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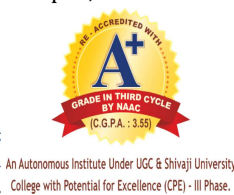
A Study on Scenario of Fast-Food Industry in India

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ABSTRACT

The traditional economic scenario of Indian society differed from that of today's situation. Majority of Indian consumers had strong preference towards home cooked food. Unlike that today the modern culture of dining out is rapidly changing the mindset of Indian society. Now several fast-food brands have established its place in India, as they have powerful market in India due to current fast moving lifestyle, busy schedules, competition, increase in number of working women, nuclear family concept etc. Based on favorable demographics, changing consumer choices and rising disposable income, India is experiencing enormous growth in the fast-food sector. The number of people opting to eat out is creating great opportunities to the various international brands. The growth in fast-food consumption is considered as co-ordination with urbanization, which shows modernization India is on its way in food industry. The purpose of this study is to investigate and understand the overall scenario of fast-food industry in India.

INTRODUCTION

India is a country of diversity. Here food is not just considered as a form of nutrition but is also collaborated with customs and traditions. In India the taste and flavors of food preparation keep changing from one state to another. In the early age, people would mostly prefer home cooked food in India. But as urbanization is taking place this scenario seems to be changing completely.

The concept of fast-food is prevailing since quite a few years now. In this fast moving world where the expenses are day by day inclining, it is a must for all the members of the family to work for living. Also many times lot of people shift to other region away from the family in order to earn a living. This kind of a rush lifestyle gives a scope for consumption of quick meals which are easily prepared and quickly served which we term as fast-food. This fast-food at the time of being prepared in no time it is also a pleasure to the tongue. Indian fast-food industry is widening day by day which is leading to its progress along with certain drawbacks.

In spite of showing economic development in India for last few decades, still poverty and food inefficiency is seen prevailing in various parts of the country. In addition to its frequent consumption of fast-food is pushing it to burden of diseases. Balanced home-cooked diet is being replaced by

junk food not only in young generation but also in the adults, this high calorie food is damaging the health of human beings severely disturbing the metabolism rate. So the fast-food industry has two sides, one having benefits while the other having flaws.

History of fast-food industry

Southern California is the first one to conceive fast-food industry in 1940s. It had a great impact on the eating habits not American countries but also in Asian countries.

Several factors gave rise to the fast-food culture: the Americans interest in automobiles, the formation of a major new highway system, the sub-urban communities' development etc. The Asian countries have a strong impact on the American culture of eating out as well. It was observed that there was huge demand for fast-food in Asian countries. Ready to eat food was making a huge mark in these countries which is co-ordinated with urbanization. In East Asian cities the famous local fast-food items were noodles, in Middle East it was flatbread and falafel, in West Africa, the French speaking nations sold char grilled meat sticks which were known as brochettes on roadside stands. In ancient Rome cities they had street stands which would sell wine and bread. In India the famous local maharashtrian fast-food items are vada-pav, chat, dahi vada, pav-bhaji, pani-puri etc.

Trends in India:

One of the largest growing food types in India is fast-food. According to the survey Indian fast food industry is growing by 40% every year and generates huge sales. India has become one of the biggest hubs for global fast food chains to grow due to the availability of raw materials, population size etc.

Major global fast food players and its size

Mc Donald's – 300 outlets and according to the plan it can 500 by the year 2020.

Dominoes – in 2008 there were 227 outlets in Indian and by the year 2017 the number of outlets has increased to 1126.

Pizza hut – 360 outlets currently in India and according to the plan the number can go to 700 by the year 2020.

Subways – there are currently 600 outlets over all India which might even increase by 2020.

- Indian fast food industry statistically stands on the 10th position in per capita spending figures on fast food, with 2.1% o expenditure of total annual spending.
- By 2020 the Indian fast food is expected grow at 18% focusing on changing behavior of consumer and demographic factors.
- The worth of Indian fast food market is expected to be US \$27.57 billion by 2020
- By 2019-20, the fast food casual dining restaurants in organized fast-food sector in India are projected to grow at 27%.
- According to the survey, India is the top third country in spending capacity of people in age 25-49 years.
- Also in coming future 400 shopping malls, fast food restaurants, multiplexes etc are in construction or in planning stage.
- In Indian fast-food market different demographic segments in market are being focused. It is not just focusing on a single group but it is trying caters every segment in the market on the basis of age, sex, income group, family, region etc.
- In India the major consumers are considered to be the kids, the fast food brands introduce variety of things to attract the children and hence also target their parents indirectly as the children's are always accompanied by their parents.
- Unlike older days people in India now a day prefer eating out food items are perishable and it is very essential for an up gradation of technology especially in the food industry. There is continuous improvement observed in the fast food technology in India.
- Due to variety of fast-food brands and outlets the consumer is often observed hoping from one brand to another, which lowers the level of commitment of a consumer to a particular brand.

The reasons for arrival of fast-food industry in India

- Unlike earlier days now men and women both equally head out for work. Also due to the increasing expenditures and for up gradation of lifestyle it is essential that each member of family is occupied. In such case fast food works as an easy way out in this rush schedules.

- The women in present generation do not want to stick to traditional gender roles of cooking and upbringing of children. Hence this modernization brings about increase in consumption of fast food.
- The consumers now do not want to spend their time and energy on preparation of food. They are building their confidence more on the available fast-food brands in the market and hence being more sophisticated.
- In the current scenario both male and female equally are career oriented. Due to which there is double income and so the spending capacity increases in return it increases the consumption of ready to eat food on larger scale.
- In today situation the days are falling short for work. So when people get free time from their hectic work life they want to spend it on entertainment and relaxation. Due to paucity of and engagement in the recreational activities a lot of them do not intend to cook and opt for fast food products.
- Large numbers of global players have entered the Indian market due to India being the second largest country having large population.
- Also several MNC's are easily entering Indian markets as a result of liberalization of 1991, due to which many tariff and non-tariff barriers from Indian boundaries are removed or at least minimized.

Challenges faced by fast-food industry in India

Various MNC's enter the Indian markets to establish their brand and hence increase the hope of the government as well as the people for increasing employment rate, GDP and GNP but, in reality neither the employment rate increases nor the GDP and GNP, all the profits are repatriated back to their home country by the MNC's.

There are various food items which are prohibited from consumption due to social and cultural implications. Food-items like beef and alcohol are restricted from consumption by most of the Indian crowd.

Also certain segments of people who follow ahimsa avoid eating non-vegetarian food, while some others avoid onion and garlic in their food products. All these practices create barriers for the fast food brands entering Indian markets. In this way social and cultural implications are also one of the challenges faced by fast- food industry in India.

Another challenge arises by not using glassware, metal ware or cloth napkins while serving fast- food. In most cases paper napkins, cups, polyurethane containers and plates are used for serving fast-food which are often tossed in garbage and not recycled hence there is emphasis on using of bio-degradable products. Also Indian government is making strict laws regarding usage of bio-degradable products, but these products being high in cost is a challenge for the fast-food industry.

Also meeting the balance between societal expectation and companies economic objectives is a huge challenge for the fast-food industry. One of it tries to raise the standard and the other tries to compress it.

Effects of fast food on health

Along with its taste and convenience fast-food also carries a lot of hazards to the health to the one consuming it. The fast-

food industries are earning billion dollars of revenue but are adversely affecting the nutritional level and healthy diet of human beings being them through its taste and flavors.

Consumption of such fast-food increases obesity and leads to overweight which causes diseases like diabetes, high blood pressure, cardio vascular diseases etc. Consuming fast food not only affects the physical health of human beings but also affects the mental health causing depression, fatigue, hypertension etc.

Conclusion

As India is heading towards modernization the fast-food industry will keep expanding. The changes in the living condition of the country bring about progress in the fast-food business. There are various reasons like men and women simultaneously working, increased number of single-parent households, long distance to school and work, short lunch times etc for growth of this sector in India.

There is definitely growth in the business of the fast-food industry in India which is positively affecting the economy but every coin has two sides, there are certain drawbacks as well. It is negatively affecting the human health resulting in serious health disorders.

Suggestions of the study

The fast-food industry needs to take control over the health hazards occurring through its consumption. They should take corrective measures and try to improve the nutritional

value of their products along with its taste. The more will be the nutritional value of their food items, more will they contribute to the health benefits towards the people and society. In return they will improve their goodwill.

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