Consumer preference in the fast food restaurant industry

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Abstract

To broaden our understanding on franchising in a mature market, this study examines the determinants of a consumer’s preference for offering in the fast food industry. Borrowing from literature on marketing in mature industries and food marketing, this study identifies both economic (threshold price and frequency of visit) and non-economic factors (socio-cognitive and marketing factors) that can influence consumer choice of fast food in a mature market. Using data collected from patrons of fast food restaurants (McDonalds, Whataburger, and Chick-Fil-A), the results indicate that threshold price (economic factors) play a significant role in determining consumer preference. Among the non-economic factors, gluttony is associated with larger portion sizes with both Whataburger and Chick-Fil-A’s consumers, while value perceptions is associated with portion sizes for consumers of Chick-Fil-A and McDonalds. Discussion and implications for researchers and franchisors are also provided.

Key words: Fast food, Franchising, Mature Markets