CHAPTER 2

REVIEW OF LITERATURE

2.1 RISING TRENDS OF FAST FOOD INDUSTRY IN INDIA

With the changing lifestyle, rapid growth and change have been found in the fast food industry in India. Some unique features of fast food like quick service, cost opportunity, healthy and hygienic factors, and so on are making it profoundly demanding. Subsequently, a gradual shift has been seen in India’s customer’s perception and change in consumption of fast food habits in current years, as the large part of the population has begun spending on consuming fast food from local and international sellers existing in the market. Sahni & Mohsin (2017) stated that demographic variables i.e., age, gender, martial status, religion, occupation, income etc. were positively related with selection of restaurants. The study also reveals that there is significant relationship between the customer’s purpose of visiting and their selection of restaurants. Gaikwad (2016) stated that fast food product has bright future in India as the younger generation is the major contributor to this sector. Previously this sector was unnoticed and exists, but in a couple of years, the investigation revealed that there is an immense potential development in this sector, hence by 2020, it is expected that the market develops at CAGR of 18 percent because of changing consumer behaviour and demography. (Research and Market, May 2015)

Liberalization and Globalization are the important reason for the growth and development of fast food industry in India. Prabhavathi et al., (2014) stated that in India as the trend of nuclear families is rising, the economy is growing, and per capita income is increasing, the globalisation and fast food culture has gained prominence. The author also revealed that young, well-educated consumers are the major contributor to the fast food sector. The change in lifestyle, taste, and preference are the significant reasons for consuming fast food. Prasad & Aryasari (2011) stated that these companies did a survey to match with the customer profile in term of culture, social and legal factors. In India, fast food has become trendy as it is effortlessly obtainable and is available at reasonable price and is a better option in comparison to the home cooked. With the rising trend for fast food, it is seen that in the last few decades few international fast food companies like McDonalds, Dominos, Subway, Pizza hut, Kentucky Fried Chicken have also entered in the Indian market. And those already operating in the Indian market
are expanding their business in different regions. The instant rise in this sector provides a great opportunity to local players as well as international players to widen their product portfolio. Therefore to sustain in the new market foreign or International companies have to change their marketing strategy. The international fast food companies mainly focus on metropolitan cities where people have high disposable income. The change in the fast food retailer practices brings the changes in the buying behaviour of the consumers. However customer’s perception towards fast food stores transferred with globalization, different entertainment sources and cultural alteration shifts in customer action and perception have provided enhanced and greater customer experience. The companies are making changes in their business strategies regarding upgrading menu, modification in cost and developing other services like opening stores at a convenient place a fast delivery, entertainment facilities and so on. From the large segment of the population, the young generation segment was attracted toward these fast food outlets. Hygienic and healthy food and cleanliness at stores were some of the major causes that changed the perception of consumers about the fast food outlets. Goyal & Singh (2007) in their research examined that in Indian consumers are adopting information seeking behaviour regarding nutrition value, value for money and hygiene factor present in the food, therefore the companies already operating in India or the new entrants have to alter their business model. Other than hygiene factor there was some custom obstacle in accepting the menu of international fast food retailers as the perception of the customers were that these companies included ham, pork, and beef as part in their food they offer. Consumers are not willing to have vegetarian food from the retailers who serve non-vegetarian food as this will hamper their common values. Many international companies changed their menu to meet the market demand. It has been stated that companies also had repositioned their brand message to manipulate their vegetarian buyers.

2.2 GLOBAL MARKETING STRATEGIES

Bennet (2008) defined strategy as the action that managers take to attain the goal of the firm. A global marketing strategy is a strategy that bounds several different regions of different countries of the world with the aim of coordinating the company’s marketing efforts in the markets of these countries. Therefore selecting the best and appropriate strategy at the domestic as well as the international level is the key to success for every organization. Moon (2005) stated that global marketing strategies are divided into two
parts: standardization or Localization (adaptation). Zou & Cavusgil, (2002) stated that global marketing strategy is a wide-ranging strategy that encompasses the main components of the marketing strategies to rationalize the approaches to marketing and provides an opportunity that set benchmarks for the organizations against competitors and develops measures of success. The main focus of global marketing strategy is on the chain of activities of the organization to create a competitive advantage. Further Hill (2002) stated that firms which compete in the global level face two pressures: cost reduction and response of the local customer. Therefore to reduce these pressures, the appropriate strategy is to be chosen.

Sashi & Karuppur (2002) have stated that to operate successfully at the global level the firm need to triumph over internal and external risks and uncertainties, thereby taking on the flexibility components found within the global marketing strategy. Kanter & Dretler (1998) stated that global marketing strategy involves all aspects of business-its suppliers, production sites, markets, and competition. Global marketing strategies help firms to coordinate their product and pricing strategies across international markets, and therefore firms pursuing a global strategy are typically highly concentrated, (Bartlett & Ghoshal, 1989). While assessing every product or service the company has to prospect both domestic and international market standards. It means meeting world standards, but before seeking world markets, the companies have to be world class even in local markets. It means that the companies should understand local and cultural differences to become genuinely global. Firms operating in different markets adopt global marketing strategy, once they have a significant presence in several countries. Since local market players will never be the same, therefore the local players will never welcome a proposed global strategy. The existing local players will have to adopt the new global strategy satisfying all their needs. Thus the solution to this problem is managers need to formulate a global marketing strategy, and to form cross-national teams to implement these strategies. The companies designate one country as the “lead” market for the strategy and use its current strategy. The companies designate lead country typically to that country where they have one of the broader markets and substantial market share.

Huszagh, Fox & Day (1986), classified global marketing strategy in four stages: firms in stage 1 have total regularity in the marketing mix connecting a product, price, place, and promotion with Localization (adaptation) strategy. Firms in stage 2 use the same
product and price strategy in every market. Firms in stage 3 standardize the promotion and firms in stage 4 they recognize that it is not easy to observe companies.

2.2.1 Standardization Strategy

When a firm or corporation enters a new market with varied culture, it is most accepted that the firm faces the problem of cross-culture. After suffering from such problem, some firms choose to remain with the same features or to use the same strategy known as standardization. Bennet (2008) stated that the firms who use standardization strategy would serve single product in all markets and this type of product is suitable where the basic need is same in international market, large market option is available where cultural Localization (adaptation) is not necessary, universal product has built its strong brand image and therefore after sales service is standardized. (Zou & Cavusgil, 2002 & Karuppur, 1994) stated that a standardized marketing strategy provides a standard approach to product development, marketing, and branding on a global level. (Zou & Cavusgil, 2002) stated that standardization strategy offers positive attributes to the organization, which includes the economies of scale an organization can achieve, an opportunity to share definite ideas at a global market, and consistency in product development and customer service. Sashi & Karuppur (2002) stated that standardization strategy is incorporated into the entire marketing operations: product, price, distribution or place, and promotion.

Standardization strategy stated that as the global market is becoming homogeneous, which allows the firm to adapt standardization across the whole world, (Cavusgil et al., 1993). Samiee & Roth (1992) stated that standardization strategy is the same marketing strategy that is applied in all markets, or it means the domestic marketing strategy is implemented to the international market. Kotabe (1990) stated that standardization would provide a chance for product innovation as a firm can use its resources for the betterment of product portfolio rather than allocating resources to adapt to the different market.

Levitt (1983) stated that as the market is becoming homogeneous due to advancement in technology, communication, and change in customers taste and preferences leads to increase in competition which allows companies to follow standardization strategy. The study also indicated that a successful global marketing strategy consists of same brand
name, sign and symbols, packaging and same communication technique thought out the world.

Ronkainen & Menezes (1996) stated that standardization strategy occurs across factories, product research and development, and global market. The possibility which allows for standardization strategy is the internal organizational characteristics and external environmental forces in total standardization strategy the company would entail offering similar product lines at similar prices through same distribution systems with similar promotional schemes (Buzzell, 1968). Two factors state for the standardization: One is that the whole world is becoming homogeneous, which is making standardization strategy more feasible. Another is the benefits associated with a standardization strategy.

- **The positive aspects of standardization**

Ohmae (1985) stated that in USA, Japan, and Europe, consumer demand has become homogeneous. Companies must not focus on the apparently heterogeneous cultures, political and legal systems and economies across countries. They must look for the opportunities to reduce their worldwide operations and treat the whole world as a single market. Levitt (1983) provided the most convincing case for international marketing standardization. He stated that due to advanced technology in communication and transportation has converted the heterogeneous market into homogenized markets around the world. Which resulted in consumers have to demand high-quality products at possible low prices. These changes have led to changes in the competition world between companies. Competitive advantage situation has provided companies the ability to produce good-quality products at a possible low cost. Standardization strategy helps in recognition of economies of scale in production and marketing. Firms must pursue a standardization strategy to be successful in the global market. The advantage of standardization strategy is that it is a cost savings strategy, steadiness with customers, enhanced planning and distribution, and great control across national borders (Buzzell, 1968).

- **The negative aspects of standardization**

In spite of the benefits of standardization strategy, there are some drawbacks to a standardization strategy. Zou & Cavusgil, (1996) stated that competitor’s strategy also limits the feasibility of a standardization strategy in across markets. One major
drawback of a standardization approach is that it focuses on product orientation. The company that focuses on product costs ignores customer needs and preferences across countries, and become weak in competitive markets (Cavusgil & Zou, 1994 & Ricks, 1983). Cateora(1993) & Laughlin et al. (1994) stated that a product orientation likely to lead to failure for the companies. On the other hand market orientation, in which company’s strategy focuses on customers and competitors, which can lead to enhanced business performance (Jaworski & Kohli, 1993, Lusch & Laczniak, 1987 & Narver & Slater, 1990). A standardization strategy is not practicable when government rules and regulations vary across different markets, especially when companies are required to meet environmental policies, product safety benchmarks, or local customers requirements (Cavusgil et al.,1993 & Wind, 1986). Moreover, different cultural practices and different competitor’s strategies are external factors which affect standardization strategy. Companies should study the diverse cultures of different countries to survive and flourish in international markets (Cateora, 1993 & Ricks, 1983). A standardization strategy is practicable only in those markets where cultural difference is not very vast. Andrus & Norvell, (1990) firms’ involvement in different levels of international market forces them to pursue different degrees of standardization strategy. Standardization strategy is subject to both internal and external constraints. The standardized strategy may be incompatible with the company’s operating worldwide. Also, standardization is likely to meet significant conflict from local subsidiary (Ohmae, 1989). Thus, conflict develops, and the company’s strategy is negatively affected. Douglas & Wind (1987) stated that standardization strategy is possible only under certain conditions. These include global market segmentation and availability of proper mode of communication and distribution channel to deliver the firms’ offerings to target customers worldwide. In the External environment, a standardization strategy focuses on government regulations and different marketing infrastructures (Doz & Prahalad, 1980, Kreutzer, 1988, Simmonds, 1985 & Zou & Cavusgil, 1996).

2.2.2 Localization (adaptation) Strategy
When the companies decide to adopt the features of new atmosphere with own characteristics, it is known as localization (adaptation) strategy. Kotler & Armstrong (2008) stated that companies follow international marketing strategy for adjusting marketing mix elements to receive more high returns. Bennet (2008) stated that
Localization (adaptation) strategy is suitable in only those cases where there is a significant difference in the needs and wants of the consumers, competition level is high which forces companies to differentiate their product from the others to fulfill essential requirements of host country and where the customer education level, income level, customer lifestyle is high. In his study, he also stated out some negative impact of localization (adaptation) strategy such as high cost involved in the promotion, duplication of activities, limited knowledge and inexperience about the different products being offered and extra resources required for research and development. Medina & Duffy (1998) stated that localization (adaptation) is a necessary change required as per the need of the targeted market as to make the product suitable to the foreign market condition. Whereas customization is defined as optional changes needed as per the economic and cultural changes in the product to make it suitable for the foreign market condition. Cavusgil et al. (1993) stated that companies use localization (adaptation) strategy to achieve competitive advantage. Moreover, the goal of the company should not focus on cost reduction through standardization strategy, but it should be to earn long-term profit through high sales across countries (Onkvist & Shaw 1990, Rosen 1990, Whitelock & Pimblett 1997 & Theodosiou & Leonidou 2003). Douglas and wind (1987) stated that localization (adaptation) and customization are two different terms. Product localization (adaptation) strategy leads to increase in sale by satisfying the needs and wants of the customers.

- **The positive aspects of Localization (adaptation)**

Localization (adaptation) marketing strategy is useful when a standardization strategy fails. This strategy includes all the product related attributes to influence buyer behaviour differently in each market. If the characteristics and functions of the product are similar in different countries, but the attributes of the product may vary from country to country. Companies adapt changes and make necessary modifications to their product, price, place, and promotion to fulfill the desire and want of the consumers as well as to establish their business. Companies adapt the strategy in the host countries so that they can compete in different markets. The company has to even change their advertisement at all the stages of the product lifecycle. The aim is to keep the buyer updated with the actual information.
• The negative aspects of Localization (adaptation)

Localization (adaptation) strategy is not suitable in all cases as the needs, wants and usage pattern differs from country to country for the product. Consumers response to marketing mix elements changes with the change in the perception or the lifestyle of the consumer due to which localization (adaptation) strategy do not act in a favourable condition of the companies. The competitive environment changes with the changes in the countries for which companies do not always depend upon localization (adaptation) strategy. With the difference in the country, the legal environment also changes whereas these changes may conflict with those of the home country which may fail localization (adaptation) strategy.

After studying the positive and negative impact of both the strategies, now the question arises whether to adapt or to standardize the strategy to succeed and sustain in the global market. Calantone et al. (2004) stated that due to growing customization, localization (adaptation) strategy is given more consideration. As per Aaker et al. (1999), Buzzell (1968), Kapferer (2005), De Chernatony et al. (1995), Levitt (1983), standardization is supported due to the economies of scale and cost-saving additional to the homogenized consumer needs. Hofstede (1988) & Schuiling et al. (2004) have mentioned the importance of culture. The author has stated that consumer reinterprets brand according to their cultural values and brand proximity to culture permits them to build relation with customer and respond to their needs. Among other factors culture is the major determinant of consumer behaviour, attitude, and lifestyle. Hill & Still (1984) stated that modification in product and its features is done to meet the requirement of the customer. Hill & Still (1984), Douglas & wind (1987) & Calantone et al. (2004), stated that due to the difference in culture and legal environment standardization strategy is not suitable in all the marketplaces.

2.3 MARKETING MIX

The marketing mix is a set of elements that the firm uses to persuade consumers. McCarthy, 4P’s is used as the main concept for coordinating other aspects of marketing. The most important element in the marketing mix is a product. What makes our product marketable? Price is the sensitive element of the marketing mix. The customer is liable for the amounts paid to deliver the product. The third element is the distribution of all the activities that aim to provide the product to the customer. The fourth element promotion is used to communicate with customers. This association is to encourage
customers to buy products. These variables are inter-related as it influences the decision-making areas (Cuellar & Gomez, 2013). In the international market, the managers have to make an essential choice regarding their marketing plan to the degree to which they should normalize or adapt their marketing mix. Many researchers have supported standardization, but on the other hand, others have supported the advantages of localization (adaptation) of the marketing mix. Standardization view market as homogeneous. They ensure that consumer tastes, needs, wants and requirements do not vary across markets or nations. On the other hand, localization (adaptation) strategy is most appropriate to meet the “unique dimensions” of different markets (Nguyen, 2011).

Omar (2008), stated that International marketing mix activities include: analysis of potential markets, planning of products that consumers want, distribution of products through channels that are convenient for the customers, promotion of products in order to make consumer aware and influence them to try new product, setting of prices that reflect both a reasonable value and a satisfactory profit or return on investment, technical and non-technical support given, both before and after a sale. The final consumer and commercial channels are also affected by the decision taken by the marketers. Thus, despite the decision of institutions concerning some variables of the marketing mix and because it requires a long time, little can change in the short term in their marketing mix. Marketing mix elements are a set of marketing tools for achieving the goals of the institute of marketing (Hakansson & Waluszewski, 2005). Newson et al., (2000), defined marketing mix as the organization's performance using a set of controllable variables and uncontrollable factors of the environment. Cutler (2000), marketing mix is a set of controllable elements of marketing tools, and marketing strategies of a company in their target market and its composition are required for the reaction. To receive favorable responses from their target markets the marketers, use many tools. These tools comprise the marketing mix. In fact, it is a set of tools that organizations use to achieve their marketing goals. The marketing mix is a blend of marketing four variables known as the 4P’s that included: product, price, place, and promotion (Harrell & Frazier, 1999). Groonros (1994) stated that these marketing mix elements could provide firms the competitive position.

2.3.1 Standardization versus Localization (adaptation) of the Marketing Mix

(Myers & Cavusgil 1996, Rosenbloom et al. 1997, Shoham 1995 & Baalbaki & Malhotra 1993) stated that all the marketers are focusing on the product and promotion
elements of the marketing mix, the issues of standardization within distribution and pricing strategy have been neglected. Shoham (1995) stated that as a result for standardization of promotion could be seen to be high as that for the product element of the marketing mix whereas the study also stated that the potential for standardization of pricing activities within the marketing mix is the lowest. Macroeconomic factors combined with different infrastructures in international markets mean that a more flexible approach is required. In developing international marketing strategies organization when setting prices and developing distribution strategies in individual overseas markets need to consider all local paying conditions, exchange rates, competition and market structure (Kogut 1990 & Shoham 1995). The degree of standardization strategy has a positive effect on performance (Fraser & Hite, 1990). Further, researchers have found that if a product is positioned identically similar in markets, therefore, there is also a high potential for standardizing promotional activities. Therefore (Hite & Fraser 1988 & Agrawal 1994) stated that concerning the standardization/localization (adaptation) among all the elements of the marketing mix product and promotional activities have received the most attention. As product standardization provides benefits, concerning cost reductions and increased efficiencies are most likely to be achieved in this area (Levitt 1983). Whereas if the same unique selling point in promotional campaigns is implemented across countries companies can decrease development costs and builds a homogeneous perception of a brand on a worldwide basis (Levitt 1983, Shoham 1995 & Jain 1989). (Sorensen & Wichmann 1975 & Schuster & Bodkin, 1987) conducted empirical studies and have found support for the notion that the product element of the marketing mix has the highest potential for standardization.

2.4 ELEMENTS OF MARKETING MIX

2.4.1 Standardization or Localization (adaptation) of product

The product is defined as any tangible item that may satisfy wants or needs of the customer. Czinkota & Ronkainen (2004) stated that when products go out to serve in the different market, they often need to be adjusted. Some products require small changes whereas some products need significant modification. The changes typically affect packaging, labelling, product features, usage instructions, logos and brand names. According to Onkvisit & Shaw (2004), a product has to be compatible with the culture.
Also stated that standardization approach is where companies sell their same product throughout the world without making any changes. Many reasons lead firms to use product standardization strategies such as rapid recovery of investment, organized in a better way and controllable and manageable of product management. Calantone, Cavusgil, Schmidt & Shin (2004) stated that standardization means selling the same products in the same markets. The advantage of this strategy is a lower risk due to economies of scale and manufacturing, and distributing identical products in different countries. The authors stated that offering the same product in different countries can be objectionable in the differing legal environment, distribution channels, levels of markets and technological changes, and competitive and cultural factors. Customers from different countries have different requirements, and the standardized product does not satisfy all of their needs. Therefore Product Localization (adaptation) refers to the changes to which physical features or attributes of a product and packaging differs across national markets. Modifying the product to meet the needs and the desire of consumers of different markets increases costs but generate much greater revenues. Among the other elements of marketing mix product is the easiest to standardize, (Hollensen 2001). Doole & Lowe (2001) stated that product standardization strategy helps the firm to reduce costs through economies of scale and it impacts the firm’s operations, inclusive of production, advertising and distribution activities. Standardization strategy is not always possible due to different environmental factors such as legal standards, social and cultural factors, whereas in such cases, product localization (adaptation) becomes more suitable for the firm to satisfy customer demand. International companies while offering customer product in the global market include regional differences and culture specification while designing a product so that it can be accepted in all countries. With this strategy companies meet the local needs and demands of the customers. Keegan & Green (1999) specified some elements of the product that has to be adopted as per to the local market and culture. Those elements are design, brand name, packaging, the colour of the product, etc. Kotler (1996) stated that product includes a physical object, services place or person, ideas or mixed of these entities. Therefore the companies should offer a product that is beneficial for customers and create a competitive advantage for the companies. Woods (1995) stated that the components of the product are most frequently standardized because the other variables in the marketing mix are more vulnerable to environmental factors to influence customers. Czinkota & Ronkainen (1995) stated that in some foreign market companies
have to do modification in their marketing mix as there is a huge gap between the home culture and foreign culture. Product Standardization strategy is most suitable in the case of industrial goods product but when it comes to the customer’s product and services companies have to adapt according to the culture of the country. If the companies fail to modify their product as per to the needs of the specific market, it can result to a big problem and can cause failure to the product in the market (Douglas & Craige 1995). Friedman (1986) stated that product localization (adaptation) could be characterized by regulatory and legal forces or uncontrollable forces in different marketplace whereas the standardization strategy offers benefits like increasing managerial control, reducing costs, simplifying strategic planning, developing specific simple strategies of packaging, promotional, pricing and distribution channel. This minimizes the misuse of both human and material resources.

2.4.2 Standardization or Localization (adaptation) of Price
Price is one of the most flexible elements of marketing mix (Kotler et.al 2009). Therefore the companies have to choose the best price strategy for international markets. Kotler et al. (2005) both the internal company factors as well as external environmental factors affect the pricing decision. The internal factors can be marketing objectives, marketing mix strategies, and costs whereas external factors include the market demand, competition, and economy, legal and government factors. According to Hollensen (2008), there are two price setting strategies in the international market: standardization (or ethnocentric pricing strategy) or localization (adaptation) (or polycentric pricing strategy). Standardization pricing is based on setting the price of the product as it leaves the factory, to the final destination it reaches. Standardization price means the fixed price that is functional in all the international market. Standardize price is used by business to business companies or business to consumer companies because these companies are less price sensitive. Companies use this strategy when they avoid taking a risk, and no efforts are made to make profits, (Hollensen 2001). Localization (adaptation) pricing strategy allows each local subsidiary to set a price which is most appropriate according to local conditions, and no attempt is made to harmonize prices from country to country. In this case, pricing is particularly set according to the different marketplace. Doole & Lowe (2001) stated that pricing is the most frequently adapted part of the marketing mix. In this case, the company has to choose between standardization or localization (adaptation) strategy. Therefore keeping all the factors in
mind, the company has to select the effective strategy (Keegan & Schlegelmich 2001). Keegan & Green (1999) said that when companies adapt price as per to the local conditions, it gives a chance to companies to gain competitive advantage. Therefore Kotler (1996) said that the price is the amount of money charged for the product or services offered. On the broader aspect price is the sum of all the values that customer spends to gain benefit from the product or services they buy. The visible features of markets allow companies to use different prices in domestic and foreign markets by marketers (Woods 1995).

2.4.3 Standardization or Localization (adaptation) of Place

The distribution includes all those activities that make products available to customers when and where they want at their convenient location. A channel of distribution is a structured network of agencies that come together to link producers with users. To choose best and appropriate distribution channels is a significant decision of marketing strategies. A distribution decision is a long-term decision. Therefore, the companies need to take a suitable and flexible distribution decision for its long-term development (Pride & Ferrell 2011 & Burca et al. 2004). The strategy of adapting or standardizing the channel of distribution depends on several factors such as customer, product, and culture. To standardize distribution channel is the difficult task because there is a wide variation in the chain of distribution depending on the country. In each country channel of distribution differs as the place of distribution is also different. Onkvisit & Shaw (2009) stated that a distribution channel is a more adaptive element of marketing mix. The degree of Localization (adaptation) or standardization depends on many factors such as the nature of the market, customer, quality of the product, culture, legal and political, etc.

Doole & Lowe (2001), channels of distribution are usually created on the bases of the culture of the country. Thus, there are many differences across nations, which make standardization strategy challenging to follow. Customer characteristics are different from culture to culture. Therefore it is necessary to know what customers need, why they need, when they need and how they buy. Thus place of distribution plays a vital role since it affects customer’s consumption aptitude. Moreover, types and the number of intermediaries depend on a country’s distribution system. Due to this reasons, standardization strategy of distribution is challenged for a firm operating in international
markets whereas, on the other hand, Localization (adaptation) of the distribution help
the firm to reduce cost and increase profitability (Doole & Lowe 2001).

Channel of distribution for industrial good is short as the channels are more direct
(Keegan & Green 1999). Planned structure of agencies and institutions when comes
together to perform all the actions required with the objective of achieving the
marketing task, is termed to be a channel of distribution. Therefore the managers have
to understand the importance of distribution channels because it contributes to the
success of the company.

2.4.4 Standardization or Localization (adaptation) of Promotion

Like the other elements of marketing mix managers also have to decide for promotion to
standardize or to follow localization (adaptation) strategy. Onkvisit & Shaw (2004)
standardization of promotion means the same promotion technique is used all over the
world without any changes. Localization (adaptation) strategy of promotion mix is
possible due to the differences from country to country all over the world. When
promotion mix is affected by language, religion, law media availability, it leads to the
need for Localization (adaptation) for advertising message (Theodosiou & Leonidous
2002). Therefore the main aim of the marketers is to manage, the cultural environment
when communicating with customers in different countries. According to Keegan &
Schlegelmilch (2001), an advertisement should be created in such a way so that it can
work in different countries and culture or a company should create a separate
advertisement in each country. When a company decides to use standardization strategy
for the promotion mix, it means adopting the same basic communication strategy in
foreign markets. Improved efficiency and cost saving are the two main reasons which
force firms to use standardization strategy. Through, standardization strategy customers
are provided with perceived added value, especially of the intangible elements of the
products offered. Customers believe that when the companies use standardization
strategy, they gain additional benefits from a widely recognized brand image.
Standardization of the promotion increases the firm’s identity and brand image.
Moreover, changes in the political and economic environment and the internet have
considerably led in creating worldwide segments for globally standardized products
(Doole & Lowe 2001). Little modification in promotion through minor changes is a
relatively cost-effective strategy (Hollensen 2001). Customers come from different
cultures and respond to a communication method which is according to their needs and culture. Therefore, localization (adaptation) of the promotion mix is more applicable. Other the hand environmental factors such as political and legal factors make it essential for the communications strategy to be adapted as per to the local situations (Doole & Lowe 2001). When a company decides to standardize the promotion, managers create an advertising message which is effective all over the world (Keegan & Green, 1999). As promotion mix is also known as communication mix as it helps companies to communicate and build customer relationship (Kotler 1996). Adapting promotion means only little modification in promotion style (Douglas & Craige 1995).

2.5 CONSUMER BEHAVIOUR

Consumer behaviour has always been of great concern for the marketers. Understanding consumer behaviour helps the marketer to understand how consumers think, feel and select from alternatives like products, brands and how the consumers are influenced by their surrounding, the reference groups, family, and salespersons. Consumer’s buying behaviour is influenced by cultural, social, personal and psychological factors. Most of these factors are uncontrollable and cannot be ignored by the marketers as they have to be always considered while trying to understand the complex behaviour of the consumers. To study consumer behaviour, one should begin from the stage when the consumer behaviour was evolved and the different factors which have inspired the discipline (Marsden & Littler 1998). Solomon (1995) stated that Consumer buying behaviour is the study of the process involving the purchase, use or dispose of product or services implemented when individuals or groups satisfy its needs and desires. Consumer refers not only to the act of purchase itself but also to patterns of collective buying which include pre-purchase and post-purchase activities. Pre-purchase activity comprises understanding the need or want, and a search for and evaluation of information about the products and brands that might satisfy it. Post-purchase activities include the evaluation of the purchased item and the reduction of any unease which accompanies the purchase of expensive and infrequently-bought items. Foxall (1987) stated that each of these activities has an impact on the purchase and repurchase decisions and they are amenable to differing degrees to the marketer. Engel et al. (1986) define consumer behaviour as those acts of individuals directly involved in obtaining, using, and disposing of economic goods and services, including the decision processes that precede and determine these acts. To understand the complicated nature
of consumer choice researchers must investigate through behavioural sciences concept as to recognize, predict, and to probably control consumer behaviour more effectively. An individual’s psychology, social factor, and cultural factor are the disciplines most widely employed in studying consumer behaviour. Kuhn (1962) stated that paradigms in consumer could be extensively classified as a set of fundamental assumptions that researchers make about what they are studying and the way they consider it. A set of dimensions can be used to characterize and differentiate consumer behaviour on the various perspectives.

2.5.1 Consumer Behaviour in the Global context
Consumer behaviour can be defined as a study of human behaviour within the consumer role and includes all the steps in decision making. Understanding consumer behaviour helps companies to develop the right marketing strategy whether it is to serve consumers in the domestic market or to the consumers globally. Companies operating in the international market as well as a domestic market use cultural approach to study consumer behaviour as differences in consumer’s choice and preference are the main attributes of the cultural differences. Culture undoubtedly affects the psychological and social processes and thus affects consumer behaviour. Samiee & Jeong (1994) stated that difference in behavioural dimensions among national groups, should not be attributed to the difference in culture unless components of culture have been specified. For group mean difference to be meaningful there should be some explanation as to why these differences should exist. Furthermore, there may be a need to develop an international consumer behaviour model so that the studies of consumer behaviour in various countries can be more systematic and better coordinated, (Samli 1994).

The major behavioural sciences relevant to consumer study are psychology, sociology, and cultural anthropology. Psychology is the study of individual and interpersonal behaviour. Behaviour is governed by the person’s cognition, such as values, attitudes, experience needs and other psychological phenomena. Purchase of a product then becomes a function of the psychological and the consumers buys a product not only for consumption but also because of a perception of how a product can be used to communicate with other people. Learning, Motivation, perception, personality, and attitude are some of the psychological factors that help in analyzing customer behaviour. Motivation is fundamental in initiating consumer behaviour. Motivation can be thought of as a drive that is bounded by a motive formed about a particular goal.
Once the motive-drive relationship is developed the consumer initiates some forms of motivated behaviour to satisfy a previously recognized need. Consumers motive are primarily determined by buying habits, though motives can vary and it is essential to recognize the various types of motives. The success of the product is significantly affected by whether its targeted customers are motivated or not. Ettenson & Wagner (1991) in their study stated that Chinese consumers place greater emphasis than the American consumers on the convenience of location and salesperson's manner and less emphasis on the stores return policy. American consumers, on the other hand, are more concerned with merchandise quality.

Sociology is a study of groups and human interactions. The unit of analysis is not the individual but rather the group. The group, consisting of a set of individuals who interact over time, is essential because it can exert a significant influence on a person’s preferences and consumption behaviour. In many instances, it may be useful for the marketer to think of consumers as a group. When an individual talk about family it means the decision that will affect all the members of the family. Therefore the marketer operating in different countries should remember that a product might not be evaluated independently of group conformity and face-saving, a marketing mix program should take into account all these social factors, (Lee & Green 1991). Consumer motives, cultural norms, and consumption habits are all learned therefore the marketer should understand the learning process. Learning is a change in behaviour that occurs over time relative to a given set of external stimulus condition. Personality traits are relatively stable qualities, but they do vary in degree from person to person. Because personality study applies to a person rather than a group, it is difficult to generalize personality traits among people of the particular country. Nevertheless, it is useful to consider the concept of the national character, which states that people of each nation have a unique, permanent pattern of behaviour and personality characteristics, (Clark 1990). Perception is the process of interpreting nervous impulses or stimuli received that the brain must organize and give meaning through cognitive interpretation. Culture affects one's perception and behaviour. Therefore when companies enter the international market, the companies have to study all the cultural factors to create a good perception in the eyes of the consumer about their product. Attitude is a complex and multidimensional concept. It is the learned tendency to respond to an object every time favourably or unfavourably. The culture greatly influences attitude. Attitude for
women varies from country to country. In some countries, till women are treated like the men property, and they are not allowed to work or move freely whereas in some countries all these restrictions are being abolished. Therefore when companies use women in their advertising, they must consider these factors has it would help companies in gaining an advantage.

Cultural anthropology is the study of human culture. Thus, the analytic perspective may be quite large. Culture involves an aggregate, social category level, and the social categories are significant in the sense that they influence consumers cognitive and personality development. To analyze the consumer behaviour, the companies should study the culture, subculture and social class of the particular country as all these factors affect the consumer preferences as the countries vary.

2.5.2 Consumer Behaviour towards fast food in India
Gaikwad (2016) stated that consumers prefer fast food products because of quality, variety and taste. Consumer prefer fast food as a change and not as their daily meal. Aruppillai & Phillip (2015) stated that demographic and economic attributes of consumers affect the buying behaviour of the consumer regarding the fast food restaurant. Swamy, Kumar & Rao (2012) analyzed the buying behaviour of consumers towards instant food products and suggested that the purchase and expenditure on instant food products have a positive relationship with income. The buying behaviour of the consumer has been shifting & is profoundly influenced by the place of purchase variety of option available to them hygienic factors, quality cleanliness, etc. Due to lack of knowledge about hygiene, quality, cleanliness, or the ingredient of the food the customer’s participation was low, and the companies were not able to influence the customer to change their routine purchases. Other than these there were few factors like a regular visit, media, customer relationship strategies enable the scale of fast food stores. Prasad and Aryasari (2011) assured that consumer has thought of a variety of variables like preferences, personal spending attitude that affect buying the food from the stores.

Sabnavis (2008) stated that consumer consumption pattern in India has shifted from fresh to packaged, branded & processed food. Customers now in metros or urban areas make a regular visit to fast food stores as well as the customer of small cities or town are also looking for the similar stores in their cities or towns.
In (2008) Kotler defined consumer buying behaviour as the behaviour of an individual in response to the product or services being offered to them & finally consumer buys goods & services for their consumption. Consumers buying behaviour is also known as decision-making process where an individual buys a product, use it, evaluate it & dispose of the product after use. Behind every purchase, there is a hidden motive to buy a specific product, or service & for that customer must recognize his/her need. Once the need of customer is identified next step is involved in collecting relevant information about the product or services which is being offered to them. Both domestic as well as international company’s uses channels like media, digital, online method to retain & improve their customer based.

In (2007) Dutta et al. stated that in the beginning customers were not willing to adopt changes in lifestyle, i.e., to the food and to their way of living. However, the rising trend of fast food with the affordable price influenced the customer to try a different variety of food existing in the market. Hence it changed the customer’s perception of the packaged food (Wells et al. (2007)). Consumer perception differs from one to others. While making purchase decision customer involves various factors such as social class, family, gender, age, attitude, beliefs, and cultural values among other. Thus before offering to the customers, the companies must analyze the behaviour of customers & then they should create their business strategies. Demographic factors (age, income, education, the presence of children, family size) significantly influence consumer behaviour in the consumption fast food, (Cuma, Gulgun & Aykut (2007). Batte et al. (2007) Goyal & Singh (2007) stated that in India choice of fast food restaurant depends upon demographic characteristics such as their income level, age, gender, cultural background religion, etc. With this consumer in India now wish to visit places where they can go with their family & can enjoy their meal together while enjoying other features such as essential amenities, entertainment and other physical environment characteristics (Goyal & Singh 2007). The authors also stated that consumer buying behaviour enables companies to evaluate their market performance, customer attitude towards their brands & further enhancement in the product & services. It has been noticed that the consumer of India is willing to pay more for traditional food items which have provided an opportunity to the international food retailers serving India as a big market for them in future. Lacey and Sneath (2006) stated that with the opportunity there were various challenges to the international food retailers from political culture,
social difference. Use of pork, ham beef was not acceptable Indian culture. Thus companies look several measure steps to reach to high market share in the country.

Kubendran & Vanniarajan (2005) stated that; consumption pattern changes due to changes in food habits. If income and urbanization increase, the percentage of income spent on consumption increases. The companies should conduct analysis external as well as the internal environment and must be familiar with the needs of customers and finally create product & services that satisfy the need of customer within local or international. The factors influencing buying decisions of consumers were accessibility, quality, regular supply, door delivery and the mode of payment. Mukherjee & Patel (2005) stated that customer perception has also changed with the better eating experience they had in stores. The customers have lots of option available to them with quick delivery at a low price. In the last few years, a unique growth development has been seen in the fast food retailing in India due to the increase in income level, change in lifestyle, globalization family structure & social contact. Consumer buying behaviour has been influenced with the constant development in Indian market which has boosted up the fast food sector as it provides a comparative competitive advantage in comparison to other sectors (Ling et al. (2004) & Goyal & Singh (2007)). Michalopoulos & Demoussis (2001), Sdrali & Apostolopoulos (2002) & Lazaridis (2003) stated that with the social characteristics of the consumers the size of the family and the role of the head of the family play an important part in influencing consumers regarding their purchasing decisions towards food products. Murray et al. (1996), Allen (1997), Davies et al. (2000), OECD (2000) & Tsourianni (2008), stated that consumers had given food quality high importance in their diet and health issue, whereas it also affects consumers buying behaviour. Sabeson (1992) stated that with high quality and price, the taste of the product is the factor which influences consumers in the purchase of a particular brand. After analyzing few studies, it was revealed that original brand label plays a vital role in consumer buying decision.

Aaker (1991) & Thienes (1994) suggested that the origin brand label contributes benefit to the companies whereas it may also act as a barrier to potential competitors with the motive of replicating the original product. Information plays a vital role in buying behaviour of an individual as it classifies the needs of the consumer & further helps in evaluating in decision making which will provide benefit to the consumer organization & society. Consumer’s decision-making process regarding food selection is also
affected by cultural, economic factors, consumer’s personality, attitudes, values, and emotions, (Booth & Shepherd (1988). Kumar et al. (1987) examined the factors influencing the buying decision making and revealed that with the demographic factor and other factors brand name and brand image attracts consumers and influences in buying behaviour.

Finally, the assessment of product depends on the price, convenience, services and other factors. Therefore the last stage of consumer buying behaviour is the post-purchase stage. In the consumer acknowledge the ability of the product towards satisfying their needs.

2.5.3 Factor influencing buying behaviour

- **Cultural Factors**

  William J. Stanton defined culture as the complex of symbols created by a given society and handed down from generation to generation as determinants of human behaviour. Culture is a way of living which distinguishes one another whereas the culture determines consumer buying behaviour. It is the primary reason for every individual need and wants. Every societal group has their cultural values that affect consumers buying behaviour the extent to which it may vary from country to country. Each cultural group is divided into a group of people consisting common life experience and situations known as subcultures (Kotler et al. 2005), such as nationality, religion, and geographical areas. Hofstede came up with the cultural dimension explaining the influence of culture on consumer buying behaviour. In his study, he split culture into the following dimensions: Power distance, uncertainty avoidance, Individualism-Collectivism, and Masculinity-Feminity. Power Distance is defined as the degree to which the less powerful members of organizations accept that power is distributed erratically. A higher degree PDI indicates that hierarchy is established, without doubt, or reason. A lower degree of the PDI suggests that people question about authority and attempt to distribute power equally. The Uncertainty Avoidance Index is defined as a society's acceptance of uncertainty in which people embrace an event of something unexpected, from the status. A lower degree in this index shows more acceptance of different thoughts or ideas. Society tends to impose fewer regulations uncertainty is more accustomed to the environment and is more free-flowing. In this dimension, masculinity is defined as a fondness that in society for achievement, bravery, violence
rewards provided for success.” Its counterpart represents a fondness for cooperation, modesty, caring for the weak and eminence of life.” Women in the respective societies tend to display different values. Feminine society, share humble and caring views equally with men. In masculine societies, women are notably less emphatic than the men. In other words, they recognize a gap between male and female values. This index indicates that the “degree to which people in a society are integrated into groups.” Individualistic society emphasizes more on “I” rather than “WE,” they have a loose link that often only relates an individual to his/her immediate family. On the other hand, collectivism describes a society in which integrated relationships links extended families and others into groups. These social patterns are expected to influence buying behaviour through their effect on a person’s self-identity, responsiveness to normative influences, and the need to restrain internal beliefs to act appropriately.

- **Social Factors**

Consumer buying behaviour is significantly affected by the social behaviour. Someone influences every individual buying decision. The social group is composed of the reference group, family, role, and status (Perreau, 2014).

  a) **Groups**

There are many small groups formed by the family, close friend’s relative’s neighbours, workgroup or the other people associated directly or indirectly with the consumers. The group to which consumer does not belongs, but yet these group influences consumer buying decision is an inspirational group, and in future, it aspires consumer to be a part of these groups (Kotler & Armstrong 2010 & Khan 2006). Every consumer is individual, but directly it belongs to some of the other group that has a direct influence on a person, i.e., membership group, is a group that a consumer belongs to (Kotler et al.2005) and reference group is a group that influences the self-image and buying behaviour of the consumer. The reference group helps in providing some points of comparison to the consumer directing about their behaviour, their lifestyle or habits. It is essential for the marketer to identify different reference group of their target market as it directly or indirectly affects the consumer decision. When a consumer buys an expensive or luxury product, the influence of reference group always tends to be high and is going to be seen by many friends and other people (Kotler et al., 2001).
b) Family
The family is one of the most critical consumer buying segments of society, and it has reached extensively high. Family member influences every individual in making a decision, and it varies from product to product. Family forms an environment for an individual who supports in establishing the values and develop and shape their personality. The environment helps in creating an opinion about several subjects such as social relations, society, and politics. A family helps an individual in forming an opinion about brands, product and their habits (Kotler & Armstrong 2010 & khan 2006). Every family member plays a different role in consumer decision. Some consumers are information seeker, so they believe in collecting information about the product and pass only that information that moves in their favour. Whereas influencer does not believe in collecting information they make their wish fulfill by buying a specific product. The decision makers have the power to decide about the final product.

c) Role and Status
Every individual plays different roles in their daily life, professional role, family or social role and each of these roles have a different effect on consumer buying decision. Each role consists of activities that are expected from individual to perform according to the environment around him (Kotler & Armstrong 2010). Social status reflects the position of an individual in the society based on money wealth education or occupation. Product and Brand selection often reflects social role and status.

- Personal Factors
Consumer buying of product changes with their age and stage of life. The product like food clothes and furniture are age-related factors and consumer choice varies over time. Family life stages change purchasing and brand selection. The family life cycle includes young singles, married, children and adults. Now day’s marketers are focusing on unmarried couples, single parents, childless couples and singles marrying later in life (Kotler & Armstrong 2010). Lifestyle is a pattern of living expressed in his or her activities and opinions. Every individual’s lifestyle varies. An individual from same subculture, social class and having the same occupation may have different lifestyles. The practice implemented in lifestyle is basically a mixture of habits, the conventional way of doing things and reasoned actions. A lifestyle typically reflects an individual’s attitude. Buying behaviour changes with the change in lifestyle. It is very important for the marketers to study target markets lifestyle as it helps them in creating product and
advertisement according to the needs and wants of the targeted consumers. The personality of person distinguishes from one person to another. These traits can be self-concept, adaptability, sociability, and dominance. Personality tells how we see the world around us and how others see us. Attitudes values and other people around us help in building personality. Personality changes when a person grows and changes its surroundings. Self-concept is a complex and multidimensional term. Kardes et al. (2011) stated that self-concept is described as individual thoughts and feelings regarding him/her as an object. In other words, it is an image that an individual hold about their selves formed by attitudes and beliefs. Many brands have developed an image and personality that correspond to consumers values as nowadays it allows consumers to express themselves through the choice of their brand. A consumer demand for a product depends on the occupation and the financial situation as well as on life cycle of the individual. The income level affects consumer buying decision (Solomon 2004). An individual who shares common occupation has a tendency of having similar taste. They usually socialize and share the same kind of values and ideas. Therefore Kotler et.al (2001) stated that consumer buying decision is likewise inspired by the personal characteristics of the consumer such as age, occupation, life cycle, lifestyle, personality, and self-concept.

- **Psychological Factors**

This group is constituted by motivation, perception, learning and belief and attitudes. When an individual is motivated he/she acts accordingly and an action taken is based on the individual perception. Perception is an interpretation of the information which flows from the environment and creates a meaningful picture. When individual experience something new a change takes place in the behaviour of the individual. A new belief and attitude are acquired and affects the buying behaviour (Armstrong et al.2005).

**a) Consumer motivation**

Need recognition is the first step in consumer purchasing process. An individual feels motivated when he/she recognizes his/her needs. It reflects the state where a consumer engages in goal relevant behaviour, information processing and detailed decision making. Hoyer (2004) stated that motivation is enhanced with the inconsistent prior attitude of the consumer. When a person is motivated, he/she is ready to do anything that can fulfill his/her goals. A highly motivated person pays more attention to their goals and evaluates the information relevant to it and tries to remember it for later use.
Consumers are motivated when they feel that the information collected is relevant to meeting their goal. Behind every purchase there is a need and Maslow has grouped these needs into five major categories:

Physiological Need (food, clothes, and shelter)

Safety Need (Protection and safety)

Social Need (affection, friendship, and acceptance)

Egoistic Need (prestige success, self-esteem)

Self-actualization Need (self-fulfillment and experience)

Further needs can also be categorized as social and non-social needs and functional, symbolic and hedonic needs. Social needs are directly related to those needs which are fulfilled by the presences of the other person. Non-social needs are those needs in which others involved is not required to fulfill the need of an individual. In non-social need, one is only related to the usage of certain product and services. Functional need motivate the person to search the related product that can fulfill the consumption problem of an individual. Symbolic need affects how we think about ourselves and how others think about ourselves. Achievement and independence are a symbolic need. Hedonic need reflects consumer’s inherent desire for sensory pleasure.

b) Customer Perception

The most desirable attributes that changed the perception of customers towards fast food in India are the tastes, value for money, quality and customer service (Chang et al. (2010). However, there were some intangible factors such as cleanliness, accessibility of new foods, promotion techniques, entertainment and parking service that influence the customer perception in the emerging countries such as India and therefore, the retailers need to change their corporate and business strategies in order to gain a competitive advantage in the market. Positive customer observation is necessary for fast food retailer has it helps them in gaining competitive advantage. In India, the performance of the fast food retailer is judged by the quality of food & the customer enjoyment while having their foot at stores. Dutta et al. (2007) stated that customer service plays a major role in creating positive customer relationship management. He also emphasized that international retailers pay more concentration on critical factor like cleanliness, hygienic factor, parking facility etc. Observation of customer differs from each other. Customer
perception is a process that helps an individual in selecting the best option by interpreting from the existing stimulus. The measure of buying goods & services depends on money, convenience easy of understanding new offering etc. Customers recognized basic amenities as the main attribute of the product being offered to them. The facts suggested that money, convenience, easy to understand. Goyal & Singh (2007) stated that consumer visits fast food outlets just for fun & change but their first choice is helped the customer to change their perception. Greasely et al. (2005) stated that international retailer has a tough fight with the local retailer as the customers had a great faith on local retailers but in the short time period international retailers had captured the markets with the good brand image.

c) Learning
Learning is processed by which experience leads to change in knowledge attitude and behaviour. Learning help consumer in keeping the track of their past experience and to integrate their previous knowledge with all the new information received from the market and product. Learning process influences the consumer’s behaviour and their future purchasing activities. Consumers use their perception to gather information from the present stimuli and learning helps them in creating a framework to guide their behaviour. In one word learning and perception are linked together, perception provides the raw material for learning and consumers uses the knowledge they have gained from past experiences to organize and interpret their perception for new stimuli (Blackwell et al. 2001).

d) Attitudes and Beliefs
Attitude is important to the marketer as it help in summarizing consumer’s evaluation of object and represents consumer’s positive and negative behavioural. Both attitude and behaviour are affected by other factors. Therefore marketer uses advertisement and promotional tools for creating favourable attitudes towards new products. The degree of confidence is associated with attitude as it can affect the relationship between attitude and behaviour and it also affects an attitude susceptibility to change (Blackwell, 2001). Peter et al. (1999) define attitude as a person’s overall evaluation of concept. Consumers have an attitude towards various social and physical objects which includes product brand stores and peoples. Consumers also have an attitude towards imaginary objects such as concepts and ideas. Their present behaviour and action include their past action and future behaviour. Attitude helps the consumer in making a decision by
providing a way to evaluate alternatives attributes and benefits with other products. Attitude provides direction to the consumers towards product or brand they find useful in satisfying their needs and wants. Attitude is generally built on the basis of the past experience and the communication experience of others.

- **Customer Experience**

Lin et.al, (2008) stated, however in the fast food industry, the retailers try to provide the effective value proposition in good & services but the consumers after consuming the product decide their satisfaction level and they reflect their favour about the brand from an individual point of view as well as organization point of view. According to Lacey & Sneath (2006) suggested that new attribute is added to the services in order to attract the customers and provide value for money & customer satisfaction. Physical environment plays a major role in influencing customer satisfaction and experience. Therefore, the services industries are fostering their attention in improving the layout, ambiance and functions and services to make the customer experience more satisfying. Thus it can be stated that environment makes a major impact on customer’s psychology, cognition & creates emotional value for customers.

- **Customer Satisfaction**

Prasad & Aryasari (2011) stated that organization must develop strategies to increase satisfaction level. When the customers feel satisfied it results in increasing sales, increase in brand loyalty, indirect promotion (Ali et al. (2010). On the other side, positive customer satisfaction is the result of the improved cost of the product which helps the companies in improving their sales revenue & developing a new product. Kotler & Armstrong (2008) indicated that there is a direct relationship between customer observation & satisfaction if the companies fail to meet the customer’s requirement then it would deteriorate customer perception towards a particular brand. Therefore customer satisfaction is a very critical part of the buying behaviour process. Lin et.al (2008) stated that companies must respond to consumer need by choosing an appropriate strategy. According to Sengupta (2008), customers satisfy actions helps in creating better customer relationship & a positive relation between satisfaction & perception. Malhotra & Peterson (2006) stated that companies use benchmark technique to evaluate their product & services with the rivals & thus help them in improving their product & services. Kotler (2003) stated that customer satisfaction helps Customer in realizing self-actualization where actual performance of the good & services being
offered them. Harrington (2000) indicated that it is a big challenge for the companies to provide high satisfaction with the motive of improving customer retention & increasing economies of scale. Moreover, customer satisfaction depends upon the features such as age, gender, religion, attitude, lifestyle & personality. As the need changes satisfaction level shifts from one point to another. When the customer loyalty increases, the customer feels highly satisfied. However, the performance of goods & services plans a significant role in the satisfaction level of the customer. If the attributes are not desired, then it leads to decline in customer satisfaction.

- **Customer loyalty**

Chang et al. (2010) stated that previously domestic fast food retailers in India did not focus much on providing information about their product and the nutrition list, i.e., in terms of calories, ingredients, processes, sensitivity protection in the beginning and they ultimately made changes to this after international companies have entered the market. Therefore to have a boundary over the rivals a company must try to build up customer loyalty programme as it helps to attract new ones, which could lead to increase in sales. Goyal & Singh (2007) stated that there are many factors associated with customer’s loyalty such as quality, a variety of food, hygiene factor entertainment and other tangible factors that associates with customer satisfaction. However, customer loyalty is still a positive approach to lure the customers to reach its maximum customer base. In other words, customer dedication is essential for determining the customer buying behaviour, and if the level of satisfaction among consumers is high, it will help the companies in improving the marketing by word of mouth advertisement, influenced by reference groups. In the absence of alternative products in the market, the organization would have monopoly advantage which helps in controlling the buying behaviour of the consumers and in this case, the company may not need to spend on their customer loyalty programs, (Dutta et al. (2007). Lacey & sneath (2006) stated that to gain a competitive advantage is the difficult task. Therefore, the companies should ease the brand identity & company image in the minds of the consumers. The consumer loyalty is the process in which consumer choices among the brand and repeats their investment towards the particular brand. The purchase patronage is the function of personal, cultural, social and environmental factors and thus, the study of buying behaviour must also focus on the action and attitudinal aspects of the customers. Rowley (2005) said that customer’s shows loyalty in some ways like the regular purchase of some product.
favourable word of mouth & trying out of new product & services of same preferred companies about fast food brands. Greasley et al. (2005) emphasized that customer loyalty could either remarkably develop the brand performance in the market or may end up in breaking the relationship between the repeat purchase decision and the positive attitude of the consumers. Therefore, the customer seeks information and analyzes the information available about the various products and services from the group that matches their needs. Kotler (2003) stated that customer loyalty has proven to add competitive advantage to the companies and therefore, the companies must not look in segregation relatively; they must focus on the marketing strategy to support the business objectives of a firm.

2.6 POSITIONING

Market positioning is defined as the efforts companies make to influence the consumer’s perception of a brand or product in relative to the opinion regarding the competing brand or products. Its objective is to frame clear and unique picture in the minds of the consumers. The concept of positioning helps to create certain position or image in the minds of buyers. Every researcher defined positioning in their way. Kotler & Keller, (2009) stated that positioning aim at creating an effective value intention which is customer-oriented. Positioning act as a guide to marketing strategy by clarifying the brand’s essence, what goals it helps the consumer achieve, and how it does so in a unique way. Firms should define and communicate the similarities and differences between brands to position their brand and to take a decision regarding positioning a frame of the target market. The competition should be identified and identifying the ideal points-of-parity and points-of- brand associations. The objective of positioning is to place the brand/product in the consumers’ minds so that organization can obtain maximum potential benefits. Marketer formulates different propositions for positioning brands for different market segments. Cravens & Piercy (2009) mentioned that positioning is deciding the desired perception of a brand by customers of the target market segment and developing the marketing program to meet the needs and requirements of the customers of that marketplace. Positioning strategy includes product strategy, pricing strategy, distribution strategy, promotion strategy, sales force strategy, direct marketing strategy, and the internet strategy. It points out how and why the product or brand is position in the target market segment, and that's why efficient
targeting and positioning of the firm’s products are core dimensions of market-driven strategy and hence are essential in gaining and sustaining superior performance.

Market positioning sets the competitive positioning for the product and brand and creates an advantage for the entire marketing mix. Aaker & McLoughlin, (2007) stated that positioning indicates how the stakeholders perceive business about competition. Positioning, therefore, is a natural end to the sequence of activities of the marketing (Fill, 2006). Lamb, Hair & Mc Daniel (2004), stated that positioning is developing a specific marketing strategy to influence the potential customer's overall perception of a brand, product line, or organization in general. Companies are using this strategy to distinguish their offerings from the competitors and help in promoting the desired positions Boone & Kurz, (2001).

Bhat, (1998) stated that the purpose of positioning is to create a unique and good image in the minds of target customers. Kotler (1996) emphasized on differentiation for positioning and focused on some tools for competitive differentiation like product differentiation, image differentiation, service differentiation, personnel differentiation. The firm should bring a competitive difference in a way so that it is necessary, distinctive, superior, communicable, pre-emptive, affordable and profitable. Ansari et al., (1994) stated that positioning of a brand/product helps to differentiate it from its competitors by attributes to the customer’s needs of the targeted marketplace and develops a unique identity of the product/brand in the minds of the customers. Firms should select the most favorable mix of tangible and intangible product attributes along with prices for positioning their brands/products in the target market. As it is not possible to find a bunch of attributes that satisfy the needs and requirements of all the customers in target marketplace hence it is suggested to formulate value scheme by adjusting characteristics in ways so that it can attract more customers of the target marketplace. Positioning is a vital source of competitive advantage and acts as a support for competitive advantage (Cronshaw et al.,1990). Sujan & Betman (1989) suggested that to establish a brand in a niche market. The marketer should highlight unique features while communicating through a single advertisement whereas in case of positioning different brand company should scatter the elements across multiple advertisements. The presence of customers’ perception about the strong difference in feature or identity of the brand helps to position a brand in a niche market segment whereas the presence of customers’ perception about moderate difference helps to
differentiate a brand and depends on brand attributes, brand evaluations and market and category perceptions. Ries & Trout (1986) stated that positioning is what companies do to the mind of the prospective buyers. On the other hand, Aaker & Shansby (1982) stated that focusing on the competitors is just a reference point for positioning. The authors also emphasized on identifying competitor’s classification where competitors might be primary competitors and secondary competitors. They also suggested identifying competitors by the association of products with product situation. The use of similar advertising strategy to support competitor based positioning.

In 1950s marketing concepts focused on the old ideas to create and market products as per customers’ needs and wants. During the 1960s and 1970s, most of the industries communicated with plenty of brands in each product category, which were serving same customers’ wants. Products/Brands were available in high volume, and their advertising activities created the marketplace as noisy and as major top brands had already made perception in customer’s mind and hence traditional approach of advertising of new brands were unable to create a place in the target market by changing the minds of the buyer. Advertising became ineffective to influence customer by highlighting product features or customers’ benefit due to customers shift in habit towards a satisfactory brand instead of a product category which is already mature and complex in the disorganized market (Trout & Ries, 1972). Hence it is emphasized that positioning approach focused on competitors positioning strategy instead of needs and requirements of the customers. New marketing concept introduced under which the organization should conduct their marketing activities. They redefined the marketing concept by focusing on industry competitors instead of focusing on customers. By analyzing different industrial sectors, they suggested that the companies should follow positioning concept for their orientation towards the disorganized marketplace. They focused mainly on competitors as it was providing a way to position the products or brands. Despite on focusing only on competitors as suggested by Trout & Ries (1972), they highlighted six strategies of positioning as- positioning by attribute/ features, positioning by price/quality, positioning by use/application, positioning by product user/class of users, positioning by product class association and positioning by competitors. Therefore positioning is implemented to position the product or brand in the prospects’ minds, but advertising has become ineffective in persuading customer due to shift in customer’s habit.
2.6.1 Approaches for generating and evaluating positioning strategy

The Analytic Hierarchy Process (AHP) – group decision aid, which was developed by Thomas Saaty in 1980’s. The analytic hierarchy process helps in formulations of hierarchies for selecting the positioning strategies, and it focuses on the selection of target market and then evaluates positioning strategy on the ability of the target market. The Analytic Hierarchy Process (AHP) is an operational research model that is designed to solve complex problems involving multiple options (Dixon-Ogbechi et al., 2011). This model is used to generate and evaluate marketing strategies (Dunn & Wind, 1986) and a variety of other marketing decision and business decisions (Wind & Saaty, 1980).

Evaluating positioning strategy is the most challenging part of the process. And to stimulate the generation of positioning options, it is desirable for the management to consider the categorization of alternative ways of positioning a product or service. The categorization approach for positioning a product is base on which the effective positioning has to meet the bundle of current and expected benefits sought by the target market and basis on which a product is likely to be differentiated from its competition (Crawford 1985 & Friedmann & Lessig, 1987). Hanser & Shugan (1983) stated that a normative analytical method is a viable approach in generating positioning strategy. This methods, suggest specific positioning for specific conditions. Therefore the selection of a positioning strategy requires the evaluation of the general positioning options on set criteria which range from product features, user, usage/application, price-value, competition, etc. The selected standards are then incorporated into a decision hierarchy to accomplish the firm’s objectives.

2.6.2 Positioning issues

The critical issues or points to be remembered while positioning follows-

- Multiple concepts may confuse buyers and affect the effectiveness of positioning (Cravens & Piercy, 2009)
- Aaker & McLoughlin (2007) also suggested that a narrow product focus can do the strong position of a product.
- The existing competitive advantages could be used to build sustainability and competences could be enhanced if they are applied and shared. (Ghemawat 1986 & Hamel & Prahalad, 1990).
• Trout & Ries, (1972) stated that corporate/brand name should not be narrow as it reflects the vision of the firm. The brand name should not be identical with the name of an established firm and use of initials as the name is worthless and hence should not be used. The attribute that made the brand successful should not be neglected and should not create any confusion to the customers/prospects.

• Products should be positioned in a particular market segment as products positioned in the broader market so that it appeals to all where they were not able to establish (Trout & Ries, 1972).

• Management of a new brand should not try to compete on head-to-head against product leader. They should focus on a niche market or should identify a position where competitors are lacking (Trout & Ries, 1972). Positioning is a way to adapt the changing environmental requirements, and management should utilize the opportunity (if any) by taking flexible strategies which are suitable for the company (Trout & Ries, 1972).

• Trout & Ries (1972) suggested that it is not easy for a company serving in any product category to establish a position in a different product category as evidence from the industries confirmed that transfer of skills to other products or marketing situations was not successful.

• Key to the success of a firm in the product category is to position against any opportunity before competitors (Trout & Ries, 1972; Cravens & Piercy, 2009).

The literature reviews concerning the result of global marketing strategy concepts are profoundly investigated from different points of view. Global marketing is like prescriptions that apply to all situations. Every one of the research investigations has endeavored to analyze the standardization/localization (adaptation) among all the elements of the marketing mix product and promotional activities have received the most attention. In developing international marketing strategies organization when setting prices and developing distribution strategies in individual overseas markets need to consider all local paying conditions, exchange rates, competition and market structure. Consumer Behaviour is based on the behavioural traits of the individual. The relationship between ethnicity and consumption is argued to be affected by the situational contexts on the bases of in which we make a choice. The concept of national character indicates that every individual has a distinctive enduring pattern of behaviour.
and personality characteristics. As it is not possible to find a bunch of attributes that satisfy the needs and requirements of all the customers in target marketplace hence it is suggested to formulate value scheme by adjusting characteristics in ways so that it can attract more customers of the target marketplace. Positioning is a vital source of competitive advantage and acts as a support for competitive advantage. Toward this path, this study brings a spotlight on global marketing strategy and its role in influencing the consumer in making the consumption decision as the company is offering them the product as per their demand under a good brand name and not hampering their religion or their culture, others factors are also kept in consideration while offering in the market.

2.7 RESEARCH GAP
To accomplish this study the researcher uses the research articles; conference proceedings etc and found the following gap:

- Prabhavathi, et al., (2014) that young, well-educated consumers are the major contributor to the fast food sector. However, concentration on the consumption intention of youth from multinational fast food restaurant in India is required to be studied as a key area.

- Kotler and Armstrong (2008) stated that companies follow international marketing strategy for adjusting marketing mix elements to receive more high returns. Medina and Duffy (1998) stated that localization (adaptation) is a necessary change required as per the need of the targeted market as to make the product suitable to the foreign market condition. Cavusgil et al. (1993) stated that companies use Localization (adaptation) strategy to achieve competitive advantage. The existing literatures have explained the concept of localization strategy and its advantages for the companies but seeing the rising trend of fast food in India it necessitates to emphasize on the effect of localization strategy on consumer buying behaviour concerning multinational fast food restaurant in India.

- Prabhavathi, et al., (2014) that young, well-educated consumers are the major contributor in the fast food sector hence, the demographic factors like gender, age, educational qualification, occupation and income, which impact the consumption intention toward fast food product, is very critical. Therefore it is
essential to analyze the influence of demographics, social, cultural, attitude and household consumption on fast food buying behaviour.

- Ansari et al., (1994) stated that positioning of a brand/product helps to differentiate it from its competitors by attributes to the customer’s needs of the targeted marketplace and develops a unique identity of the product/brand in the minds of the customers. In targeted market we have consumers with different, and hence it is necessary to study the relationship between positioning and demographic characteristics of the consumers and its effectiveness in consumer buying decisions.

2.8 RESEARCH QUESTIONS

From the review of literature, following research questions arised.

**Question:-1 How do socio-cultural and psychological factors influence marketing strategies of the Multinational fast food restaurant?**

The socio-cultural and psychological factors of every country is different therefore the marketing strategies of multinational companies differ from country to country. Analysing the socio-cultural and psychological factors is an important issue in formulating and improving marketing strategy between the different markets. With this we can understand how these factors have influenced multinational companies in marketing Strategy.

**Question:-2 How do a multinational fast food restaurant position its products in India and do innovation and product positioning affect consumer buying behaviour in this regard?**

In order to position its products in the mind of the customers, the multinational companies have to identify and analyze those attributes which play the critical role in consumer buying decision. After analyzing the different external factors and by implementing innovation in products and marketing strategies it is essential to know the effectiveness of these factors in consumer’s consumption decision.

**Question:-3 How do multinational fast food restaurant contribute for the benefits of the stakeholders in the host country?**
After analyzing the functioning of the multinational fast food restaurant it is essential to know the benefits which can be provided by multinational fast food restaurant to the stakeholders of the developing countries like India.