## A STUDY ON THE INFLUENCE OF MARKETING STRATEGIES OF FOREIGN FAST-FOOD BRANDS IN THE INDIAN MARKET

Dissertation Submitted by

TANIA SAJI (SB21ACOM044) MERLIN SARA VINOD (SB21ACOM031) NANDANA A NAIR (SB21ACOM032)

Under the guidance of Ms. REEMA DOMINIC In partial fulfillment of the requirement for the Degree of BACHELOR OF COMMERCE



ST. TERESA'S COLLEGE ESTD 1925 ST. TERESA'S COLLEGE (AUTONOMOUS), ERNAKULAM COLLEGE WITH POTENTIAL FOR EXCELLENCE Nationally Re-Accredited with A++ Grade Affiliated to Mahatma Gandhi University Kottayam-686560 APRIL 2024

## ST. TERESA'S COLLEGE, ERNAKULAM (AUTONOMOUS)

## COLLEGE WITH POTENTIAL FOR EXCELLENCE

Nationally Re-Accredited with A++ Grade



#### CERTIFICATE

This is to certify that the project titled "A Study on the Influence of Marketing Strategies of Foreign Fast-Food Brands in the Indian Market" submitted to Mahatma Gandhi University in partial fulfillment of the requirement for the award of Degree of Bachelor of Commerce is a record of the original work done by Ms. Nandana A Nair, Ms. Tania Saji, Ms. Merlin Sara Vinod, under my supervision and guidance during the academic year 2023-24.

Project Guide

Smt. Jini Justin D'Costa

Head of Department

External Examiner(s)

Department of Commerce (SF)

Viva Voce Examination held on .... 24-04-2024

Department of Commerce (SF)

Reema Dominic

Assistant Professor

Ms.

#### DECLARATION

We, Nandana A Nair, Tania Saji, and Merlin Sara Vinod, final year B.Com students, Department of Commerce (SF), St. Teresa's College (Autonomous) hereby declare that the project report entitled "A Study on the Influence of Marketing Strategies of Foreign Fast-Food Brands in the Indian Market" submitted to Mahatma Gandhi University is a bonafide record of the work done under the supervision and guidance of Ms. Reema Dominic, Assistant Professor of Department of Commerce (SF), St. Teresa's College (Autonomous) and this work has not previously formed the basis for the award of any academic qualification, fellowship, or other similar title of any other university or board.

### **PLACE: ERNAKULAM**

DATE: 24-04-2024

NANDANA A NAIR

TANIA SAJI

**MERLIN SARA VINOD** 

#### ACKNOWLEDGEMENT

We are grateful to **God Almighty** for his blessings showered upon us for the successful completion of our project.

This dissertation would not have been possible without the guidance and help of several individuals who in one way or another contributed and extended their valuable assistance in the preparation and completion of this study. It is our privilege to place a word of gratitude to all persons who have helped us in the successful completion of the project.

We are grateful to our guide **Ms. Reema Dominic**, Department of Commerce (SF) of St. Teresa's College (Autonomous), Ernakulam for her valuable guidance and encouragement in completing this work.

We would like to acknowledge **Dr. Alphonsa Vijaya Joseph**, Principal of St. Teresa's College (Autonomous), Ernakulam for providing necessary encouragement and infrastructure facilities.

We would like to thank **Smt. Jini Justin D'Costa**, Head of the Department, for her assistance and support throughout this study and for the completion of the project.

We will always remain indebted to our family and friends who have helped us in the completion of this project.

Last but not least, we would also like to thank the respondents who have helped us to provide the necessary information for our study.

> TANIA SAJI MERLIN SARA VINOD NANDANA A NAIR

| CHAPTERS | CONTENTS                                | PAGE<br>NO |
|----------|---|------------|
| Ι        | INTRODUCTION                            | 1          |
| II       | REVIEW OF LITERATURE                    | 5          |
| III      | THEORETICAL FRAMEWORK                   | 10         |
| IV       | COMPANY PROFILE                         | 17         |
| V        | DATA ANALYSIS AND<br>INTERPRETATION     | 24         |
| VI       | FINDINGS, SUGGESTIONS AND<br>CONCLUSION | 52         |
|          | BIBLIOGRAPHY                            |            |
|          | ANNEXURE                                |            |

## LIST OF TABLES

| SL   | CONTENTS                              | PAGE |  |
|------|---------------------------------------|------|--|
| NO.  | CONTENTS                              | NO.  |  |
| 4.1  | AGE GROUP                             | 24   |  |
| 4.2  | FREQUENCY OF VISIT                    | 25   |  |
| 4.3  | SAMPLING NEW OFFERINGS                | 27   |  |
| 4.4  | INFLUENCE OF MARKETING PROMOTIONS     | 29   |  |
| 4.5  | MEDIA OF RECURRENCE OF ADVERTISEMENTS | 30   |  |
| 4.6  | MOST APPEALING MARKETING STRATEGIES   | 32   |  |
| 4.7  | IMPACT ON INDIAN CONSUMER CULTURE     | 34   |  |
| 4.8  | STRONGEST BRAND PRESENCE IN INDIA     | 36   |  |
|      | DECISION FACTORS:                     |      |  |
| 4.0  | 4.9.1 KFC                             | 38   |  |
| 4.9  | 4.9.2 McDONALD'S                      |      |  |
|      | 4.9.3 DOMINO'S                        |      |  |
| 4.10 | ADAPTATION OF MENU                    | 44   |  |
| 4.11 | CHALLENGES FACED                      | 46   |  |
| 4.12 | PRIORITISATION ASPECTS                | 48   |  |
| 4.13 | RECOMMENDATION                        | 50   |  |
|      |                                       | ·    |  |

## **LIST OF FIGURES**

| SL<br>NO. | CONTENTS   | PAGE<br>NO. |
|-----------|--|-------------|
| 4.1       | AGE GROUP  | 24          |
| 4.2       | RECURRENCE OF VISIT  |             |
| 4.3       | TASTE TESTING TRENDS/ SAMPLING NEW<br>OFFERINGS                      | 27          |
| 4.4       | INFLUENCE OF MARKETING PROMOTIONS                                    |             |
| 4.5       | MEDIA OF RECURRENCE OF ADVERTISEMENTS                                |             |
| 4.6       | MOST APPEALING MARKETING STRATEGIES                                  |             |
| 4.7       | IMPACT ON INDIAN CONSUMER CULTURE                                    |             |
| 4.8       | STRONGEST BRAND PRESENCE IN INDIA                                    | 36          |
| 4.9       | DECISION FACTORS:<br>4.9.1 KFC<br>4.9.2 McDONALD'S<br>4.9.3 DOMINO'S | 38          |
| 4.10      | ADAPTATION OF MENU   |             |
| 4.11      | CHALLENGES FACED   |             |
| 4.12      | PRIORITISATION ASPECTS   |             |
| 4.13      | RECOMMENDATION   | 50          |

# CHAPTER I INTRODUCTION

#### **<u>1.1 TITLE OF STUDY</u>**

A STUDY ON THE INFLUENCE OF MARKETING STRATEGIES OF FOREIGN FAST-FOOD BRANDS IN THE INDIAN MARKET

### **1.2 INTRODUCTION**

Rising globalization and international commerce are driving many foreign businesses to enter India, one of the world's fastest-growing and most competitive marketplaces. Some foreign companies have been successful in establishing their brands in the Indian market even though most of them failed to recognize the needs of Indian consumers or the characteristics of the market. The reason for this is that before launching a brand, they attempted to fully comprehend the requirements of the target market. When they initially entered the Indian market, even some of the biggest names in the sector today committed several mistakes.

After the regulations governing the entry of Multinational Corporations (MNCs) in India were completely rewritten, most foreign brands started to enter the Indian market and became accessible to the rest of the world. The Indian economy has a lot of potential and is one of the fastest growing in the world. Over the last few decades, India has seen tremendous urbanization and globalization, which has transformed its gastronomic environment. Introducing foreign fast-food brands into the Indian market symbolizes a significant shift in the country's culinary scene, blending global cuisines with indigenous tastes. With a populace known for its love of food, India is a big and vibrant market for foreign food companies to explore. The introduction of fast-food chains such as KFC, McDonald's, and Domino's represents a shift in consumer behaviour, with a younger, more urban populace wanting convenience, novelty, and aspirational eating experiences. Moreover, it highlights the evolving dynamics of globalization, where cultural exchange occurs not only through traditional channels but also through the shared experience of food.

## **1.3 STATEMENT OF THE PROBLEM**

As foreign brands increasingly penetrate the Indian market, there is a need to investigate the influence of their marketing strategies on local consumer preferences and market dynamics. This study aims to investigate the key factors influencing the effectiveness of marketing strategies deployed by foreign brands in India, considering aspects such as cultural adaptation, competitive dynamics, regulatory challenges, and consumer perceptions.

## **1.4 OBJECTIVES OF THE STUDY**

- To assess the perception of Indian consumers towards foreign brands.
- To identify market challenges of foreign brands.
- To examine the competitive landscape between foreign and local brands.
- To identify the adoption strategy that influenced the customers the most.
- To assess the degree of brand awareness these marketing strategies have raised.

## **1.5 SIGNIFICANCE OF THE TOPIC**

Studying the influence of marketing strategies by foreign brands in the Indian market holds significant implications for global business practices, crosscultural understanding, economic development, and strategic decision-making for both businesses and policymakers. It serves as a valuable source of information for those interested in the intricacies of global brands navigating the complex and dynamic Indian market.

## **1.6 SCOPE OF THE STUDY**

The scope of the study includes analysing marketing strategies by foreign brands in the Indian market, with a focus on specific regions, industries, and time frames. It explores cross-cultural factors, regulatory influences, and digital marketing strategies, aiming to provide insights into consumer perceptions, success/failure cases, and emerging trends.

## **1.7 RESEARCH METHODOLOGY OF THE STUDY**

The systematic, organized, and logical framework or strategy used to guide the entire research process is referred to as research methodology. It consists of the design, methods, tools, and techniques used for data collection, analysis, and interpretation, as well as ensuring the reliability and validity of research findings.

- 1. Research Design: The study is designed to be descriptive.
- 2. Source of Data: Both Primary and Secondary data are used for data collection
- 3. Tools for Data Collection:
  - i. Primary Data- Primary data was collected by using a well-structured questionnaire prepared using Google Forms.
  - ii. Secondary Data- This data was collected from published sources like websites, journals, books, etc.
- 4. **Sampling Technique:** A convenient random sampling technique was used to analyse the objectives of the study.
- 5. Sample Size: A total of 50 samples served the purpose of the study.
- 6. Analysis of Data: The data is presented in the form of tables, pie charts, and bar graphs.

## **1.8 LIMITATIONS OF THE STUDY**

- Results might not apply to every foreign brand in the Indian market across all industries.
- It is possible that the study did not adequately capture the wide range of cultural nuances that are present in different parts of India, even with its best efforts.
- Time constraints may hinder the study from capturing the most recent developments in the rapidly evolving Indian market.

• External economic factors, such as recessions or policy changes, are beyond the study's control and could impact consumer behaviour and market dynamics.

## **1.9 CHAPTER SCHEME**

This study contains five chapters. They are:

## **CHAPTER I – INTRODUCTION**

This chapter introduces the research topic, outlines its significance, and presents the research objectives.

## **CHAPTER II – REVIEW OF LITERATURE**

This chapter identifies the gap in the current knowledge and provides the context for the study's contribution to the field.

## **CHAPTER III – THEORETICAL FRAMEWORK**

This chapter establishes the theoretical foundation for the study, synthesizing relevant concepts, models, and theories from existing literature.

## **CHAPTER IV – COMPANY PROFILE**

This chapter is a written introduction to the company that tells the reader about its founding and describes its products or services.

## **CHAPTER V – DATA ANALYSIS AND INTERPRETATION**

The data collected is methodically examined in this chapter using appropriate statistical or qualitative techniques.

## CHAPTER VI - FINDINGS, SUGGESTIONS AND CONCLUSION

This section reveals the research findings, makes practical recommendations based on the findings, and summarises the study's broader implications, providing a comprehensive and conclusive overview of the research project.

## **CHAPTER II**

## **REVIEW OF LITERATURE**

#### Ilan Alon (2021)

The study "Global Marketing: Strategy, Practice, and Case Studies", along with Eugene Jaffe, Christiane Prange, and Donata Vianelli, discusses various obstacles that demand a marketer to think strategically and utilize tools and tactics creatively to respond decisively in a fiercely competitive marketplace. With an indepth investigation of company strategies, empirical cases back up the theory.

#### Fedric Kujur, Anirban Mandal and Sriparna Guha (2021)

The article **"The Social Media Marketing Strategies and its Implementation in Promoting Handicrafts Products"**, emphasizes the marketing of Indian handicraft products through various social media platforms. It examines the probable impact of handicraft-related social media marketing activities on brand awareness and image, along with their impact on brand equity and purchase intent.

#### Mun Mun Ghosh, Arindam Ghosh and Moumita Ghosh (2016)

The article **"Impact and Influence of Culture on Brands in Indian Market"**, highlights how culture influences individual or institutional consumption practices. It reveals how successful firms were able to align their branding strategies with the dominant cultural ideology and incorporate their brands into the specific cultural fibre.

#### Sandeep Singh Chib(2012)

The paper "**Comparative Study on Customer Satisfaction towards KFC and McDonald's, Chennai**", analysed the customer satisfaction level related to KFC and McDonald's. It aims at knowing which of the companies (KFC or McDonald's) is doing better in terms of service quality and also to know which of the companies (KFC or McDonald's) is having more overall customer satisfaction.

#### Kinarry Thakkar and Mrunmayee R.Thatte(2014)

The study **"Consumer Perceptions of Food Franchise: A Study of McDonald's and KFC"**, attempted to study the consumers' perception and two important food franchises, KFC and McDonald's. A variety of factors of food items, quality, taste, ingredients, etc are analysed to study consumer perception and food franchises. The study revealed that the price of the food items affects the frequency of visits to food outlets.

#### Prabhavathi and Kishore (2014)

Their study "Consumer Preference and Spending Pattern in Indian Fast-Food Industry", revealed that young customers' lifestyle trend consists of taste, convenience, and seeking alternate food items which formed the major reasons for consuming fast food.

#### Sandeep Saxena (2012)

The study **"Challenges and Strategies of Global Branding in Indian Market"**, emphasizes that a branding strategy must be devised after considering the brand's capabilities and competencies, strategies of competing brands, and consumers' outlook, which is largely formed by experiences in their respective societies. The primary focus of this study is on global branding and its drawbacks.

#### John Quelch (2012)

The book **"All Business Is Local"**, contends that in today's global market, firms must be local and global to thrive. It delves into case studies of brands that make creative use of location. This book will assist any business, from worldwide megabrands to exclusive small-town shops, in effectively influencing more number of customers.

#### Kevin Lane Keller (2011)

In the book "Strategic Brand Management", the author along with MG Parameswaran and Isaac Jacob provides specific tactical instructions for developing, building, assessing, and managing brand equity. This examination of brands, brand equity, and strategic brand management combines a theoretical foundation with diverse approaches and practical insights from academia and industry.

#### Gunjan Bagla (2008)

The book "**Doing Business in 21st-Century India**", is a comprehensive guide for businesses hoping to expand into India. The book covers a wide range of challenges, such as an overview of India's most promising businesses, guidelines on attracting and maintaining top personnel, and an outline of the region's economy. It also explains how to navigate India's complex laws, rules, and regulations.

#### Rama Bijapurkar (2008)

His book, "Winning in the Indian Market: Understanding the Transformation of Consumer India", focuses primarily on business strategy and decision-making as it relates to India's consumer markets. It provides an exhaustive analysis of the Indian market, highlighting the diversity and complexity that foreign firms must negotiate.

#### **Douglas Holt (2005)**

The book **"Brand Hijack: Marketing Without Marketing"**, co-written with Eric Kessels, questions standard marketing strategies and delves into the concept of "brand hijacking," in which consumers seize control of a brand's meaning. Holt

explores the relevance of authenticity in brand performance and how marketing techniques must adapt to this shift in customer empowerment.

#### Yves L. Doz, Jose Santos, and Peter Williamson (2001)

The book **"From Global to Metanational"**, delves into the strategies used by global corporations to prosper in various marketplaces. It discusses why traditional global strategies are no longer adequate for differentiating leading rivals, what the information economy implies for managers, and why the chances of utilizing globally dispersed knowledge are expanding.

#### Al Ries and Laura Ries (2000)

The book **"The 22 Immutable Laws of Branding"**, examines branding principles that apply to every market. It evaluates how brands may create and retain a strong place in consumers' thoughts, which is critical for foreign firms entering new markets. It provides expert advice on how to establish a world-class brand.

#### Philip Kotler (1999)

The book **"Kotler on Marketing: How to Create, Win, and Dominate Markets"**, compiles Kotler's marketing ideas and insights. It discusses strategic marketing, brand development, and gaining a competitive advantage. He is well-known for his contributions to marketing literature, which include insights into worldwide marketing techniques.

#### S Tamer Cavusgil (1994)

The paper "Marketing Strategy-Performance Relationship: An Investigation of the Empirical Link in Export Market Ventures", analyses the relationship between marketing strategy and performance in the domestic marketing context. It assesses the marketing strategy-performance relationship in the context of export endeavours. The findings of this article support the notion that export marketing strategy, firm international competency, and managerial commitment are among the most vital indicators of export performance.

#### Grant McCracken (1988)

He edited "Culture and Consumption: New Approaches to the Symbolic Character of Consumer Goods and Activities". This collection of essays dives into the relationship between culture and consumption, examining how cultural factors influence and are influenced by foreign companies. It offers insights into the symbolic implications linked with items and brands.

#### Jagdish N. Sheth (1969)

The well-known study **"Theory of Buyer Behaviour"**, co-authored with John A. Howard, lays the groundwork for understanding consumer behaviour. It examines buyer decision-making processes and the factors that influence their decisions, which is critical for building efficient marketing strategies.

## **CHAPTER III**

## THEORETICAL FRAMEWORK

As global businesses expand into India, they face a complex terrain influenced by regional tastes, traditional cuisines, and socioeconomic factors. The collision of global and local forces needs a smart marketing approach that combines brand identity maintenance with adaptation to local habits and tastes. By delving into these intricate connections, we may gain insight into how foreign fast-food firms negotiate the Indian market and impact consumer behaviour, ultimately influencing India's food sector environment.

#### **3.1 HISTORY OF FOREIGN FAST-FOOD CHAINS IN INDIA**

The historical context surrounding the entry of foreign fast-food chains into the Indian market speaks to cultural fusion, economic globalization, and changing consumer preferences. Before the emergence of international chains, India's culinary landscape was characterized mainly by a rich selection of local foods, street foods, and traditional eateries. However, the late 20th century marked a time of major socio-economic change in India. Economic liberalization policies initiated in the early 1990's ushered in economic growth, urbanization, and increasing exposure to global influences. When India opened its doors to foreign investment and trade, it became a lucrative market for international companies looking for new growth opportunities.

The arrival of foreign fast-food restaurants in India was met with curiosity, skepticism, and enthusiasm. For many Indians, the emergence of these international chains has provided an opportunity to sample international flavours and dining experiences that were previously unavailable in the country. At the same time, there were concerns about the potential impact of fast food on traditional culinary practices, eating habits, and public health.

To navigate the complex landscape of Indian culture and consumer preferences, foreign fast-food chains have sprung up adaptation and localization. This implied not only changing the menu to suit local tastes and dietary restrictions but also taking into account cultural sensitivities and religious considerations. Despite initial challenges and skepticism, foreign fast food has gradually gained acceptance and popularity among Indian consumers. Their expansion in large cities and urban centres reflected changing eating habits, changing lifestyles, and a growing preference for convenience and a standardized dining experience. For a whole generation of Indians, fast food has become not only a food option but also a symbol of a modern, urbanized, and lively life.

## 3.2 VARIOUS THEORIES RELATED TO CONSUMER BEHAVIOUR

The influence of marketing strategies used by foreign fast-food brands in the Indian market can be analysed through various theories:

**1. Cultural Adaptation Theory:** This theory suggests that foreign brands tailor their marketing strategies to fit the cultural norms and preferences of the host country. In India, fast food chains often tweak their menus to include vegetarian options and adapt their advertising to resonate with local values and traditions.

**2. Diffusion of Innovation Theory:** According to this theory, the adoption of foreign fast-food brands in India can be attributed to the spread of new ideas and practices. Marketing strategies that highlight the novelty, convenience, and perceived benefits of fast food may accelerate the diffusion process.

**3. Globalization Theory:** This theory emphasizes the interconnectedness of markets and the standardization of consumer culture worldwide. Foreign fast-food brands leverage global marketing campaigns and branding strategies to create a sense of familiarity and appeal to Indian consumers who aspire to a Western lifestyle.

**4. Consumer Behaviour Theory**: Understanding consumer behaviour is crucial for effective marketing. Foreign fast-food brands employ strategies such as localization, celebrity endorsements, social media engagement, and promotional offers to influence Indian consumers' purchasing decisions and brand loyalty.

**5. Market Segmentation Theory:** Recognizing the diverse preferences and demographics within the Indian market, foreign fast-food brands segment their target audience and tailor their marketing messages accordingly. For example,

they may target urban millennials with digital marketing campaigns while focusing on families with children through television commercials.

**6.** Cultural Proximity Theory: By aligning their marketing messages with Indian cultural values and traditions, foreign fast-food brands establish a sense of cultural proximity with the target audience. This can include featuring Indian festivals, traditions, or celebrities in their advertisements to create a sense of familiarity and connection.

7. Perceived Quality Theory: Foreign fast-food brands leverage their global reputation for quality and hygiene to attract Indian consumers who perceive these brands as offering superior products compared to local alternatives. Marketing messages often emphasize quality, freshness, and safety standards to build trust among consumers.

**8. Brand Image Theory:** Marketing strategies focus on building a strong brand image that resonates with Indian consumers' aspirations and lifestyle choices. This may involve associating the brand with attributes such as modernity, convenience, and status to appeal to a diverse range of consumer segments.

**9. Social Influence Theory:** Foreign fast-food brands leverage social media platforms and influencer marketing to create buzz and generate word-of-mouth recommendations among Indian consumers. By tapping into popular culture and online trends, brands can effectively reach and engage with their target audience.

These theories provide a framework for analysing how marketing strategies employed by foreign fast-food brands influence consumer behaviour and market penetration in India.

## 3.3 CHALLENGES FACED BY THE FOREIGN FAST-FOOD INDUSTRY

The Indian market presents some unique challenges to foreign fast-food chains, despite its huge potential and growing consumer base. Here are some of the major challenges that foreign fast-food companies face in the Indian market: **1. Cultural Sensitivity:** India is a culturally diverse country with diverse culinary traditions, dining, and eating habits. Foreign fast-food brands must carefully navigate these cultural nuances to ensure that their menus, flavours, and dining experiences resonate with local consumers. Failure to understand and respect Indian cultural sensitivities can lead to consumer rejection or backlash.

**2. Vegetarian Preferences:** A significant portion of the Indian population follows a vegetarian or vegetarian-oriented diet for cultural, religious, or personal reasons. Foreign fast-food restaurants often have to adapt vegetarian options to their menus and ensure that they are prepared separately to maintain the integrity of their vegetarian offering. Ignoring vegetarian preferences can limit a brand's appeal and market share in India.

**3. Price sensitivity:** While foreign fast-food brands can offer a premium dining experience in their home country, they need to adjust their pricing strategies to match the Indian price levels of market-sensitive consumers. High prices can turn potential customers away, especially in a country where affordable dining options are widely available. Brands need to strike a balance between offering value for money and maintaining their brand image.

4. Competing with local players: The fast-food market in India is highly competitive with domestic and international players vying for market share. Local fast-food restaurants and local diners often have a strong foothold in their respective markets and can offer similar or more authentic dining experiences at competitive prices. Foreign brands must effectively differentiate themselves amid intense competition.

**5. Regulatory Compliance:** Foreign fast-food brands operating in India have to meet various regulatory requirements related to food safety standards, hygiene practices, labour laws, and taxes.

**6. Health and nutrition concerns:** With growing health and nutrition awareness, Indian consumers are becoming more conscious of their food choices and are looking for healthier alternatives to traditional fast food. Foreign fast-food brands need to address these issues by offering nutritious options, transparent ingredient

labelling, and promoting healthier eating habits through their marketing campaigns.

**7. Brand perception and trust:** Building and maintaining trust among Indian consumers is very important for foreign fast-food brand markets' long-term success. Building a positive brand image through consistent quality, transparency, and community engagement is essential to winning over Indian consumers.

While the Indian market offers lucrative opportunities for foreign fast-food chains, they must overcome several cultural adaptation challenges such as pricing, competition, regulatory compliance, health issues, and brand perception who succeed in this dynamic and diverse market. By proactively and strategically addressing these challenges, foreign brands can capitalize on India's growing appetite for fast food and gain a strong foothold in the market.

## 3.4 COPING TECHNIQUES BY FOREIGN FAST-FOOD BRANDS

Foreign fast-food brands operating in the Indian market use various coping mechanisms to meet the challenges and ensure their continued success. These coping mechanisms include strategic approaches designed to respond to market dynamics, consumer preferences, regulatory requirements, and competitive pressures. Here are some main survival mechanisms used by foreign fast-food restaurants in India:

**1. Menu Localization:** Foreign fast-food restaurants are adapting their menus to suit Indian tastes, preferences, and eating habits. This includes a vegetarian option, introducing locally inspired flavours, and adjusting spice levels to appeal to the diverse Indian palate. By offering menu items that resonate with local consumers, brands increase their relevance and acceptance in the marketplace.

**2. Innovative Pricing Strategies:** Brands are adopting innovative pricing strategies to stay competitive and attract price-sensitive Indian consumers. This includes providing value food, combo offers, and affordable price levels to various

income groups. By balancing affordability and perceived value, brands attract a broader customer base and increase sales.

**3. Digital Transformation:** Brands are embracing digital transformation to improve customer engagement, streamline operations and accelerate growth. This includes investments in mobile ordering applications, online delivery platforms and digital marketing initiatives to effectively reach consumers in an increasingly digital environment. Using technology, brands improve usability, accessibility and customer experience.

**4. Supply Chain Optimization:** Brands are focusing on optimizing their supply chain to ensure efficient sourcing, distribution, and inventory management. This requires building strong partnerships with local suppliers, implementing quality control measures, and using technology for real-time tracking and tracing. By ensuring a reliable and responsive supply chain, brands reduce risk and maintain product quality and consistency.

**5.** Community Engagement: Brands reach out to local communities through Corporate Social Responsibility (CSR) initiatives, philanthropic efforts, and community outreach programs. By contributing to social causes, supporting local initiatives, and creating meaningful connections with stakeholders, brands foster consumer goodwill, trust, and loyalty and enhance their brand image and sustainability.

**6. Legal Compliance:** Brands prioritize regulatory compliance in India's complex legislative and regulatory landscape. This requires compliance with food safety standards, labour laws, advertising regulations, and tax practices set by government agencies. By demonstrating a commitment to compliance and ethical business practices, brands reduce legal risk and maintain corporate integrity.

7. Continuous Innovation: Brands emphasize continuous innovation to stay relevant and stand out in a competitive market. This includes introducing new menu offerings, running limited-time promotions, and using customer feedback to drive product development. By staying ahead of consumer trends and preferences, brands maintain consumer interest and maintain their market leadership.

Foreign fast-food chains in India use various coping mechanisms to overcome challenges, seize opportunities, and maintain their growth and competitive relevance and emerging markets. Through a strategic and proactive approach, these brands effectively respond to market dynamics and consumer needs, ensuring their continued success and influence in the Indian fast-food industry.

# CHAPTER IV COMPANY PROFILE

## 4.1 KENTUCKY FRIED CHICKEN (KFC)

Kentucky Fried Chicken (KFC) is a global fast-food chain known for its signature fried chicken. Founded by Colonel Harland Sanders in 1952, KFC has grown into one of the world's largest fast-food franchises, with thousands of locations in over 145 countries. The secret blend of 11 herbs and spices used in its original recipe chicken has become iconic, along with its slogan "Finger-Lickin' Good". KFC offers a variety of chicken dishes, including sandwiches, wraps, salads, and sides, catering to diverse tastes worldwide.

Kentucky Fried Chicken (KFC) made its foray into the Indian market in 1995, introducing its renowned fried chicken to Indian consumers. However, due to cultural and dietary preferences, KFC adapted its menu to suit the Indian palate, incorporating local flavours and vegetarian options. This strategic move allowed KFC to resonate with Indian consumers while maintaining its global identity.

Over the years, KFC has established a strong presence in India, with numerous outlets across major cities and towns. The brand's commitment to quality, innovation, and customer satisfaction has contributed to its success in the competitive Indian fast-food industry. Moreover, KFC's marketing campaigns tailored to the Indian audience have helped boost its popularity and brand recognition.

### 4.1.1 MARKETING STRATEGIES ADOPTED BY KFC

KFC's marketing strategies in the Indian market are carefully crafted to resonate with local tastes, preferences, and cultural nuances, influencing Indian customers in several ways.

• Menu Localization: KFC recognizes the diversity of Indian dietary preferences and adapts its menu accordingly. By offering vegetarian options like Paneer Zinger and Veg Zinger burgers alongside its traditional chicken offerings, KFC caters to a broader customer base and ensures that everyone can find something they enjoy.

- **Cultural Relevance**: KFC's marketing campaigns resonate with Indian consumers by incorporating elements of local festivals, traditions, and cultural references. Whether it's celebrating Diwali, Holi, or other significant events, these campaigns create a sense of familiarity and connection with the audience, making KFC feel more relatable and relevant.
- **Digital Presence**: In today's digital age, KFC maintains an active presence on social media platforms like Facebook, Instagram, and Twitter. By regularly posting engaging content, responding to customer inquiries, and running promotional campaigns online, KFC stays top-of-mind and accessible to Indian consumers who spend a significant amount of time on these platforms.
- Innovative Campaigns: KFC is known for its creative marketing campaigns that stand out and grab attention. Whether it's through catchy slogans, quirky advertisements, or interactive experiences, these campaigns spark interest and generate excitement among Indian consumers, driving foot traffic to KFC outlets and boosting sales.
- Limited-Time Promotions: Indians are often drawn to limited-time offers and promotions, seeking value for their money. By introducing special deals, discounts, and promotional combos for a limited duration, KFC taps into this consumer behaviour, encouraging customers to visit their outlets and try out new menu items.
- Strategic Partnerships: Partnering with popular food delivery platforms like Swiggy and Zomato expands KFC's reach and accessibility in India. By leveraging the extensive network and user base of these platforms, KFC makes it convenient for customers to order their favourite meals from the comfort of their homes or offices.
- Celebrity Endorsements: Collaborating with local celebrities and influencers helps KFC establish a more personal connection with Indian consumers. Whether it's through celebrity endorsements, appearances, or social media partnerships, these associations enhance KFC's brand appeal and visibility, particularly among the younger demographic.
- Customer Loyalty Programs: The "KFC Colonel's Club" loyalty program incentivizes repeat visits and encourages customer retention. By offering rewards, exclusive deals, and personalized offers to members, KFC fosters

loyalty and strengthens relationships with its Indian customer base, ultimately driving long-term sales and profitability.

- Feedback Mechanisms: Actively seeking feedback from Indian customers through surveys, feedback forms, and social media interactions allows KFC to understand their preferences, concerns, and suggestions. By listening to their audience and incorporating their feedback into product improvements and service enhancements, KFC demonstrates its commitment to customer satisfaction and continuous improvement.
- **Community Engagement**: KFC engages with local communities in India through corporate social responsibility (CSR) initiatives, sponsorships, and participation in community events. By giving back to society, supporting worthy causes, and being actively involved in community activities, KFC builds a positive brand image and earns the goodwill of Indian consumers, fostering stronger connections and loyalty over time.

## **4.2 MCDONALD'S**

McDonald's is a multinational fast-food corporation known for its hamburgers, french fries, and other fast-food items. Founded in 1940 by Richard and Maurice McDonald, it has grown into one of the world's largest restaurant chains, operating in over 100 countries and serving millions of customers daily. Over the years, McDonald's has expanded its menu to include a variety of items such as chicken sandwiches, salads, and breakfast options. The company is also known for its iconic golden arches logo and its commitment to consistency and affordability.

McDonald's, the global fast-food giant, entered the Indian market in 1996, marking the beginning of its journey to become one of the most recognizable and successful fast-food chains in the country. McDonald's in India not only offers its globally renowned burgers, fries, and beverages but also caters to local preferences with menu items such as the Mc Aloo Tikki burger, Masala Grill Chicken, and Paneer Salsa Wrap. With its strategic localization efforts, commitment to quality, and continuous innovation, McDonald's has become a prominent player in the Indian fast-food industry, serving as a favourite destination for families, students, and individuals seeking quick, delicious meals at affordable prices.

## 4.2.1 MARKETING STRATEGIES ADOPTED BY MCDONALD'S

McDonald's has employed several tailored marketing strategies to successfully penetrate and thrive in the Indian market, leveraging its global brand recognition while adapting to local tastes and cultural sensitivities.

- Localized Menu Offerings: McDonald's in India offers a menu tailored to local tastes, featuring items like Mc Aloo Tikki Burger, Masala Grill Veg Burger, and Chicken Maharaja Mac, catering to the vegetarian majority and adapting to cultural preferences for spices and flavours.
- Vegetarian Emphasis: Recognizing India's predominantly vegetarian population, McDonald's focuses heavily on vegetarian options, ensuring a wide variety of meat-free choices to appeal to this demographic.
- Marketing Campaigns with Celebrities: Leveraging the influence of Bollywood celebrities to endorse products and connect with the target audience, McDonald's runs marketing campaigns featuring popular Indian stars, creating a sense of familiarity and trust among consumers.
- Family-Oriented Messaging: Emphasizing family values and togetherness in its advertising campaigns, McDonald's promotes its restaurants as family-friendly destinations, targeting Indian consumers who prioritize family outings and gatherings.
- Localized Advertising: Tailoring advertising content and messaging to resonate with Indian audiences, McDonald's incorporates elements of Indian culture, festivals, and traditions into its marketing materials, fostering a sense of relatability and connection with consumers.
- Value Proposition: Offering value meal combos and promotional discounts, McDonald's appeals to price-conscious consumers in India, highlighting affordability without compromising on quality or taste.

- **Digital Engagement**: Leveraging social media platforms and digital marketing channels, McDonald's engages with Indian consumers through interactive campaigns, contests, and promotions, fostering a sense of community and brand loyalty online.
- **Community Initiatives**: Engaging in corporate social responsibility initiatives, such as education programs and environmental sustainability efforts, McDonald's demonstrates its commitment to the local community, enhancing its brand reputation and goodwill among Indian consumers.
- Innovation and Adaptation: Continuously innovating its menu with localized offerings and limited-time promotions, McDonald's stays relevant in the competitive Indian market, appealing to evolving consumer preferences and tastes.
- **Expansion Strategy**: Implementing a strategic expansion plan, McDonald's focuses on both urban and semi-urban markets in India, targeting areas with high foot traffic and potential for growth, while also prioritizing convenience and accessibility for consumers.

## **4.3 DOMINO'S**

Domino's Pizza, founded in 1960 in Michigan, USA, has become a global leader in the fast-food industry, renowned for its signature pizzas and efficient delivery service. With a commitment to innovation and customer satisfaction, Domino's has expanded its presence to over 90 countries, including India.

Domino's Pizza, the renowned American pizza chain, entered the Indian market in 1996, bringing its delicious pizzas and innovative delivery model to Indian consumers. To cater to the diverse tastes and preferences of Indian consumers, Domino's Pizza has adapted its menu, offering a wide range of vegetarian and non-vegetarian options with localized flavours. This includes pizzas featuring popular Indian toppings such as paneer, chicken tikka, and tandoori.

With its commitment to quality, affordability, and customer satisfaction, Domino's Pizza has emerged as a leading player in the Indian pizza market. Its ability to strike a balance between global standards and local preferences has earned it a loyal customer base and established it as a go-to choice for pizza lovers across India.

## 4.3.1 MARKETING STRATEGIES ADOPTED BY DOMINO'S

Domino's Pizza has implemented several customization strategies to cater to the Indian market. Here are some of the key ways:

- Vegetarian Options: Recognizing the dietary preferences of the Indian population, Domino's offers an extensive range of vegetarian pizzas. They have developed a variety of vegetarian toppings and specialty pizzas to appeal to the large vegetarian demographic in India.
- Localized Flavors and Ingredients: Domino's has adapted its menu to incorporate flavours and ingredients that resonate with Indian tastes. This includes using spices and condiments commonly found in Indian cuisine, as well as introducing regional specialties to cater to diverse palates.
- Innovative Menu Offerings: Domino's India has introduced innovative menu items specifically tailored to the Indian market. For example, they offer fusion pizzas that combine traditional Indian flavours with classic pizza ingredients, such as the "Paneer Makhani" pizza or the "Tandoori Paneer" pizza.
- Value-for-Money Deals: Domino's offers value-for-money deals and combo offers to attract price-sensitive Indian consumers. These deals often include discounted meal combinations, family packs, and lunch specials, making Domino's pizzas more affordable and accessible to a wider audience.
- **Digital Ordering Experience**: Domino's has invested in developing userfriendly digital platforms, such as its website and mobile app, to streamline the ordering process for Indian consumers. They offer features like customizable pizzas, easy payment options, and order tracking, enhancing the overall customer experience.
- Localized Marketing Campaigns: Domino's tailors its marketing campaigns to resonate with Indian consumers. They leverage cultural references, festivals, and celebrations in their advertising to create a connection with the target audience. Additionally, Domino's collaborates with local influencers and celebrities to amplify their marketing reach.

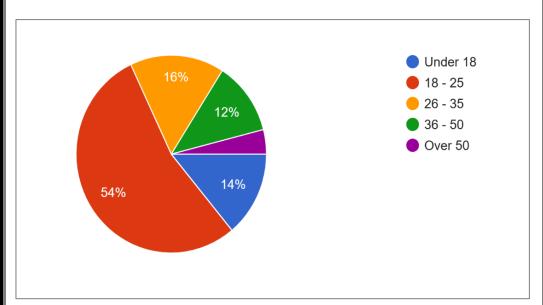
- **Community Engagement**: Domino's actively engages with local communities through various initiatives, such as charity events, sponsorships, and partnerships with local organizations. This grassroots approach helps Domino's foster a sense of belonging and loyalty among Indian consumers.
- Celebrity Endorsements and Partnerships: Collaborating with popular Indian celebrities and influencers for endorsements and promotional campaigns, Domino's leverages its influence to reach a wider audience and increase brand visibility, associating the brand with familiar faces and personalities.
- Quality Assurance and Transparency: Emphasizing quality ingredients and food safety standards, Domino's promotes transparency in its sourcing and preparation processes, reassuring consumers about the freshness and integrity of its products, which is particularly important in the Indian market.
- Customer Feedback Mechanisms: Implementing robust feedback mechanisms and customer satisfaction surveys, Domino's actively listens to customer preferences and addresses concerns, continuously improving its products and services to meet evolving expectations.

## **CHAPTER V**

## DATA ANALYSIS AND INTERPRETATION

| Table 4.1 Showing the classification of respondents based on Age |       |            |  |  |
|--|-------|------------|--|--|
| Options  | Count | Percentage |  |  |
| Under 18   | 7     | 14         |  |  |
| 18-25  | 27    | 54         |  |  |
| 26-35  | 8     | 16         |  |  |
| 36 - 50  | 6     | 12         |  |  |
| Over 50  | 2     | 4          |  |  |
| Total  | 50    | 100        |  |  |

Figure 4.1 Showing the classification of respondents based on Age



#### Source: Primary Data

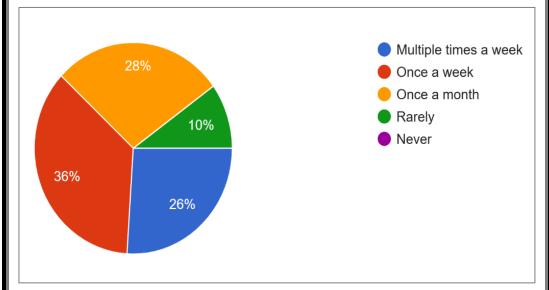
#### Interpretation

From the above data, it can be seen that 14% of the respondents are aged under 18, the majority (54%) of them are aged between 18-25, 16% of the respondents are between 26- 35, 12% of the respondents are aged between 36-50, and 4% of the respondents are aged over 50.

| Table 4.2 Shows the frequency of visiting fast-food restaurants in India |       |            |
|--|-------|------------|
| Options  | Count | Percentage |
| Multiple times a week  | 13    | 26         |
| Once a week  | 18    | 36         |
| Once a month   | 14    | 28         |
| Rarely   | 5     | 10         |
| Never  | 0     | 0          |
| Total  | 50    | 100        |
|  |       |            |

Table 4.2 Shows the frequency of visiting fast-food restaurants in India

Figure 4.2 Shows the frequency of visiting fast-food restaurants in India



Source: Primary Data

### Interpretation

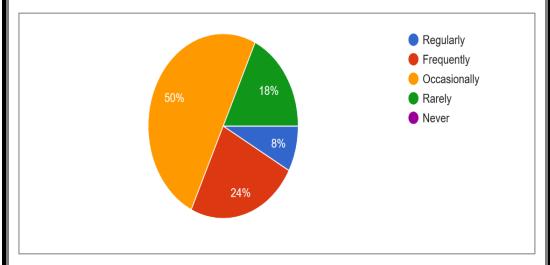
The data on fast-food restaurant visits in India reveals intriguing trends in consumer behavior. With 26% of respondents visiting multiple times a week and 36% visiting once a week, it's evident that fast food holds a prominent place in the dining habits of many Indians, offering convenience and familiarity.

Moreover, the 28% who visit once a month indicate a moderate level of engagement, while the 10% who visit rarely may represent those who prioritize healthier or home-cooked meals. Despite this, the absence of respondents reporting never visiting fast-food restaurants highlights the widespread acceptance and accessibility of fast food across various demographics in India.

| Table 4.3 Shows the f    | requency of trying | g new menu i | items by ir | ndividuals in |
|--------------------------|--------------------|--------------|-------------|---------------|
| Indian fast-food restaur | ants               |              |             |               |

| Options      | Count | Percentage |
|--------------|-------|------------|
| Regularly    | 4     | 8          |
| Frequently   | 12    | 24         |
| Occasionally | 25    | 50         |
| Rarely       | 9     | 18         |
| Never        | 0     | 0          |
| Total        | 50    | 100        |

**Figure 4.3** Shows the frequency of trying new menu items by individuals in Indian fast-food restaurants



### Source: Primary Data

### Interpretation

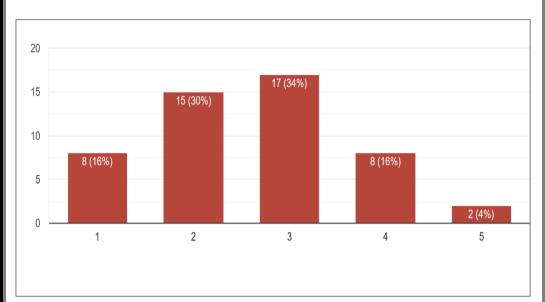
We may infer from the data how frequently Indians are open to trying new fast-food restaurant menu items as a result of marketing campaigns. It demonstrates how many people are willing to try new things on occasion, indicating that they are open to trying something new now and then. Also, a sizable portion often sample new dishes, indicating that they are curious about

what's fresh on the menu. A few even make it a routine to test new foods, showing that they're open to trying new things in the kitchen. Some, on the other hand, may prefer to stick to what they know and rarely explore new things. It was surprising to learn that none mentioned they never try new menu items, indicating that most people are at least open to giving them a try.

| Options                    | Count | Percentage |
|----------------------------|-------|------------|
| Very influential (1)       | 8     | 16         |
| Moderately influential (2) | 15    | 30         |
| Neutral (3)                | 17    | 34         |
| Slightly influential (4)   | 8     | 16         |
| Not influential (5)        | 2     | 4          |
| Total                      | 50    | 100        |

Table 4.4 Showing the influence of promotions and offers on individuals

Figure 4.4 Showing the influence of promotions and offers on individuals



### Source: Primary Data

### Interpretation

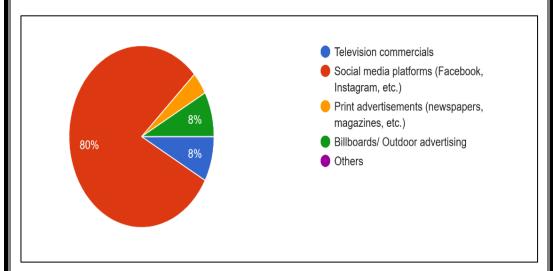
The given data interprets that 16% of the respondents found the marketing promotions to be very influential, 30% of the respondents found it to be moderately influential, 34% found it to make not much of a difference, 16% found it to be slightly influential and 4% found it to be not influential at all.

| Options                         | Count | Percentage |
|---------------------------------|-------|------------|
| Television commercials          | 4     | 8          |
| Social media platforms          | 40    | 80         |
| Print advertisements            | 2     | 4          |
| Billboards/ outdoor advertising | 4     | 8          |
| Others                          | 0     | 0          |
| Total                           | 50    | 100        |

**Table 4.5** Shows the various forms of advertisements of foreign brands that

 individuals come across in India

Figure 4.5 Shows the various forms of advertisements of foreign brands that individuals come across in India





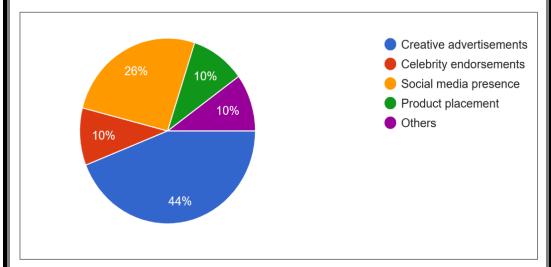
### Interpretation

From the provided data, it's evident that a small fraction, one-tenth of respondents, encounter advertisements through television commercials. In stark contrast, a significant majority, representing four-fifths of respondents, come across advertisements on social media platforms. Additionally, a very small fraction, one-twentieth of respondents, notice advertisements through print media. Similarly, one-tenth of individuals see advertisements on billboards or outdoor advertising. Surprisingly, none of the respondents mentioned encountering advertisements through other means, underscoring the dominant influence of television commercials, social media platforms, print media, and outdoor advertising in reaching consumers.

| Options                 | Count | Percentage |
|-------------------------|-------|------------|
| Creative advertisements | 22    | 44         |
| Celebrity endorsements  | 5     | 10         |
| Social media presence   | 13    | 26         |
| Product placement       | 5     | 10         |
| Others                  | 5     | 10         |
| Total                   | 50    | 100        |

**Table 4.6** Shows the most appealing aspects of marketing strategies in India

Figure 4.6 Shows the most appealing aspects of marketing strategies in India



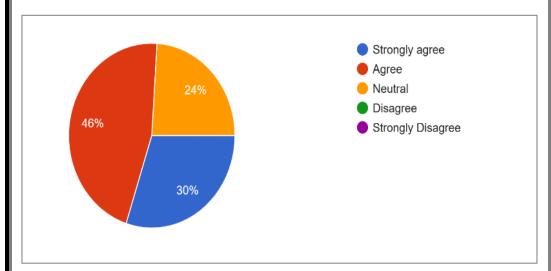
### Source: Primary Data

### Interpretation

The data reveals a diverse range of factors influencing consumer preferences in advertising. While 44% of respondents appreciate creative advertisements for their engaging storytelling and visual appeal, another 10% are influenced by celebrity endorsements, which add star power and credibility to brands. Social media presence emerges as a significant factor, valued by 26% of participants for its interactive and personalized approach to reaching consumers. Additionally, 10% find product placement intriguing, as it seamlessly integrates brands into entertainment content, subtly influencing purchasing decisions. Interestingly, 10% of respondents mentioned other aspects not specified in the options provided, suggesting a multitude of individual preferences and influences that contribute to their perception of advertisements.

| Table 4.7 Shows the impact of foreign brands on Indian culture |       |            |
|--|-------|------------|
| Options  | Count | Percentage |
| Strongly agree   | 15    | 30         |
| Agree  | 23    | 46         |
| Neutral  | 12    | 24         |
| Disagree   | 0     | 0          |
| Strongly disagree  | 0     | 0          |
| Total  | 50    | 100        |

Figure 4.7 Shows the impact of foreign brands on Indian culture



Source: Primary Data

### Interpretation

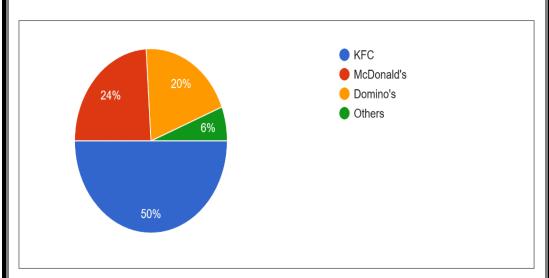
Based on these findings, it can be inferred that a considerable percentage of participants, comprising a quarter of the sample, highly concur or agree that international brands profoundly influence Indian consumer culture. Apart from that, a significant portion of one-fourth of the respondents have no opinion. Interestingly, no respondent disagreed or disagreed strongly with this idea in the survey. It indicates that respondents generally agree that international brands have a big impact on Indian consumers' purchasing habits and have shaped the nation's consumer landscape.

| Options    | Count | Percentage |
|------------|-------|------------|
| KFC        | 25    | 50         |
| McDonald's | 12    | 24         |
| Domino's   | 10    | 20         |
| Others     | 3     | 6          |
| Total      | 50    | 100        |

 Table 4.8 Showing the fast-food chain that has the strongest brand presence in

 India

**Figure 4.8** Showing the fast-food chain that has the strongest brand presence in India



### Source: Primary Data

### Interpretation

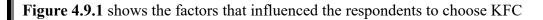
From the data provided, it is evident that half of the respondents believe KFC holds the strongest brand presence in India, equivalent to one-half of the surveyed individuals. Additionally, 24% of respondents think McDonald's has the strongest brand presence, representing nearly one-quarter of the respondents. Furthermore, 20% consider Domino's to have the strongest brand presence, corresponding to one-fifth of the surveyed individuals. Interestingly, 6% mentioned other fast-food

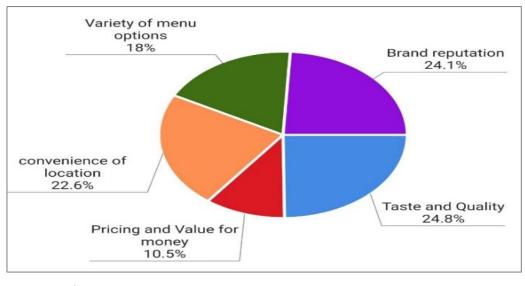
chains as having the strongest brand presence, representing a relatively small fraction of the respondents.

**Table 4.9.1** Shows the factors that influenced the respondents to choose KFC

### KFC

| Options                     | Count | Percentage |
|-----------------------------|-------|------------|
| Taste and quality           | 33    | 24.8       |
| Pricing and value for money | 14    | 10.5       |
| Convenience of location     | 30    | 22.6       |
| Variety of menu options     | 24    | 18         |
| Brand reputation            | 32    | 24.1       |
| Total                       | 50    | 100        |





Source: Primary Data

### Interpretation

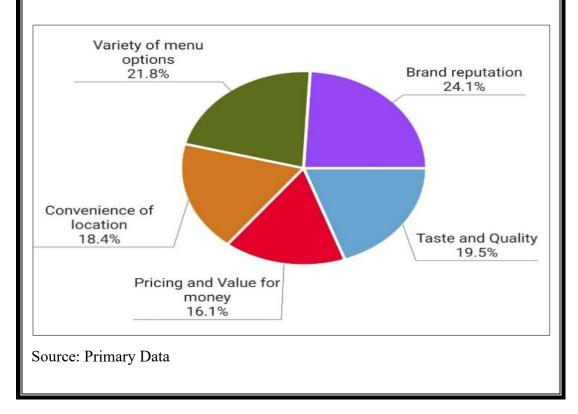
The data shows that when choosing KFC, most people are mainly concerned about taste and quality, with about a quarter of respondents mentioning this as the most important factor. Brand reputation comes next, with nearly the same percentage of people considering it when making their decision. Ease of access based on location is also important for about one-fifth of respondents. Meanwhile, around one in ten people look at the cost and value for money. Additionally, nearly one-fifth of respondents appreciate the variety offered on KFC's menu. These factors together give us an idea of what influences people's decisions when they choose KFC as their go-to fast-food option. **Table 4.9.2** Shows the factors that influenced the respondents to choose

 McDonald's

| Options                     | Count | Percentage |
|-----------------------------|-------|------------|
| Taste and quality           | 17    | 19.5       |
| Pricing and value for money | 14    | 16.1       |
| Convenience of location     | 16    | 18.4       |
| Variety of menu options     | 19    | 21.8       |
| Brand reputation            | 21    | 24.1       |
| Total                       | 50    | 100        |

**McDonald's** 

**Figure 4.9.2** Shows the factors that influenced the respondents to choose McDonald's



### Interpretation

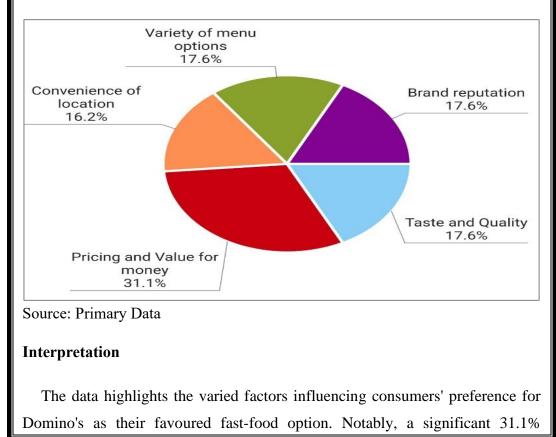
The data highlights the main reasons why consumers prefer McDonald's as their top choice for fast food. McDonald's strong brand reputation, valued by nearly a quarter of respondents, is a major factor influencing their decision. Taste and quality, as well as the variety of menu options, are also significant, both influencing around one-fifth of respondents respectively. Furthermore, the convenience of location and competitive pricing are crucial, emphasizing the importance of accessibility and affordability in shaping consumer preferences toward McDonald's.

| Domino's                    |       |            |  |
|-----------------------------|-------|------------|--|
| Options                     | Count | Percentage |  |
| Taste and quality           | 13    | 17.6       |  |
| Pricing and value for money | 23    | 31.1       |  |
| Convenience of location     | 12    | 16.2       |  |
| Variety of menu options     | 13    | 17.6       |  |
| Brand reputation            | 13    | 17.6       |  |
| Total                       | 50    | 100        |  |

**Table 4.9.3** Shows the factors that influenced the respondents to choose

 Domino's

**Figure 4.9.3** Shows the factors that influenced the respondents to choose Domino's



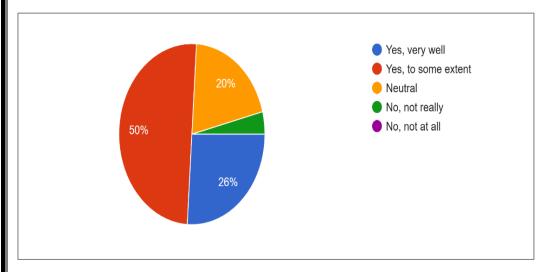
prioritize value for money and pricing, underscoring the importance of affordability. Additionally, taste and quality, convenience of location, menu diversity, and brand reputation also factor into consumer decisions, albeit to lesser extents. These findings emphasize the multifaceted nature of consumer preferences and the diverse considerations that shape their choices for Domino's.

 Table 4.10 Shows whether KFC/ McDonald's/ Domino's effectively adapts its

 menu to suit Indian tastes and preferences

| Options             | Count | Percentage |
|---------------------|-------|------------|
| Yes, very well      | 13    | 26         |
| Yes, to some extent | 25    | 50         |
| Neutral             | 10    | 20         |
| No, not really      | 2     | 4          |
| No, not at all      | 0     | 0          |
| Total               | 50    | 100        |

Figure 4.10 Shows whether KFC/ McDonald's/ Domino's effectively adapts its menu to suit Indian tastes and preferences



# Source: Primary Data

### Interpretation

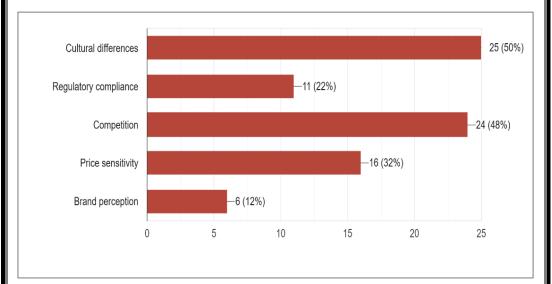
The data reveals that half of respondents believe major fast-food chains adapt their menus to some extent for Indian tastes, with 26% expressing satisfaction with their efforts. Dissatisfaction is minimal, while 20% remain neutral. Remarkably, no respondents believe these chains do not adapt their menus at all, suggesting a widespread acknowledgment of their responsiveness to local preferences. Overall, the findings indicate a generally positive perception of the adaptation efforts of major fast-food chains in catering to Indian tastes.

| marketing strategies in the Indian Market |       |            |  |
|---|-------|------------|--|
| Options                                   | Count | Percentage |  |
| Cultural differences                      | 25    | 50         |  |
| Regulatory compliance                     | 11    | 22         |  |
| Competition                               | 24    | 48         |  |
| Place sensitivity                         | 16    | 32         |  |
| Brand perception                          | 6     | 12         |  |
| Total                                     | 50    | 100        |  |

 Table 4.11 Shows challenges faced by foreign brands while implementing

 marketing strategies in the Indian Market

**Figure 4.11** Shows challenges faced by foreign brands while implementing marketing strategies in the Indian Market





### Interpretation

The data highlights cultural differences as the most notable challenge, recognized by half of the respondents. Additionally, competition is perceived as a significant hurdle by nearly half of the respondents. Regulatory compliance and price sensitivity also pose challenges, although to a lesser degree, with around one-fifth and one-third of respondents acknowledging them, respectively. In contrast, brand perception is considered a relatively minor concern, cited by only 12% of respondents. These findings underscore the diverse obstacles faced by businesses, reflecting the complex landscape in which they operate.

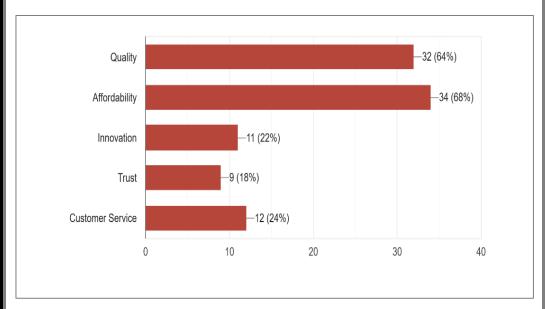
| Count | Percentage                |  |
|-------|---------------------------|--|
| 32    | 64                        |  |
| 32    | 68                        |  |
| 11    | 22                        |  |
| 9     | 18                        |  |
| 12    | 24                        |  |
| 50    | 100                       |  |
|       | 32<br>32<br>11<br>9<br>12 |  |

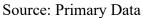
 Table 4.12 Shows aspects prioritized while purchasing products from foreign

 brands

 Table 4.12 Shows aspects prioritized while purchasing products from foreign

 brands





### Interpretation

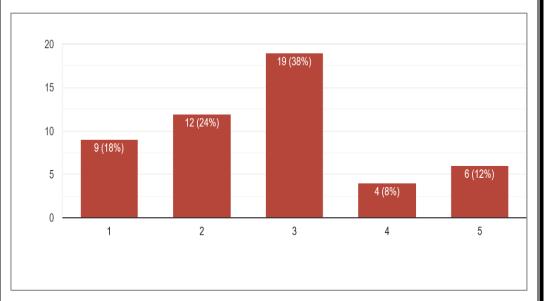
The data suggests that most people care about getting good value for their money, with 68% prioritizing affordability over quality, which is preferred by 64%. However, while cost and quality are the top concerns, some people also

think about other things like innovation, trust, and customer service, although not as much. About 22% consider innovation important, 18% trust, and 24% customer service. This shows that people consider a mix of factors when deciding where to eat fast food, not just the price or quality.

| Options           | Count | Percentage |  |
|-------------------|-------|------------|--|
| Very likely       | 9     | 18         |  |
| Somewhat likely   | 12    | 24         |  |
| Neutral           | 19    | 38         |  |
| Somewhat unlikely | 4     | 8          |  |
| Very unlikely     | 6     | 12         |  |
| Total             | 50    | 100        |  |

**Table 4.13** Shows the likelihood of recommending a foreign brand based on its marketing efforts to friends and family

# **Figure 4.13** Shows the likelihood of recommending a foreign brand based on its marketing efforts to friends and family



### Source: Primary Data

### Interpretation

The data shows that almost half of the respondents, about 42%, feel positive about recommending foreign brands to friends and family. Among them, 18% are confident, while 24% are somewhat confident. On the other hand, there's a group of about 20% who seem a bit unsure. Within this group, 8% think it's somewhat

unlikely, and 12% feel it's very unlikely. Interestingly, around 38% of respondents have not made up their minds yet, showing that people have different thoughts and feelings about foreign brands.

# **CHAPTER VI**

# FINDINGS, SUGGESTIONS AND CONCLUSION

# 5.1 MAJOR FINDINGS

The survey findings offer valuable insights into the impact of foreign brands on Indian consumer behaviour. Nearly half of the respondents recognize the significant influence of these brands on local culture, yet they also identify challenges in tailoring marketing strategies to suit cultural nuances. While affordability remains a key factor for the majority of participants, a substantial portion is drawn to the creative storytelling in advertisements. Social media emerges as a crucial platform for brand exposure, with a large majority encountering foreign brand promotions online. Among fast food chains, KFC stands out with a strong brand presence. Preferences vary, with taste and quality driving some towards KFC, brand reputation towards McDonald's, and pricing towards Domino's. Despite efforts in menu adaptation, there's a notable inclination to recommend foreign brands based on effective marketing strategies. These findings underscore the intricate dynamics between foreign brands and Indian consumer preferences, shaping the market landscape.

# 5.2 FINDINGS

- 54% of the responses from the survey are from the age category of 18-25.
- 36% of the respondents from the survey visited fast food restaurants once a week.
- Half of the respondents from the survey tried new items introduced by fast food restaurants in India occasionally.
- It seems 34% of the respondents from the survey found marketing promotions to be neutral.
- It seems that a majority of the respondents came across advertisements for foreign brands targeted toward Indian audiences through social media platforms.
- 44% of participants found the captivating storytelling in creative advertisements of foreign brands to be the most appealing aspect.
- It seems 46% of the respondents suggest that foreign brands have a significant impact on Indian consumer culture.

- It seems that KFC holds the strongest brand presence among fast food chains in India by 50%.
- It seems that 24.8% of the respondents decided to choose KFC over other fastfood options in India which was primarily influenced by its taste and quality.
- It seems that 24.1% of the respondents decided to choose McDonald's over other fast-food options in India which was primarily influenced by its brand reputation.
- It seems that 31.1% of the respondents decided to choose Domino's over other fast-food options in India which was primarily influenced by its pricing and value for money.
- It seems half of the respondents suggest that KFC, McDonald's, and Domino's effectively adapt their menus to suit Indian tastes and preferences, to a limited extent.
- It seems half of the respondents agree that foreign brands implementing marketing strategies in the Indian market face challenges due to cultural differences.
- It seems that 68% suggest that affordability is prioritized when considering purchasing products, whether from foreign or Indian brands.
- It seems that 38% of the respondents are likely to recommend a foreign brand to friends and family based on its marketing strategies.

# **5.3 SUGGESTIONS**

Several directions for future investigation and suggestions might be pursued to improve to study of the impact of foreign fast-food firms' marketing methods on the Indian market. By prioritizing customer centricity, innovation, storytelling, digital marketing excellence, quality, consistency, and global expansion, Indian brands can strengthen their competitive advantage and achieve sustainable growth in both domestic and international markets.

Indian brands can advise foreign brands to adapt their marketing strategies in the fast food industry emphasizing the importance of localization. This requires understanding and addressing the different tastes, preferences, and cultural nuances of the Indian market. In addition, they could advocate the inclusion of healthier options and transparent purchasing practices to attract more and more health-conscious consumers. Additionally, effective use of digital marketing channels and social media platforms can improve brand visibility and engagement among tech-savvy Indian consumers. Finally, working with local influencers and celebrities can help foreign brands build credibility and authenticity in the Indian market.

To study how foreign fast-food brands perform in India, researchers can start by conducting detailed consumer surveys and focus groups across various demographics to understand evolving tastes and brand loyalty. Examining how these brands culturally adapt beyond their menus - like altering store ambiance, customer service, and community engagement - could provide a fuller picture of their branding strategies. Additionally, analysing emerging trends such as sustainability, digitization, and health consciousness will help predict future market shifts. These steps will offer valuable insights for academics, business leaders, and policymakers regarding the impact of foreign fast-food marketing strategies in India.

## **5.3 CONCLUSION**

The purpose of this study is to examine the efficacy and impact of marketing tactics utilized by international fast-food brands that are present in the Indian market. Due to the quickening pace of globalization, international fast-food businesses have established strong footholds in India and won over customers' tastes and attention. With the arrival of numerous foreign companies, the fast-food industry in India has experienced tremendous expansion in recent years.

Conclusively, this research has furnished invaluable perspectives about the noteworthy influence of marketing tactics implemented by prominent international fast-food chains, like KFC, McDonald's, and Domino's, in the Indian marketplace. Through an extensive examination of many marketing tactics, including branding, advertising campaigns, pricing strategies, and cultural adaptation, this study aims to identify the critical elements boosting these brands' prosperity in India. The goal of the study is to determine how these approaches appeal to Indian customers, how they view foreign businesses, and how well they work to increase sales and market share. Furthermore, the study might explore cultural variables, customer inclinations, and competitive landscapes to offer a thorough comprehension of the impact of international fast-food firms' marketing tactics in India.

In addition to successfully appealing to Indian consumers' palates with its creative marketing efforts that highlight its iconic fried chicken dishes, KFC has also successfully localized its menu to include vegetarian alternatives and spicy spices. McDonald's, a well-known company with a wide appeal, has used celebrity endorsements, creative promotional offers, and regionalized marketing campaigns to connect with Indian customers from a variety of backgrounds. Similar to this, Domino's Pizza has successfully positioned itself in the Indian market by leveraging its delivery-focused business model, locally tailored menu alternatives, and digital marketing techniques.

The results of this study emphasize how critical it is to comprehend and adjust to the diverse cultural environment and customer preferences of the Indian market. Although international fast-food chains have been successful in capitalizing on their widespread popularity, they also have difficulties when adjusting to regional customs, tastes, and socioeconomic considerations. Additionally, these firms face additional hurdles in terms of modifying their marketing tactics to match evolving consumer expectations as a result of Indian consumers' growing awareness of sustainability and health issues.

Overall, in the context of the Indian market, this study emphasizes how crucial it is to comprehend the complex interplay between marketing techniques and consumer behaviour. To maintain their current development trajectory and successfully negotiate the intricacies of the Indian market, international fast-food firms must consistently innovate and modify their strategies. These insights can also be useful to legislators and other industry stakeholders in developing strategies and policies that support fair competition and the welfare of consumers in the fast-food sector.

# **BIBLIOGRAPHY**

### **Journal Articles:**

- M.S. Anitharaj. (2018). 'Global Fast Food Retailing In India A Way Ahead.'
- Kinnarry Thakkar and Mrunmayee R. Thatte, "Consumer Perceptions of Food Franchise: A Study of McDonald's and KFC", International Journal of Scientific and Research Publications, Volume 4, Issue 3, March 2014, Pp 1 – 5.
- Anand R. (2011), "A study of determinants impacting consumers food choice with reference to the fast food consumption in India", Society and Business Review, Vol.6, No.2, pp 176-187
- Neeti Kasliwal. (2008, September).
  'McDonaldization in India'. Retrieved from Researchgate:
- Goyal Anita and Singh Netra Pal (2007)., Consumer perception about fast food in India: An exploratory study British Food Journal
- Impact and Influence of Culture on Brands in Indian Market Dr. Mun Mun Ghosh, Dr. Arindam Ghosh, Moumita Ghosh
- LOCALIZATION IN FAST FOOD INDUSTRY: A CASE STUDY ON MCDONALD'S STRATEGY IN INDIA - Diksha Panwar, Dr. Sidheswar Patra
- Taneja, G., Girdhar, R., & Gupta, N. (2012). Marketing strategies of global brands in Indian markets. Researchers World, 3(3), 71.
- Vignali, C. (2001). McDonald's: "think global, act local"-the marketing mix. British food journal, 103(2), 97-111
- Ronald Gilbert G., et al., "Measuring customer satisfaction in the fast food industry: a crossnational approach" Journal of Services Marketing, Volume.18 Issue: 5, 2004 p.371 – 383

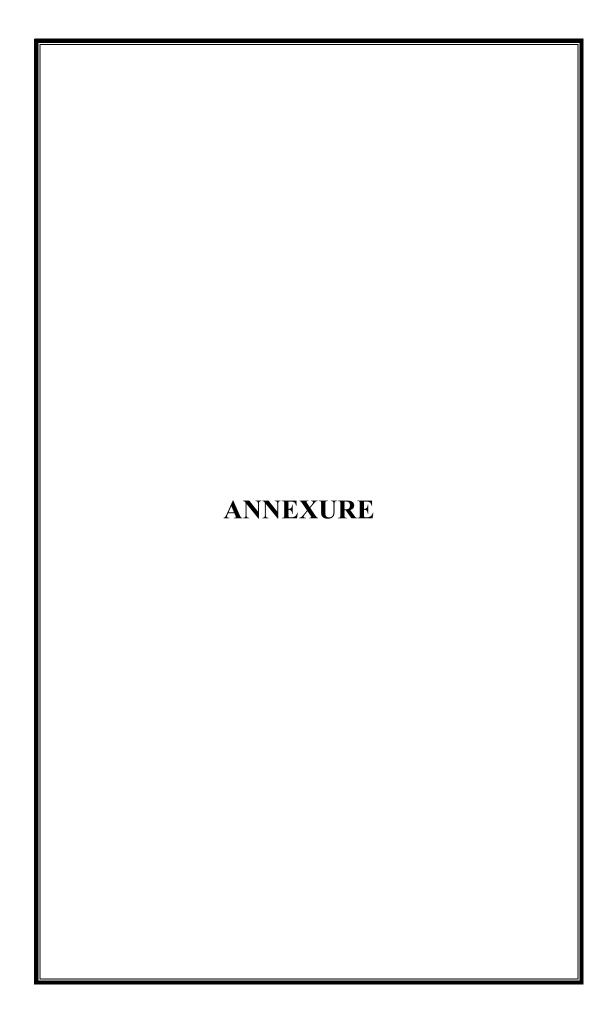
### Books:

 'Moving your Brand Up the Food Chain- Marketing strategies to grow Local & Regional Food brands' - Patric Nycz

- International Marketing Strategy: The Country of Origin Effect on Decision-Making in Practice - Giovanna Pegan , Donata Vianelli , Patrizia de Luca
  - 'McDonald's The Business Behind the Golden Arches'- Cath Senker
- 'Marketing Across Cultures' (Fifth Edition) by Jean-Claude Usunier & Julie Ann Lee

### Websites:

- https://online.kfc.co.in/
- https://www.dominos.co.in/
- https://www.simplilearn.com/tutorials/marketing-case-studiestutorial/kfc-marketing-strategy-case-study
- https://www.researchgate.net/publication/228367124
- https://www.researchgate.net/publication/280875209\_McDonaldization\_i n\_India
- https://en.wikipedia.org/wiki/Domino%27s
- https://www.globalresearch.ca/the-globalization-of-fast-food-behind-thebrand-mcdonald-s/25309
- https://www.linkedin.com/pulse/from-street-vendors-global-giantsevolution-fast-food-market-4guxf/



# **QUESTIONNAIRE**

- 1) Which age group do you belong to?
- a) Under 18
- b) 18-25
- c) 26-35
- d) 36-50
- e) Over 50
- 2) How often do you visit fast food restaurants in India?
- a) Multiple times a week
- b) Once a week
- c) Once a month
- d) Rarely
- e) Never

3) How often do you try new menu items introduced by fast food restaurants in India due to their marketing efforts?

- a) Regularly
- b) Frequently
- c) Occasionally
- d) Rarely
- e) Never

4) How influential do you find marketing promotions and offers by fast food restaurants in India?

a) Very influential

b) Moderately influential

c) Neutral

d) Slightly influential

e) Not Influential

5) How do you usually come across advertisements for foreign brands in India?

a) Television commercials

b) Social media platforms (Facebook, Instagram, etc.)

c) Print advertisements (newspapers, magazines)

d) Billboards/outdoor advertising

e) Others

6) What aspects of marketing strategies by foreign brands in India do you find most appealing?

a) Creative advertisements

b) Celebrity endorsements

c) Social media presence

d) Product placement

e) Others

7) Do you think foreign brands have a significant impact on Indian consumer culture?

a) Strongly agree

b) Agree

c) Neutral

d) Disagree

e) Strongly disagree

8) Which fast food chain do you believe has the strongest brand presence in India?

a) KFC

b) McDonald's

c) Domino's

d) Others

9) What factors influenced your decision to choose KFC/McDonald's/Domino's over other fast-food options in India?

a) Taste and quality of food

b) Pricing and value for money

c) Convenience of location

d) Variety of menu options

e) Brand Reputation

10) Do you think KFC/McDonald's/ Domino's effectively adapts its menu to suit Indian tastes and preferences? a) Yes, very well

b) Yes, to some extent

c) Neutral

d) No, not really

e) No, not at all

11) In your view, what challenges do foreign brands face when implementing marketing strategies in the Indian Market?

a) Cultural Differences

b) Regulatory compliance

c) Competition

- d) Price Sensitivity
- e) Brand Perception

12) When considering purchasing products, which aspect do you prioritize between foreign brands and Indian brands?

a) Quality

b) Affordability

c) Innovation

d) Trust

e) Customer service

13) How likely are you to recommend a foreign brand based on its marketing strategies to friends and family?

a) Very likely

b) Somewhat likely

c) Neutral

d) Somewhat unlikely

e) Very unlikely