



## **A COMPARATIVE STUDY ON CUSTOMER SATISFACTION TOWARDS KFC AND MCDONALDS - RAJKOT**

### **ABSTRACT:**

*The international market in forced in India with various sectors and industries that involve products of the consumers. In today's competitive world, consumers are always a KING and also Service Quality has become one of the most strategic tools for measuring customer satisfaction. The main objective of the study is to **compare customer satisfaction level towards KFC and McDonalds, RAJKOT**. Descriptive research is followed in this research. The universe of the population includes the respondents who are the customers of KFC and McDonalds, located at Rajkot, Saurashtra. The samples (i.e. sample size 80) were selected among the customers of KFC and McDonalds, located at Rajkot for this research. The major findings of the study are 18% of KFC customers and 22% of McDonalds customers are not opined either positively or negatively with respect to the quality of food. 16% of KFC customers and 11% of McDonald's customers are not satisfied with price of the food. 21% of KFC customers and 15% of Mc Donald's customers are satisfied with taste of the food. Both the food giants have given each other immense competition in terms of customer satisfaction, service quality and promotional strategies.*

### ➤ **INTRODUCTION**

Indian consumers' lifestyle has changed fast food industry to mature and expand over the last few years. Rajkot city is always acceptance of the new things that is the reasons like rising number of nuclear families, exposure to western cuisine and global media, growing number of working women - have had a substantial impact on the eating out trends and growth of the fast food industry. As per research of the people test and nature, they accept the hobby of outing and eating on Sunday and holiday. The demand for ready-to-eat packaged food is also expected to record strong growth in the Rajkot city. Customer satisfaction is actually how customer evaluates the ongoing performance. Customer satisfaction is very important in today's business world as the ability of a service provider to create high degree of satisfaction is crucial for product differentiation and developing a strong relationship with customers. Because of the above reasons the companies consider customer satisfaction as very important element while devising their core strategies. Moreover, the concept of customer satisfaction gained so much importance that American Customer Satisfaction Index (ACSI) was developed.

### ➤ **COMPANY PROFILE:**

#### **a) About McDonalds**

We know very well history about the McDonalds restaurant. In California by two brothers named Dick and Mac McDonalds of Manchester. The business was founded in 1940 by these 2 brothers. It is the world's largest fast food chain, selling primarily hamburgers, chicken, French fries and carbonated drinks. It was later modified and expanded by their business partner, Ray Kroc who later bought out

the business of the McDonalds brothers and went on and found McDonald's Corporation. Indeed, McDonald's ads have been some of the most identifiable over the years. In 1962, McDonald's introduced its now world-famous Golden Arches logo. A year later, the company sold its billionth hamburger and introduced Ronald McDonald, a red-haired clown designed to appeal to children. McDonald's restaurants are found in 120 countries and serve nearly 54 million customers each day. Most of the McDonalds restaurants offer both counter services and home deliveries up to certain distances.

## **b) About KFC**

KFC (the name was originally an initials for Kentucky Fried Chicken) is a fast food restaurant chain that specializes in fried chicken and is headquartered in Louisville, Kentucky, in the United States. It is the world's second largest restaurant chain (as measured by sales) after McDonald's, with 18,875 outlets in 118 countries and territories as of December 2013. KFC was one of the first fast food chains to expand internationally, opening outlets in Canada, the United Kingdom, Mexico, and Jamaica by the mid-1960s. Throughout the 1970s and 1980s, KFC experienced mixed fortunes domestically, as it went through a series of changes in corporate ownership with little or no experience in the restaurant business. In the early 1970, the chain has since expanded rapidly in China, which is now the company's single largest market. PepsiCo spun off its restaurants division as Tricon Global Restaurants, which later changed its name to Yum! Brands. KFC's original product is pressure fried chicken pieces, seasoned with Sanders' recipe of 11 herbs and spices. The constituents of the recipe represent a notable trade secret. Larger portions of fried chicken are served in a cardboard "bucket," which has become a well-known feature of the chain since it was first introduced by franchisee Pete Harman In 1957. Since the early 1990s, KFC has expanded its menu to offer other chicken products such as chicken fillet burgers and wraps, as well as salads and side dishes, such as French fries and coleslaw, desserts, and soft drinks, the latter often supplied by PepsiCo. KFC is known for the slogan "finger licking' good," which has since been replaced by "Nobody does chicken like KFC" and "So good."

### ➤ OBJECTIVES OF THE STUDY

Primary Objective:

- To compare customer satisfaction level towards KFC and McDonalds, Rajkot.

Secondary Objectives:

- To identify the relationship between demographic variables and factors of customer satisfaction towards KFC and McDonalds.
- To compare the satisfaction level of KFC and McDonalds customers.
- To access the user satisfaction towards service, Hygienic, Advertisement, delivery of the products.

### ➤ RESEARCH METHODOLOGY

The universe of the population includes the respondents who are the customers of KFC and McDonalds, located at Rajkot, Gujarat. The samples (i.e. sample size 80) were selected among the customers of KFC and McDonalds, located at Rajkot and tourist for this research. The samples were chosen from the population, by using Convenience sampling technique (i.e. Non-probability sampling technique), because the exact population size is unknown and the accessibility of the customer is difficult. Survey method of data collection was used in this research. The primary data were collected using questionnaire.

## ➤ VIDATA ANALYSIS AND INTERPRETATION

### • FREQUENCY ANALYSIS:

Descriptive statistics is used to describe the nature of the population. In this part of analysis, descriptive statistics tools such as frequency table, cross tabulation, mean and standard deviation were used to analyze the data.

**Table 1 Gender Group of Respondents**

Sr. No	Male		Female		Total	
	Resp.	Percentage	Resp.	Percentage	Resp.	Percentage
1	45	56.00	35	44	80	100

**Table 2 Education of the Respondents**

Sr. No	Particulars	Respondents	Percentage
1	S.S.C/H.S.E	16	20
2	Under Graduate	32	40
3	Post Graduate	24	30
4	Others	08	10
Total		080	100

**Table 3 Occupation of the Respondents**

Sr. No	Particulars	Respondents	Percentage
1	Students	16	20.00
2	Employees	37	46.25
3	Businessmen/Professional	22	27.50
4	Others	05	06.25
Total		080	100

**Source:** Primary data

From the above table 1, it is inferred majority (56%) of respondents are male and the remaining (44%) are female. 45.34% of the respondents are UG Qualified. 45.34% of respondents are employed.

**Table 4 Personal details of the Respondents**

Sr. No	Particulars	Respondents	Percentage
1	Vegetarian	03	04
2	Non vegetarian	77	96
Total		080	100

**Source:** Primary data

Table 4 presents that, most (96%) of the respondents are vegetarian.

**Table 4 Accompanied person to the restaurant of the Respondents**

Sr. No	Particulars	Respondents	Percentage
1	Family	06	07.50
2	Friends	58	72.50
3	Alone	08	10.00
4	Others	08	10.00
Total		080	100

**Source:** Primary data

Majority (72%) of respondents are accompanying friends to visit KFC or McDonalds.

**Table 5 Overall satisfaction towards KFC and McDonalds\* Type of food consumption**

Brand Name	Highly satisfied(5)		Satisfied (4)		Moderate (3)		Dissatisfied (2)		Highly dissatisfied (1)		Total	
	KFC	McDonalds	KFC	McDonalds	KFC	McDonalds	KFC	McDonalds	KFC	McDonalds	KFC	McDonalds
Vegetarian	0	2	0	1	0	0	0	0	0	0	0	03
Non vegetarian	8	3	6	10	19	21	2	3	5	0	40	37

**Source:** Primary data

Table 5 presents that, only 4% respondents are vegetarians, and that three they are the customers of McDonalds, these three customers are satisfied with McDonalds. In Non-vegetarians category, out of 96% of respondents, 49.87% are the customers of KFC and another 46.13% of are McDonalds. Out of Non-vegetarians 15% of respondents from KFC are satisfied and 21% of respondents are satisfied in overall manner.

**Table 6 Customer Satisfaction towards the KFC and McDonalds**

Sr. No	Particulars		KFC in		McDonalds in		Total in	
			Resp.	%	Resp.	%	Resp.	%
1	Frequency of Visit	Once a week	06	7.5	03	03.75	09	11.25
		Once in 2 Weeks	18	22.5	20	25	38	47.50
		Once in a month	14	17.5	13	16.25	27	33.75
		Once in 6 months	02	02.5	04	05.00	06	07.50
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>

2	Accompanying person	Family	02	02	05	06	07	08
		Friend	30	37	27	34	57	71
		Alone	06	08	06	08	12	16
		Others	02	03	02	02	04	03
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
3	Average expenses in a visit	Below Rs. 100	00	00	03	03.75	03	04
		Rs. 100 to Rs. 500	13	16.25	19	23.75	32	40
		Above Rs. 500	27	33.75	18	22.50	45	56
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
4	Price of food	Highly dissatisfied	0	0	0	0	0	0
		Dissatisfied	14	17.5	10	12.5	24	30
		Moderate	08	10	14	17.5	22	27.50
		Satisfied	16	20	11	13.75	27	33.75
		Highly satisfied	02	2.50	05	06.25	07	08.75
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
5	Quality of food	Highly dissatisfied	00	00	00	00	00	00
		Dissatisfied	03	03.75	06	07.50	09	11.25
		Moderate	17	21.25	15	18.75	32	40
		Satisfied	18	22.50	16	20	34	42.50
		Highly satisfied	02	02.50	03	03.75	05	06.25
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
6	Taste of food	Highly dissatisfied	00	00	02	02.50	02	02.50
		Dissatisfied	03	03.75	03	03.75	06	07.50
		Moderate	13	16.25	18	22.50	31	38.75
		Satisfied	19	23.75	14	17.50	33	41.25
		Highly satisfied	05	06.25	03	03.75	08	10
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
7	Freshness of the food	Highly dissatisfied	00	00	00	00	00	00
		Dissatisfied	00	00	02	02.50	02	02.50
		Moderate	19	23.75	22	28	41	51.25
		Satisfied	10	12.50	11	14	21	26.25
		Highly satisfied	11	13.75	05	06	16	20
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
8	Preparation Time of KFC	Highly dissatisfied	02	02.50	02	02.50	04	04
		Dissatisfied	03	03.75	00	00	03	04
		Moderate	19	23.75	24	30	43	54
		Satisfied	14	17.50	12	15.00	26	34
		Highly satisfied	02	02.50	02	02.50	04	04
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
9	Variety of foods	Highly dissatisfied	00	00	00	00	00	00
		Dissatisfied	10	12.5	00	00	10	12.50
		Moderate	10	12.5	19	23.75	29	36.25
		Satisfied	18	22.50	21	26.25	39	48.75
		Highly satisfied	02	02.50	00	00	02	02.50
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>

10	Hospitality of the staff	Highly dissatisfied	00	00	02	02.50	02	02.50
		Dissatisfied	05	06.25	00	00	05	06.25
		Moderate	14	17.50	13	16.25	27	33.75
		Satisfied	14	17.50	22	27.50	36	45
		Highly satisfied	07	08.75	03	03.75	10	12.50
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
11	Environment of KFC	Highly dissatisfied	02	02.50	02	02.50	04	04
		Dissatisfied	06	07.50	00	00	06	08
		Moderate	10	12.50	08	10	18	22
		Satisfied	18	22.50	26	32.50	44	54
		Highly satisfied	04	05	04	05	08	12
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
12	Advertisement attractiveness	Highly dissatisfied	00	00	00	00	00	00
		Dissatisfied	02	02.50	00	00	02	02.50
		Moderate	11	13.75	08	10	19	23.75
		Satisfied	13	16.25	21	26.25	34	42.50
		Highly satisfied	14	17.50	11	13.75	25	31.25
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
13	Attractive advertisement of KFC	Highly dissatisfied	00	00	00	00	00	00
		Dissatisfied	02	02.50	00	00	02	02.50
		Moderate	11	13.75	08	10	19	23.75
		Satisfied	13	16.25	21	26.25	34	42.50
		Highly satisfied	14	17.50	11	13.75	25	31.25
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
14	Home delivery of food	Highly dissatisfied	02	02.50	02	02.50	04	04
		Dissatisfied	00	00	00	00	00	00
		Moderate	16	20	18	22.50	34	42
		Satisfied	16	20	14	17.50	30	38
		Highly satisfied	06	07.50	06	07.50	12	16
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
15	Favourite restaurant	KFC	14	17.50	06	07.50	20	25
		McDonalds	10	12.50	11	13.75	21	26.25
		Both	16	20	23	28.75	39	48.75
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>
16	Overall satisfaction towards restaurant	Highly dissatisfied	05	06.25	00	00	05	6.25
		Dissatisfied	02	02.50	03	03.75	05	6.25
		Moderate	21	26.25	19	23.75	40	50.00
		Satisfied	06	07.50	11	13.75	17	21.25
		Highly satisfied	06	07.50	07	08.75	13	16.25
		<b>Total</b>	<b>40</b>	<b>50</b>	<b>40</b>	<b>50</b>	<b>80</b>	<b>100</b>

Source: Primary data

**Education:** From the above table 6, it is eductioned that the respondents of 38 (47.50%) visit KFC or McDonalds once in two weeks. Majority respondents of 57 (71%) of visit KFC or McDonalds with their friends. 32(40%) of respondent customers spends between Rs.100 and Rs.500 in KFC or McDonalds restaurants. 17(21.25%) of KFC customers and 15(18.75%) of McDonalds respondent customers are not opined either positively or negatively with respect to the quality of food. 14(17.5%) of KFC customers and 10(12.50%) of McDonalds respondents customers are not satisfied with price of the food. 19(23.75%) of KFC customers and 14(17.50%) of McDonalds customers are satisfied with taste of the food.

➤ **INDEPENDENT SAMPLE T-TEST:**

- **HYPOTHESIS 1 Null Hypothesis:** There is no significant difference between Vegetarian and Non-vegetarian respondents with respect to the factors of customer satisfaction towards KFC and McDonalds.
- **HYPOTHESIS 2 Null Hypothesis:** There is no significant difference between qualification of the respondents and the customer perception towards price, quality and taste of the food with regard to McDonalds and KFC products.

HYPOTHESIS 1:

**Table -7 Independent sample, T test for significant difference between vegetarian and non-vegetarian with respect to preference towards food items of KFC and McDonalds.**

Type of food preferred	Overall satisfaction					T value	P value
	Highly Dissatisfied	Dissatisfied	Moderate	Satisfied	Highly Satisfied		
Vegetarian	0	0	0	01	02	4.359	0.527
Non vegetarian	05	05	40	16	11		
Total	05	05	40	17	13		

Source: Primary data

**Inference:** Table 7 depicts that, p value is 0.527, which is greater than 0.05, so null hypothesis is accepted and alternative hypothesis is rejected at 5% level of significance. Hence it is concluded that there is no significant difference between vegetarian and non-vegetarian respondents with respect to preference towards food items of KFC and McDonalds.

**Table 8 One-way ANOVA for significant difference between qualification of the respondents and the customer perception towards price, quality and taste of the food with regard to McDonalds and KFC products**

Particulars		F value	P value
Price	Between Groups	0.945	0.473
	Within Groups		
	Total		
Quality	Between Groups	1.323	0.379
	Within Groups		
	Total		
Taste	Between Groups	2.201	0.114
	Within Groups		
	Total		

Source: Primary data

**Inference:**

The table 8 shows that, the p value is greater than 0.05 for all the factors of customer satisfaction, so the null hypothesis is accepted and alternative hypothesis is rejected at 5% level of significance. Hence it is concluded that there is no significant difference between qualification of the respondents and the customer perception towards price, quality and taste of the food with regard to McDonalds and KFC products.

**➤ DISCUSSIONS:**

- The customers are mostly satisfied towards the price, quality and taste of KFC products. According to Hygiene, Preparation time, Nature of product and hospitality McDonalds was prepared much.
- There is no significant relation between vegetarian and non-vegetarian respondents to prefer the product of KFC and McDonalds.
- There is no relation between qualification of the respondents and the price, quality and taste of McDonalds and KFC products.
- 47.50% of respondents visit KFC or McDonalds once in two weeks. Majority (71%) of respondents visit KFC or McDonalds with their friends. 40% of customers spends between Rs.100 and Rs.500 in KFC or McDonalds restaurants.
- 16.25% of KFC customers and 22.50% of McDonalds customers are not opined either positively or negatively with respect to the quality of food. 17.50% of KFC customers and 12.50% of McDonalds customers are not satisfied with price of the food. 23.75% of KFC customers and 33% of McDonalds customers are satisfied with taste of the food.

**➤ IMPLICATIONS:**

- From the survey we come to know that the number of customers was fond of non-veg products of both KFC and McDonalds. So, importances of products were given only to non-vegetarian customers.
- From the above point we come to know that only non-vegetarian products are mostly sold so by introducing new varieties in vegetarian will attract the vegetarian customer and it will increase the number of customers
- Though KFC is an international product, the prices of their products were nominal to the people according to the region. But McDonalds have common for all region so if the price level is modified McDonalds also can reach level of KFC
- If the method of delivering products of McDonalds should be revised to increase the number of customer.
- The fast food giants may open exclusive vegetarian food restaurant to attract vegetarian customers with more variety on vegetarian foods.



## ➤ CONCLUSION:

In India fast food market is strongly dominated by these 2 brands. But when it comes to comparing these two brands the following study brings us to a conclusion that as far as market presence and brand value is concerned McDonalds has definitely provide a point for themselves. But KFC who re-entered in 2003 has shown a rapid progress and no wonder if in the coming year KFC overtakes McDonalds in the Indian market share. Both the food giants have given each other immense competition in terms of customer satisfaction, service quality and promotional strategies.

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