Clusters of IT Centres, Ultra modern hospitals with latest technologies in the world, Sports facilities, Historical places and Museums, Gardens and Zoological park and so on. The Pune city is a very balanced and best suited place considering the living standards, climate and affordability. Almost all migrated people for various reasons from all over the world love to be permanent resident of Pune city. All these factors resulted into growth and expansion of the city beyond imagination in terms of its size and population.

Ever increasing population of Pune city has increasing demand for food and beverage service facilities. To fulfil this increasing demand for food and beverages, restaurant industry in the city is also expanding with a rapid speed. As per the information given by the president of Pune Restaurants and Hoteliers Association (PRAHA) Ganesh Shetty, on an average every month 20 new food and beverage service outlets are entering in the PMC limits. Failure rate of these outlets is also too high. Almost 5 to 10 restaurants are shutting down every month in PMC.

The researchers has particularly focused on the study of use of 7P's of marketing mix by the restaurant operators (knowingly or unknowingly the theoretical concept of marketing mix) and its role in the success of restaurant business with interest to the restaurants in Pune Municipal Corporation area for the period considered for research. Considering all facts and figures of increasing demand for food and beverage service outlets in Pune and failures of such outlets, the researcher found it very important to study the relevance of use of marketing mix concept in a restaurant business. The researcher attempted to study all 7P's of marketing mix in restaurant business in PMC and usefulness of the same in sustenance as well as success of restaurant business.

Researcher has collected the data with help of two separate designed questionnaires to find out the role of marketing mix in restaurant business from customers point of view as well as restaurant operators view point. The study able to find the relevance of all 7P's of marketing mix in restaurant business with the data collected and analysed. The study also has

certain recommendations from customer's point of view to restaurant business operators for betterment in their business operations by considering most effective use of marketing mix. These vital factors studied in this research made this study relevant for restaurant operators as well as customers visiting restaurants.

However, on the other hand study has some limitations as well. The study relates and limited to Restaurant business operations in Pune Municipal Corporation area only. The study concluded that the proper mixture of marketing elements (Marketing Mix) is helpful for restaurant business to be sustainable as well as successful in the competitive market. It is necessary to review the marketing mix planned for restaurant business time to time and do the adjustment or changes in this mixture for the betterment of restaurant business for a long run.

Chapter – V
Conclusions and Recommendations

Researcher aimed to collect the data with the help of 2 separate questionnaires, one designed for general public who visit restaurants to dine out and the other designed for Restaurant Managers/ Supervisors/ Owners. The motive was, to find out the role of marketing mix in restaurant success with special reference to PMC area. On the basis of data collected and analysed, the researcher has come to following conclusions and also recommends few suggestions for successful restaurant operations.

For infinite population of customers, researcher has distributed 900 questionnaires and received 502 appropriate responses, which is 55.7% rate of response.

Conclusions based on the data collected from Customers visiting restaurants in PMC area,

1. Eating out is very common these days for the residents in Pune city. There are many responsible factors for the same like double income in a family, no time for cooking, number of events every month to celebrate or even just to relax and try out something new as a food lover and so on. All respondents of this research are eating out at least once in a month. Almost 50% of the respondents are eating out for minimum 2 to 3 times in a month, 20% of them are for 4 to 5 times and 6.2% of them are eating out more than 8 times in a month. To support the ever-increasing demand of eating out, as an average 20 new restaurants are entering into the competitive market of PMC every month.

   Recommendation: Pune city has the great potential market for restaurant industry. Entrepreneurs should study the potential market well and utilise the opportunity to start a new restaurant in PMC. During and post COVID-19 the entrepreneurs willing to enter in to the restaurant industry and start their own restaurant in PMC area should start with limited menu following new norms of hygiene and sanitation offering Parcel/ Take Away/ Home Delivery services only. They can save on investments on actual space required for dining or seating area and just having basic kitchen set-up.

2. A selection criterion of restaurant varies as per the accompanying people of the host. The researcher tried to find the selection criteria of a restaurant when one is dining out with family members, with friends and even with office colleagues. The most preferred option in selection criteria irrespective of the members accompanying is taste and quality of food and beverages offered at restaurant. It proves the importance of product as a part of marketing mix of restaurant. Next considerable factor which affects selection criteria is convenience to reach (Place/ Location).As Pune is a Metro city and always being crowded with heavy traffics on the roads, respondents like to select restaurant which is easy to reach.

Recommendation: It is recommended to offer tasty food prepared hygienically using quality ingredients. Taste and quality of food offered matters a lot for customers visiting restaurants in PMC.

Further it is essential to select the place for restaurant which is easy to locate and reach (probably in prime location of the city). This helps to get a steady flow of customers at restaurant which is necessary for its sustenance in the competitive market.

During and post COVID-19 the reach of restaurants in terms of offering home deliveries should be broader. The same can be achieved by restaurants having own website and app or hire a delivery vendor or register with the online food ordering and delivery platforms like Swiggy, Zomato, Faasos, Uber eats to name a few.

3. Although variety of options are available namely multi-cuisine international restaurants, fast food restaurants, quick service restaurants, speciality or ethnic restaurants most of the respondents prefer to have Indian food while dining out. Multi cuisine international restaurants are the second most preferred option by the respondents followed by quick service restaurants (QSR), fast food and speciality cuisine restaurants respectively.

Recommendation: Considering menu as a "Product" to be offered by restaurant, it is recommended to offer Indian food as a part of menu irrespective of the type of restaurant even in case of quick service restaurant (QSR), fast food restaurants or multi cuisine restaurant. There are plenty options available in Indian cuisine which can suite perfectly for various types of restaurants. International restaurant

chains like McDonalds has implemented the strategy of "Think Global Act Local" during its expansion all over the world and serving more than 100 countries to modify the menu preparations that suites local palate.

4. Researcher tried to find out the impact of various promotion efforts taken by restaurants and its impact on selection criteria of restaurant. It is found that most of respondents always check the print media or promotional advertisements before selecting the restaurant. There is significant impact of print media and promotional advertisement on customers and they select restaurant based on the same. Few of the respondents have never check print media or promotional advertisements for selecting a restaurant.

Recommendation: "Promotion" as an element of marketing mix used for restaurant operations should have dedicated monthly budget for promotional activities to be carried out to attract customers. At the initial phase of Restaurant, the budget allocated should be more for the promotional activities. Even when the restaurant is well established in the market and have a stable business certain percentage of the budget should be always allocated and spent on promotional activities.

During and post COVID-19, promotion efforts need to be increased to show the restaurants presence in the market and convey the message that the restaurant is operating with all new hygiene and safety norms.

5. Half of the respondents feel that comfortable and spacious seating arrangement is important at restaurant. Beyond this decor of restaurant in harmony with the food and standard service offered by well-groomed staff helps to create the good environment that customer prefers. Restaurant authorities must plan a layout of restaurant carefully which should have ambience in harmony with the type of restaurant and offering comfortable seating arrangement for customers even if it is not possible to offer spacious seating arrangement due to space constraints.

There are many mid-priced restaurants, fast food outlets and quick service restaurants in Pune city serving since many decades. They are simply serving tasty food prepared hygienically and offering comfortable seating with good quality lighting arrangements without any specific decor.

Recommendation: "Physical Evidence" as an environment created at restaurant is very important aspect from customer's point of view. It is recommended and necessary for speciality restaurants, fine dining restaurants and ethnic restaurants to have well planned decor, comfortable and specious seating arrangements. Customers visiting to such types of restaurants are ready to pay more for fine dine experience and personalised service.

Whereas in case of quick service restaurants (QSR), fast food and casual dine restaurants decor is not important. Customers visiting here are more bothered about quality of food offered that prepared in hygienic way and should be available at an affordable price. Restaurant operators should consider these recommendations.

During and post COVID-19 rather than pleasant environment and comfortable seating arrangement or a decor, hygiene and safety norms followed at restaurant are more important from customers point of view. The same needs to be followed strictly and guaranteed to the customers.

6. In today's tech-savvy world most of the respondents check either website of restaurant or mobile applications to get the information of restaurant they are planning to visit. This enables them to check the feedbacks and reviews about menu products, variety of products available, speed and accuracy of service, ambience, price and so on. This information is used by them to compare the other similar type of restaurants in the same area they are planning to dine out.

   The respondents agreed that checking website and selecting restaurant based on the information provided on website and reviews is worth for selection of restaurant from the choices available. Beyond this they can avail the facilities available on website such as reserving the table or even ordering food for home delivery.

   Some of the respondents are still relying on the word of mouth publicity. They discuss amongst their family and friends or with colleagues before finalising any restaurant to dine out from the available options with them.

   Recommendation: As a part of "Promotion" used by restaurants to enhance their market share, it is always better to have own website for the restaurant. The website of restaurant needs to keep up to date and always handled properly to

enjoy marketing benefits for the business. In COVID-19 scenario a well designed website with online ordering facility will help a lot for restaurant to sustain and manage home deliveries more efficiently.

7. All respondents expect to get same quality of food with standard quantity along with accurate and speedy service at restaurant every time of their visit. It highlights the importance of standardisation in restaurant industry which is possible with the help of development and implementation of standard operating procedures (SOP's) for all the departments in restaurant namely purchasing, receiving, storing, food preparation and service of food and beverages. Maintained standards helps to increase business with satisfied customers who are going to be repeat customers of the restaurant and getting new customers through word of mouth publicity. It further helps the restaurant management in reducing wastage due to wrong practices or procedures and pilferages by employee.

   Recommendation: "Processes" followed for all the activities carried out at restaurants are very important and should be standard. It is advisable to develop Standard Operating Procedures (SOP's) for all types of operations in restaurant. It is much easy to develop SOP's for any business operations but more important is to maintain these SOP's by all staff members throughout the operations to enjoy the benefits of the same. The same can be achieved by close supervision by senior staff, training for staff whenever required, feedback system (from both staff as well as customers for SOP's followed) and strict control measures implementation.

8. There are mixed opinions obtained in this research while finding out the relation between prices of the menu products offered and preference of restaurant by customers. Majority of the respondents were agreed to the statement that, "one may change his/her preferred/ favourite restaurant due to increase in prices of menu product". The other group of respondents were undecided and few of them were disagree with this statement. It clarifies that customers visiting to the restaurants in PMC are price sensitive and price is one of the important elements which impacts on selection of restaurant by them.

Recommendation: Based on the data collected, it is recommended to the restaurants to study the market place and potential customers' average spending power (ASP) to set "Price" for the menu products on offer. The pricing should be clearly stating whether it is inclusive or exclusive of any taxes applicable by government. If it is exclusive of taxes then the percentage of taxes applicable also need to be mentioned clearly on the menu itself. There should not be any hidden costs charged to customer's visiting restaurant. Increasing in menu prices should not be done frequently (there should be a sufficient time gap), as it may result in losing the regular customers in today's competitive market.

9. Majority of respondents are disagreed with the statement, "Higher the price, better is the quality of food and beverages offered at restaurant". Few of the respondents were undecided and few were agreed to the statement. There is certainly a different clientele that is even ready to pay on higher price with the expectations of better or beyond that best quality of products on offer, spacious seating arrangement, comfort and more sophisticated service along with the nice ambience at the restaurant. Here it becomes necessary to study the market place where the restaurant is located or going to start its operations along with type of customers to be served and accordingly set the prices for the menu product and offer other facilities to the customers. Customers always have set of expectations for money they are spending irrespective of market segment and that needs to be satisfied by restaurants every time.

Recommendation: Customers visiting to any restaurant are looking for good experience which may be created by the combination of tangible things like furniture, fixtures, crockery, cutlery to name a few and intangible things like food and beverage taste, consistency, appearance and service of the same offered by staff of restaurant. Further it is necessary in case of Speciality or Fine Dine Restaurant to understand that customers visiting to restaurant expect better and standard quality food products along with other facilities and standard service of food and beverages for which they are ready to pay more. As per the type of restaurant, price of the food products on offer may vary but the expectation by customers' remains same for the quality of food products (in relation to price charged).

10. All respondents have given importance to the cleanliness hygiene and sanitation facilities at restaurant. It highlights the value of cleanliness, hygiene and sanitation in restaurant. Further the respondents added that they are more concerned about hygiene and sanitation followed at restaurant while food and beverages are prepared and served. They surely not visit the restaurant again if they do not find it appropriate in terms of its cleanliness or hygiene and sanitation in overall operations. Beyond this stop others in their relations from visiting such restaurant.

Recommendation: Restaurant operators should follow the standards set by FDA and FSSAI for cleanliness and hygiene. Restaurant should get assessment done from FDA to earn the certificate of star-based 'Hygiene rating'. They should display this certificate on the door of restaurant which assures to the customers visiting restaurant for its cleanliness, hygiene and sanitation.

At present scenario, during and post COVID-19 pandemic it's mandatory and recommended for every restaurant to follow the guidelines set by government to assure their customers about safety and hygiene practices are followed while preparing and serving food. It is "Do or Die" scenario for restaurant industry and only those can survive who will follow new safety and hygiene practices.

11. Nearly half of the respondents believed that inappropriate location or place of restaurant is responsible for its failure. Next major responsible reason for failure of any restaurant is inappropriate menu and bad quality of products (food and beverage) offered. Wrong pricing strategy ranked third responsible reason for restaurant failure. Merely 4.8% of the respondent feels less or no promotional efforts are the responsible for failure of any restaurant. Many respondents feel it is a common impact of negligence and poor use of all core 4P's of marketing mix together in restaurant business.

Recommendation: Based on the research conducted, researcher have done ranking for all 7 P's of marketing mix. Market survey is recommended before starting a new restaurant in PMC to find out best combination of core 4P's of marketing mix. Place for the restaurant should be strategically selected as it is one of the most important selection criteria from the customers point of view while

selecting a restaurant to dine out. Based on the market survey and demand 'Menu' should be offered in the restaurant as a 'Product'. Initially competitive pricing strategy should be used by restaurants to sustain in the market and achieve target market share. Although no or less promotional efforts are considered responsible for the failure of any restaurant as per the customers' opinion, initially dedicated efforts by restaurants are necessary for restaurant promotion.

Conclusions based on the data collected from Restaurant Owners / Managers/ Supervisors,

1. The sample size required was 256 restaurants for the data to be collected from (for the period considered for research), so the researcher aimed to collect the data from 500 restaurants. Researcher could collect the information from 258 appropriate responses, which is 51.2% rate of response. Beyond this while collecting the data 15 restaurant owners denied to answer the questions asked for data collection and 52 restaurants were found closed (Shut down) due to various unknown reasons. On an average 20 food outlets are opening in the city each month while 5 to 10 are shutting down per month. It can be concluded that there are considerable failures of restaurant business in PMC area.

   Recommendation: It is highly recommended for entrepreneurs who wish to start their own restaurant should study the market well before entering in. Must know the market demand, formalise the financial policy, marketing policy and catering policy thoroughly. He/ she must know the all types of costs incurred in the restaurant business. Must have strong supervisory skills as many research's done in the field; prove that pilferages by staff and loss due to over production or negligent storage leads to heavy costing, that further results in less profitability which ultimately lead to unsustainable restaurant business. The entrepreneur should know the concept of breakeven point analysis (No Profit and No Loss situation in Business) and must have sustainability till the time business achieves the breakeven point to enjoy further returns and profitability in business.

2. Majority of the restaurants are operating in the prime location of the city which are densely populated areas of Pune Municipal Corporation (PMC). It notifies that

from the owners/ operators' point of view, it is very important to have a restaurant located in a prime location even if they have to pay huge amount to purchase the land and built a restaurant or paying high amount of rent every month and hefty deposits for the same. It proves that the "Place" is most important part of marketing mix for success of restaurant operations in the opinion of restaurant owners/ operators. All of these restaurants are providing the facility of parking for the guests either inside the own premises or outside premises. Data collected supports the restaurant operator's point of view highlighting the importance of prime and densely populated location to have sustainable restaurant operations in the long run. Most of the restaurant operators also mentioned offering secured parking facility is also essential for restaurant operation in present time.

Recommendation: It is advisable to select the "Place" to start a new restaurant at prime and densely populated location in the city to get more footfalls. This further helps to achieve sales target, makes restaurant business sustainable and profitable. If the one has his owned place, its better but most of the time due to huge capital investment owning a place is not possible for all entrepreneurs. It doesn't matter whether the place selected for restaurant is owned or rented as long as it is located at prime and densely populated area in the city.

3. A restaurant offering home delivery and parcel facility for their guests is a common scenario in today's world. All restaurants are enjoying the benefit of offering this facility in terms of earning additional revenue from it with basic investment cost. Most of these restaurants are earning as an average 30% and above of their total revenue earned just because of this facility.

Recommendation: It is highly recommended to offer the facilities like home delivery or parcel service at restaurant as a part of "Process". As the data shows restaurants can earn additional revenue by offering such facilities which will be very helpful for sustainability in case of new entrant in the market. It will add more profitability to the well-established restaurants where space constraint does not allow expansion. The same is applicable in case the restaurant operators do not wish to offer any franchisee and want to operate from one outlet only.

At present due to the COVID-19 pandemic, parcel or take away services are the only mean for restaurants to sustain in the market. In other words, Dark Kitchen or cloud kitchens are the best options to work with (whether it is a restaurant in existence since many years or to start a new one). Beyond this restaurant need to assure their customers about hygiene and sanitation measures are strictly observed.

4. Data collected for the research suggest that almost all restaurants are following the Standard Operating Procedures (SOP's) in their day to day operations (either for all operations or at least for production and food and beverage services offered in restaurant). Most of these restaurants are operating from past 2 or more years in PMC area and admitted the fact that, following SOP's helped them to have sustainable restaurant business. Restaurant owners also agreed that SOP's are very useful to achieve customer satisfaction by offering standard products in a standard way every time. It is very essential to offer standard quality products every single time to retain the customers in competitive market. Retained customers and repeat business from them is the key for success in restaurant business. It proves that the "Process" is an important element of marketing mix for success of restaurant operations.

Recommendation: "Process" as an element of marketing mix is a key factor for success of restaurant operations. Every restaurant operators should have set SOP's at restaurant for all the operations. All these SOP's should be readily available for the staff working in restaurant in printed formats (whether the staff is newly joined or working for the restaurant since its inception). If the staff follow all the SOP's in all types of operations in restaurant, it will be easy to have maintained standards in restaurant. The most important part here is to enforce and maintain the standards throughout the operations of restaurant to enjoy the benefits of the same.

In the scenario of COVID-19 to follow the new norms of hygiene and sanitation is a mandatory part of all SOP's followed at every operational phase of restaurant from receiving of raw material till delivering the final food and beverage products to customers.

5. Few questions were asked by researcher to find out the role of "Price" as a marketing mix element for restaurant business. Information given by the restaurant operators suggests that their pricing for food and beverages is mostly cost based and profit oriented. Surprisingly competitive pricing has low significance in restaurants product pricing in PMC.

The customers visiting to the restaurant are sensitive to the price of menu products and whenever there is a price increase in the menu products, small decrease in number of customers visiting is experienced by restaurants in PMC.

Recommendation: Pricing strategy should be planned in such a way that BEP is achieved at the earliest. Frequent increase in prices affect the number of guests visiting restaurant so it is suggested to keep a sufficient time gap between the increases in price of menu products offered at restaurant. Beyond this the prices charged for menu products should be offering value for money to the guest in terms of quality and quantity offered. There are various pricing strategies but depending on the type of market and average spending power of potential customers, restaurant owner should adopt pricing for menu in PMC area.

6. None of the restaurant has all employees who have completed formal education/degree. Most of the restaurants have employees with formal education specifically working for front of the house operations or working at supervisory level. All restaurants have their own pattern of training employees. Few of the restaurants provide training to the employees at the recruitment level itself but most of them provide need-based training to their employees. Restaurants are using preset SOP's (Standard Operating Procedures) to train the staff. Study reveals that hiring all employees who have formal education or degree in the field is neither possible nor affordable as well. From the restaurants point of view there is no relevance to have all employees with a formal education/degree in the field.

Recommendation: Employees working at any restaurant are the "People" as in marketing mix elements. Even if the employee is not having any formal education, skills on hand are more important to work in back area of restaurant for e.g. Kitchen. Front of house staff need to have formal education and soft skills to create better image of restaurant. Cost cutting is better achieved if restaurant hires

combination of employees. Skilled employees with hands on experience for back areas in the restaurant are best suited, rather than employees having any formal education. Employees with soft skills along with managerial abilities acquired through formal education are better for front of house areas in restaurant.

Irrespective of having employees with or without any formal education or a degree, it is highly essential to set SOP's for restaurant operation as concluded earlier. Having set SOP's and implementing these SOP's in day to day practice by all employees is very important. This can be achieved by offering formal training on SOP's to all employees. Proper training to the employees help restaurants to maintain SOP's and achieves guest satisfaction. It is highly recommended to offer training to the employees working in restaurant to achieve the various management goals like cost effectiveness, increasing profit percentage, reduce wastages, achieve guest satisfaction, getting repeat business and so on. Training can help a lot to adopt the required basic knowledge and additional skills to do the work assigned efficiently by restaurant staff.

As an impact of COVID-19 restaurants have already cut down on their employee strength and will continue with limited or less number of employees until the normal table service of food and beverages will begin in future. As at present restaurants are operating for limited menu and offering only parcel delivery and take away facility. Restaurant industry will regain its momentum again provided with the vaccine or medication found for the COVID-19.

7. To check the importance of "Physical Evidence" as a marketing mix element in restaurant operation few questions were asked by researcher. "Physical Evidence" is nothing but an environment created at restaurant. Data collected reveals that, most of the restaurants have done decor only for service area. Few of them done it for only external part and entrance of the restaurant. Although the restaurants have not paid attention towards decor, all of the restaurants have given a prime most importance to cleanliness in the restaurant premises. Irrespective of type and size of restaurant minimum cleanliness procedures are followed 2 times in a day at all restaurants. Few restaurants are even implementing 4 times a day cleanliness procedure as a part of their standard operating procedure, to maintain clean and hygienic environment at restaurant which is very important. Depending on the category or type of restaurant decor might be done more intensely or just at the

seating area in restaurant (as per the owners or operators decision whether it is required or not).

Recommendation: Restaurants should have decor and beautify the service area which should be complimenting to food and beverages on offer. It helps to create pleasing Environment at restaurant. Fine dine restaurants / speciality restaurants must have a well-groomed staff in clean and tidy uniform in harmony with the theme or cuisine offered at restaurant to create the suitable environment at restaurant.

Restaurants should observe cleanliness as a part of standard operating procedure. Maintaining cleanliness in restaurant is very important as it reflects the hygiene and sanitation followed in restaurant which further has impact on selection of restaurant by customers. It also helps the restaurant management to serve wholesome food to customers and get rid of the incidents like food poisoning. Even the restaurant can easily face any inspection committee that is critically examining the restaurant and have rights to cancel the licences on the basis of unhygienic conditions at restaurant. FSSAI (Food Safety and Standards Authority of India) recently started system of hygiene-based rating for restaurants which is mainly based on the cleanliness parameters. Restaurants receive a certification under the star-based 'hygiene rating' system which can be displayed on the door of restaurant. Restaurants should apply and have certificate with maximum stars. During and post COVID-19 it is abiding on restaurants of all types and at all places in the world to follow new norms of hygiene and sanitation. Implementation of new norms of hygiene and sanitation is more important than decor or furnishing creating pleasant environment at restaurant.

8. Most of the restaurants in PMC have entertainment facility on offer as a part of "Physical Evidence" to create better environment for their customers (chiefly on the special occasions like mega sports event and cultural event with live telecast, some of them offers it on customers demand or on weekends and few of them offer this facility throughout the year). It can be concluded that offering entertainment facility is always helpful for the restaurants to attract the desired number of customers in a competitive market and at the same time it is an essential requirement of customers while selecting a restaurant. Depending on the

type of restaurant and profile of customers visiting, it is decided by restaurant operator whether entertainment facility is required or not. For every restaurant it is not possible to offer entertainment facility.

Recommendation: It is advisable to offer certain type of entertainment facility which blends well with the theme and clientele of the restaurant for example a sports bar can have live streaming of various sports events; an ethnic restaurant may have live or recorded entertainment suitable for the theme.

9. Surprisingly very few restaurants in Pune city have their own official website for marketing purpose. However, all of those restaurants having own official website are agreed on the fact that it helps to attract more customers due to the information posted on it. Irrespective of either having an official website or not having an official website, all restaurants spend on promotion. Public relations and print media are the techniques mostly used by restaurants to attract customers. Most of them are sending messages on mobile and newspaper for the same. Few of the restaurants are even advertising on television (through local cable network); on screens of multiplexes and even on regional FM radio station. Almost every restaurant in PMC is attached to delivery service apps like Swiggy, Zomato, Faasos, Uber eat and so on.

Recommendation: "Promotion "always helps to bring the new customer to restaurant, so it is always wise decision to have certain budget allocated for advertising on monthly basis. Today's world is techno savvy with the use of smart phones and as people like to have information on tip of fingers, it is better to have an official website of a restaurant that can keep posting the updated information of restaurant to customers along with the basic information like menu, prices, operational timings and so on to help users in decision for selection of restaurant. During COVID-19 promoting home delivery service by restaurant is essential and the only mean to survive in the market. Beyond this DIY (Do-it-yourself) meal boxes were introduced by many reputed hotels. These meal kits were launched during lockdown and going to be new normal, even after post lockdown as people are not going to immediately dine out.

10. Out of the total responses, 12% of the respondents are franchise or have affiliation or part of chain restaurant. Out of these 12% Franchise Restaurants, most of the respondents agreed that it is beneficial to have affiliation and accepted that the same helped to have a sustainable restaurant operation. Although having affiliation or being a part of chain restaurant is beneficial all categories restaurants are not offering their affiliation. There are certain restaurants in PMC area like Malaka Spice that rather offering affiliation, operating at various places with the own set of staff and management (Chain Restaurant).

Recommendation: Entrepreneurs with no previous experience should do market survey, study the marketing mix concept carefully and practically apply the same to enter in restaurant business. Another option is to avail franchise with already established brands in market especially for one, who is not having any experience of restaurant operations. This helps to have sustainable restaurant operations.

11. Restaurant authorities asked to rank 7 P's of Marketing Mix in order of its importance while starting a restaurant at new place through the questionnaire asked by researcher. The ranking proved that "Place" is the most important element followed by "Product" and "Price" as the second and third most important elements respectively in marketing mix of restaurant.
Strategically selected "Place" helps to get better footfall of customers at restaurant which further helps restaurant to sustain at its initial phase of operation (while starting a restaurant at new place).
Further the second most important marketing mix element for restaurant success is "Product" on offer i.e. Menu.
"Price" of the products offered at restaurant should be decided and charged carefully as most of the restaurant authorities agreed that the clientele is price sensitive.
Least important element in marketing mix of restaurant is "Physical Evidence" in the opinion of restaurant authorities.

Recommendation: "Place" plays an important role in restaurants success in PMC; it should be strategically located either in the prime and densely populated area of the city.

It is essential to offer standard and good quality menu products (food and beverages) every time to the customers by implementing SOP's like "Standard Recipe" in kitchen. For sustainable restaurant operation and retaining the customer as a repeat customer it helps a lot. It further leads to word of mouth publicity by these satisfied customers and increase revenue of restaurant.

Prices charged for menu product should be in relation to quality and quantity of products offered. Pricing should be based on the local market research and potential customers' profile, as study reveals it is best suited pricing strategy in PMC rather than any other strategies like competitive or cost-based pricing or even profit oriented pricing strategy.

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Annexure
Questionnaire I

Restaurant Operations Survey (For Customers)

Name of Respondent: _____

Name of Restaurant: _____

Address:

_____

_____

Occupation: _____Contact No. _____

Gender: Male ___   Female____

AGE: 18 to 28 ___   29 to 39___   40 to 50___   51 +_____

1. What is the frequency of you dining out (per month)?
   - ☐   0-1 times
   - ☐   2-3 times
   - ☐   4-5 times
   - ☐   6-7 times
   - ☐   8 or more times
2. What is the selection criterion of a restaurant when you plan to dine out with your family?
   - ☐   convenience to reach (location)
   - ☐   food taste and quality
   - ☐   affordable price of menu products
   - ☐   should be a well-known brand of restaurant
   - ☐   other (please specify) _____
3. What is the selection criterion of a restaurant when you plan to dine out with your friends?
   - ☐   convenience to reach (location)
   - ☐   food taste and quality
   - ☐   affordable price of menu products
   - ☐   should be a well-known brand of restaurant
   - ☐   other (please specify) _____
4. What is the selection criterion of a restaurant when you plan to dine out with your office colleagues?
   - ☐   convenience to reach (location)
   - ☐   food taste and quality
   - ☐   affordable price of menu products
   - ☐   should be a well-known brand of restaurant
   - ☐   other (please specify) _____

5. Your first choice of cuisine when you dine out is
   ☐ multi cuisine international
   ☐ multi cuisine Indian
   ☐ fast food restaurant
   ☐ quick service restaurant
   ☐ Specialty cuisine restaurant

6. Do your selection criteria of a restaurant is based on the promotions and print media used by restaurants?
   ☐ never
   ☐ rarely
   ☐ occasionally
   ☐ mostly
   ☐ always

7. How important it is to have a comfortable and spacious seating arrangement at a restaurant?
   ☐ very important
   ☐ important
   ☐ average important
   ☐ less important
   ☐ not important at all

8. How important is to get same quality of food, standard quantity, accurate and speedy service at restaurant?
   ☐ very important
   ☐ important
   ☐ average important
   ☐ less important
   ☐ not important at all

9. How important is it for you to have a professional staff with certain attributes and qualities in a restaurant?
   ☐ very important
   ☐ important
   ☐ average important
   ☐ less important
   ☐ not important at all

10. Do you agree with the statement that, "One may change his/her favorite/preferred restaurant if the prices of menu products increased?"
    ☐ strongly agree
    ☐ agree
    ☐ undecided
    ☐ disagree
    ☐ strongly disagree

11. Do you agree with the statement that, "Higher the price, better is the quality of food and beverages offered at restaurant"
   - ☐ strongly agree
   - ☐ agree
   - ☐ undecided
   - ☐ disagree
   - ☐ strongly disagree

12. Do you agree with the statement that, "Overall cleanliness and other hygiene, sanitation facilities at restaurant are equally important as food and beverage quality and service offered at restaurant?
   - ☐ strongly agree
   - ☐ agree
   - ☐ undecided
   - ☐ disagree
   - ☐ strongly disagree

13. a) Do you check the internet website of a restaurant and feedback written about restaurant before selecting a restaurant?
   - ☐ Yes
   - ☐ No

   b) And how helpful is the same?
   - ☐ very helpful
   - ☐ helpful
   - ☐ average important
   - ☐ little helpful
   - ☐ not helpful at all

14. Do you select the restaurant due to its word of mouth publicity?
   - ☐ Never
   - ☐ Rarely
   - ☐ Occasionally
   - ☐ Mostly
   - ☐ Always

15. In your opinion, which is the most responsible reason for the failure of restaurants in your area? (Pin code_____)
   - ☐ Inappropriate location
   - ☐ Inappropriate menu and quality of product
   - ☐ Wrong pricing strategy
   - ☐ No/less promotion efforts taken
   - ☐ Other (please specify) _____

Questionnaire II

Restaurant Operations Survey (For Owners / Managers)

Name of Restaurant:

_____

Established in the Year/ Functioning since _____

Address:

_____

_____

Name of Respondent: _____

Position: _____

Contact No. _____Email ID_____

Part A - Demographic

Gender: Male ___   Female____

AGE: 18 to 28 ___   29 to 39___   40 to 50___   51 +_____

1. How many years you are working in restaurant industry?

    ☐   3 to 5

    ☐   5 to 7

    ☐   7 to 9

    ☐   9 to 11

    ☐   11 or more_____

2. How many years of experience do you have of managing a restaurant?

    ☐   1 to 3

    ☐   3 to 5

    ☐   5 to 7

    ☐   7 to 9

    ☐   9 and above_____

3. What is the size of your restaurant?

    ☐   10 cover seating

    ☐   Between 10 to 20 covers

    ☐   Between 20 to 30 covers

    ☐   Between 30 to 40 covers

    ☐   40 or more covers_____

Part B – Restaurant Operations

1. How many times in a day 100% covers are sold out in your restaurant?

   ☐ once

   ☐ twice

   ☐ thrice

   ☐ four times

   ☐ more than four times

2. Your restaurant is located at

   i. Prime location in a city

   ii. In a densely populated area in the city

   ☐ Yes to both.

   ☐ First yes/second no

   ☐ Second yes/first no

   ☐ No to both.

   ☐ Any other.

3. Your restaurant has ample and adequate parking facility for guest vehicles

   i. Inside own premises

   ii. Outside premises

   ☐ Yes, to both.

   ☐ First yes/second no

   ☐ Second yes/first no

   ☐ No to both.

   ☐ Any other.

4. a) Do you have home delivery/ parcel facility at your restaurant?

   ☐ Yes

   ☐ No

   b) What is the percentage of revenue you generate through home delivery/parcel service?

   ☐ 50% and more

   ☐ 40%

   ☐ 30%

   ☐ 20%

   ☐ 10% or less than that

5. Do you follow Standard Operation Procedure at your restaurant? (For e.g. standardized recipe, standard preparation and service time etc.)

☐   For all the procedures

☐   For selected procedures

☐   Only for kitchen procedures

☐   Only for service procedures

☐   Not at all

6. You are able to offer accurate and speedy service at your restaurant?

☐   Never

☐   Rarely

☐   Occasionally

☐   Mostly

☐   Always

7. What type of cuisine you offer at your restaurant?

☐   Multi cuisine international

☐   Multi cuisine Indian

☐   Fast food restaurant

☐   Quick service restaurant

☐   Specialty cuisine restaurant

8. What is the ideal time period after which the menu revision is carried out in your restaurant?

☐   quarterly

☐   twice in a year

☐   once in a year

☐   once in two years

☐   any other _____

9. What impact you observe in % of visiting customers when the prices of menu products are increased in a restaurant?

☐   huge decrease in the number of customers visiting

☐   small decrease in the number of customers visiting

☐   no impact

☐   small increase in the number of customers visiting

☐   huge increase in the number of customers visiting

10. How frequently you increase price of menu products offered at restaurant?

- ☐ quarterly
- ☐ twice in a year
- ☐ once in a year
- ☐ once in two years
- ☐ any other _____

11. What is the most important criterion to change the price of menu products?

- ☐ Cost based pricing
- ☐ According to competitors
- ☐ As per seasonality
- ☐ Offer based pricing
- ☐ Profit margin based

12. How often you offer training to your employees?

- ☐ At the recruitment level
- ☐ Quarterly
- ☐ Twice in a year
- ☐ Once a year
- ☐ Need based

13. How many of the staff has completed formal education/degree working at restaurant?

- ☐ 100%
- ☐ 80%
- ☐ 60%
- ☐ 40%
- ☐ None

14. Is your décor been planned as per the aesthetic expectations of your target customers?

- ☐ Yes
- ☐ Only for Service area
- ☐ Only for entrance and external
- ☐ Not essentially
- ☐ No

15. How many often in a day you follow cleanliness procedures at your restaurant?

    ☐   Once

    ☐   Twice

    ☐   Thrice

    ☐   Four times

    ☐   More than four times

16. Do you have entertainment facility at your restaurant?

    ☐   Yes, all year round

    ☐   Offering occasionally (during mega sport and social, cultural event – live telecast etc.)

    ☐   Only on weekends

    ☐   On customer demand.

    ☐   Not at all

17. a) Do you have your own website of a restaurant?

    ☐   Yes

    ☐   No

   b) How helpful is the same for attracting customers to your restaurant?

    ☐   very helpful

    ☐   helpful

    ☐   so-so

    ☐   little helpful

    ☐   not helpful at all

18. Whether public relations and print media are used by your restaurant to attract customers?

    ☐   Never

    ☐   Rarely

    ☐   Occasionally

    ☐   Mostly

    ☐   Always

19. Which type of media you are using to attract customers?

    ☐   Television

    ☐   Radio

    ☐   Newspaper

    ☐   On screens of multiplex

    ☐   Messages on mobile

20. Whether your restaurant has any Affiliation/ Franchised or is a part of Chain of Restaurants? If yes, has it helped to have a sustainable restaurant operation?

  ☐   very helpful

  ☐   helpful

  ☐   so-so

  ☐   little helpful

  ☐   not helpful at all

21. To what extent you are happy with the business of your restaurant?

  ☐   100%

  ☐   90%

  ☐   80%

  ☐   70%

  ☐   60%

22. If you are starting a new restaurant at a new place please rank the following marketing mix (7P's) in order of its importance from 1 to 7 (7 is most important and 1 is least important) (no repetition is allowed).

Place (Location/ Distribution)

Product (Menu)

Price

Promotion (Advertisement and Marketing)

Physical Evidence (Facilities)

People (Management/ Staff)

Process (Production and Service)