

How do Fast Food Chain Restaurant can still sustain their Business despite Controversial Health Related Issue

Ooi Jin¹, Dr. Rashad Yazdanifard²
Center of SNHU Programs

Help College of Arts and Technology, Kuala Lumpur, Malaysia ooijin.0507@gmail.com¹
rashadyazdanifard@yahoo.com²

Abstract- In this fast-moving era, food plays a vital role in the human mankind lives. It was listed the top 5 needs in the Maslow hierarchy chart. As we moves into the 21st century, when the economy is fast blooming; humans are acting faster to keep up to the never-ending trend where time plays an important role. Hence, fast food chain has been keeping up to the demand of consumers, which led it to the point of success. There are also several factors of success point where is will be discussed. In this research paper, it will be identify the key elements of how fast food chain attainment or able to keep up to compete in the food industry. Also identifying how convenience would lead to consumer behaviors on purchasing fast food products, which lead a growing economy in the fast food industry.

Keywords: Fast Food; Sustainable; Convenience; Unhealthy and Consumer Behaviors

1

. INTRODUCTION

Restaurant has been in shape since human civilization; restaurant has been giving itself a facelift from fine dining to fast food due to the shifting of consumer behavior and cultural diversity. This propose restaurant to follow up what consumer needs and also being up to date to compete with their competitors. Restaurant in the early was mainly to serve traveler and this trend has continued until now. Moving on, the evolution of the food industry has change when White Castle firs opened their fast food restaurant at Wichita, Kansas in 1916; then, Macdonald took over the fast food industry on 1950 and later the fast food industry has goes up rapidly when A&W and White Castle started to advertise aggressively (Colburn, 2014). With the increasing numbers of fast food restaurant in the world, it has become a trend for most of all the people around the world. According to a research done by Gallup, among 10 Americans, 8 of them have fast food monthly with almost half of them having it weekly. As of 100%, only 4% of them said the never eat fast-food before (Dugan, 2013). As we put the numbers in sight, this is one huge number as fast food contributes to most of the deadly sickness among humans (Levine, 2013). Fast food also contributes to most of the calories to Americans due to the availability of fast food restaurant in every corner. In a recent research it states that US adult consume more than one tenth of their daily calories that consist by eating fast food (Levine, 2013). According to this matter, study took place through the Centers for Disease Control and Prevention in Atlanta, Georgia on the matter regarding fast food statistic consumption as a shocking discovery were made due to the fact that among 11,000 volunteers that took place, it has shown that 11.3% of the average adult calories intake was

resulting from fast food consumption (Paddock, 2013). Besides, there were also numerous studies shown that fast foods chains are the main contributors of obesity (Zollinger, 2013)

2. SUSTAINABILITY IN THE FOOD INDUSTRIES

In an report from MBD.com "Hamburger Chef Jamie Oliver Proves McDonald's Burgers "Unfit for human consumption" (2013), Jamie Oliver, a well known chef has just voice out its disagreement with serving beef patty that are washed with ammonium hydroxide; aside from that it was also used in the filling in the burger that are extremely unfit for human. According to MDB.com "Hamburger Chef Jamie Oliver Proves McDonald's Burgers "Unfit for human consumption" (2013) Jamie Oliver also state that "Basically, we're taking a product that would be sold in the cheapest way for dogs, and after this process, is being given to human beings.". Even on of the well-known chef has voice out to remind the society to not eat fast food. How can fast food still be one of the top 3 foods consumed in the world? The picture of sustainability came in to view where 4 key elements came into the view. Firstly, the word branding manipulates it marketing strategy in performing on the food industry. McDonald's and Burger King would be place in this example as they are one of the leading fast food industry in the world; their logos, signs and keyword on their slogans are effectively made to allow the whole world to recognize (Xaxx, 2014). Once a person that wants to eat fast food gets out of the door, automatically they know what they are going to eat in the fast food restaurant. All they know is just go to a counter, grab a food, find a table and dig in;



without knowing the true side in subtle and not so subtle ramifications of their purchases (Guthman, J, 2008) By providing a consistent line of choices, it allows customers to assure satisfaction due to the availability of the products (Xaxx, 2014). Slogans and stuck in the brains where television, magazines, billboard and radio commercial endlessly repeat its advertisement which result a conformability of customers re-visiting the fast food restaurants.

3. ADVERTISEMENT TO BRAND IMAGE

This is when advertisement came into the view of sustainability of fast food chain. According to (Griffin, 2008), she states that other than location, menu selection and operating system; advertisement plays a vital role in sustaining a crucial element of success in communicating with customers by reminding customers the availability of the products. The success of fast food industry also its attentiveness of marketing strategy in targeted market or market segmentation. A staggering amount of \$4.6 billion is spent on to advertise on unhealthy products where fast foods are included in 2012 (Orciari, 2013). This advertisement is mainly advertised to target or attract attention from children from 3-4 years old to teens (Shanthy A. Bowman, et al, 2004); acting as a targeted audience, kids and teen were one of the main customers of fast food restaurant where mouth watering burgers and fries where advertise according to a study conducted by Yale (Orciari, 2013). Therefore, as they were the targeted audience, a selection of happy meal (MCD) or kids meal where brought in to the line of product selection where it leads to the sustainability of fast food (Ramrayka, 2014). On the other hand, although it was the fast food industry advertisement was targeted to kids; where improvement were made to provide healthier food and drinks into kids meal, but that was not enough) (Morrision, 2013. This positive development of providing 'healthier' food to kids has a long way to go (Morrision,2013). Also when the obese factor arise, Macdonald was to first to be blame as it has attracted countless negative media attention (Boxtel, D, et al, 2008)

4. CONVENIENCE VS TIME

When fast foods are contributing to the obesity statistics according to the National Center for Health Statistics at the Centers for Disease Control, it is never hard to find a fast food restaurant near you. Moving on, locations are also one of the key elements of succession in fast food industry (Xaxx, 2014). The name fast food has already give a tips on what it would be like, Convenience is the word where fast food outlet were placed at strategic area of would be located in high traffic area (Xaxx, 2014). In regarding to the obesity statistics, as mentioned above where fast food are the reasons why the obesity stats are growing, (Hoffman, 2012) has a view on what makes people still eats fast food. According to Forbes, it states that 'Its Convenience, Not Cost, That Make Us Fat' (Hoffman,

2012). Peoples mind has been confused when it states that cheap prices or fast food and lack of education contributes to the consumption of fast food, which cause obesity. It has been proven that most obese adult are not low income where studies has shown that out of 72 and a half million of adults who care obese, about 30 million or 41% of the adult make at least more than a quarter hundred thousand per year which is above the poverty line. On the 20% or obese adult are considered 'poor' or below the poverty line (Hoffman, 2012). Over the past year, the theory of poor people consume more fast food due to the fact that they were poor; but the truth is, 'convenience' is driving the trend to consuming fast food (Hoffman, 2012). Also in another article regarding fast food, it states that people tend to eat out because of 'convenient' (Nunez,2012). There is a solid fact and it proven that most people consume fast food was because of convenience and this leads to the sustainability or fast food chain.

5. AFFORDABILITY IN PRICE

Over the years, it has been proven that eating at home is way cheaper than eat outside. With this trend going on where most American tries to eat in a cheaper way, fast food chain has change the game plan to reach its customers needs by emphasizing on budget meal (Tuttle, 2010). Affordable menus are undoubtedly seen in fast restaurant all around the U.S (Tuttle, 2014). Fast food restaurant has been having a love hate relationship with dollar bills as they were here to create a affordable meal for everyone. Also, cheap product line that a price below a profitability amount are placed just to create in store traffic to increase brand image (Tuttle, 2014). According to all of this article, there is a reliable info that affordability has longer come into view of sustainability of fast food; convenience seems to give more impact on the growth fast food restaurants.

6. SPEED OF SERVICE

The fast food industry is based on the basic principles of quality food served fast and without hassle. So speed of service should never be dismissed in the streamlining process of the particular industry (Brox, 2010) In this case, fast food chains has been ever successful in creating such service to the customer than enables them to go one step higher; aside from creating a standard product line, speed meant a lot to fast food chains. To achieve this, fast food chains has standardized their kitchen and also making it more efficient which lead to less waiting time in the line (Xaxx, 2014). Therefore, it is important to keep the kitchen running and food ready to be sold out to customers without any delay with made them came out with innovative ideas like 'drive thru' (Oches, 2013). Drive thru has come into life since the 1970's with the idea of picking up foods through windows have been effective in the industry. From low tech equipment to wireless headsets and colored screen confirmation order boards, this have proven that the drive thru has been an success in providing speed to customers (Oches, 2013).



7. EFFICIENCY IN FAST FOOD CHAIN

Efficiency are one of the key elements in sustainability to fast food restaurant. Profit margins in fast food chains are basically low where they emphasis more on quantity (Xaxx, 2014). As they look upon quantity, this is when the elements efficiency must come hand in hand to work out with quantity. Basically, going green is a way that fast food chains are emphasizing on right now (Vij. 2013). The word, sutainable, environmentally responsible and green doesn't seems to logically paired with the fast food industry (Faulkner, 2014). Therefore, it was a huge challenge for fast food chain to maintain such characteristic in such industries but they strive to do so because by underlining earth friendly business, this does not only profit the company as well as improving the company image as a "obese" restaurant to a better picture. Top fast food companies such as Starbucks and Macdonald's act as a leader on green fast food environment (Vij. 2013). Although, it is not easy how a fast food chains would came into a picture where they can be eco-friendly but; Chipotle Mexican Grill has taken the opportunity on making headlines (Bateson, 2009) Some 75 Chipotle Mexican Grill restaurant will implementing on solar energy which gives a new facelift on fast food industry (Bateson, 2009). On the other hand, world leading fast food chain restaurant such as Macdonald's are looking forward into packaging, which somehow benefits them in two ways as mentioned above. On the 1980's, MCD coffee cups are a disaster to mother earth, which is petroleum based Styrofoam containers (Watson, B, 2013). An ordinary cup of latte is basically eight ounces of rainforestdestroying caffeine enfolded by few ounces of Earth-Killing waste products (Watson, 2013). Moving on, some of the fast food chain restaurant also adopting principles of green building designs in their new and existing locations. By doing so, they are able to perform well in achieving LEED certification (Browne, 2014). As this continues, over the past two years, Starbucks and McDonalds's had both emerged as world leading green fast food chain in the world which they realize it will improve efficiency by cutting down on their packaging and lobbying the FDA to increase the amount of recycled fibers that are not prohibited in packaging fast food (Anne, 2013). Lastly, earth friendly initiative makes the fact that it doesn't not only benefit the company as a whole, but also beneficial to the environment. As the potential of self-actualization fast food restaurant in going green, it means that it also made it easier for consumers to reduce their own waste (Vij, 2013).

8. DISCUSSION

The sustainability of fast food chain is ever-changing from time to time; this would be mainly cause by the shifted consumer behavior that are always adapting to new things on different period of time. Fast food chains leader such as Starbucks, MacDonald's', Burger King, and Subway are doing a good job into meeting customers needs and wants. Consequently, marketing strategy is important in every

aspect to keep an eye on the shifting demand of consumers, hence, various marketing strategy from 4Ps' to F & B rules to keep them ahead or having competitive advantage against other fast food chains that are also striving to cater to their consumers. Moving on, there are also several fast food chain that had already keep up with the trend of having a good lifestyle and eating healthy; as sickness rises, fast food industry had made a move to merge fast food and healthy together which is barely impossible to do so. Therefore, many ways and tactics, research and hard work had been done to follow the trend. Subway was the one who made it possible to provide meals that are fresh but also there is a dispute going on regarding materials that are used for the breads are actually materials that are used making yoga mats. Critics and dispute are very normal as many people say that it is not easy to sustain a business where in this case, its even worst than having a normal restaurant that serve better looking food then them; but the way they manage to sustain is not mainly all about marketing strategies; instead, there are many point that has to be taken into consideration. Based on the literature review, sustainability in fast food chain is also based on many key elements and factors. Without all of these key elements, one will not be able to sustain its business in this challenging environment with all sorts of different demands from the respective consumer. Besides, they are also many factors that have to be taken into consideration in order to make the right move or choices that will affect the company as a whole. A set of elements from efficiency of a company to a consumer perspective of convenience gives fast food industry a hit in the food industry. By adapting to this key elements (as discussed above), fast food chain restaurant would be in a successful road ahead for the upcoming years due to the change of consumer behavior. This would affirm a continuous support from all consumer due to the fact that they key elements that had been merged together are a strong point for a fast food company to sustain its business.

9. CONCLUSION

In completing this research paper, various marketing strategies had practice as a main structure in meeting sustainability of a particular fast food chains. Neither do fast food chain restaurant is needed to use this marketing strategies but also other food chain restaurant. The sustainability of a particular fast food restaurant is not as easy as it seems, in which countless counter-measure has to be taken to improve efficiency and affordability; nevertheless, improves business. In addition, evolutions of fast food chain, which are unhealthy, are now more health concern in providing healthy and affordable to all. In this case, as mentioned above green fast food restaurant are now being introduced in more of the states in US, which is probably the first step of going green. Unhealthy foods that are out of safety standard should not be sold and it must provide a proper food in which customers would be happy and doesn't contribute to the increasing obesity statistics.



In conclusions, actions must be taken towards fast food restaurants that are using improper material to produce foods should be banned. A special authority should also be implemented to keep track of the used of improper ingredients or material that would harm the environment and consumers. This would allow the fast food chain to have a better changes not only in terms of being green but being a company that are responsible for the obesity rate to be controlled and also health issues. Last but not least, by implementing green restaurant isn't the only thing that fast food restaurant should be taken into consideration; but, materials that they used must be in a constant surveillance in achieving recycling products that will not harm the environment. By all means, this research paper has shown how a fast food chain restaurant are able to blind fold the ugly truth behind to be able to sustain a remarkable reputation, brand image and business.

10. REFERENCES

- [1] Dugan, A. (2013) Fast Food Still Major Part of U.S. Diet: Retrieved from http://www.gallup.com/poll/163868/fast-food-major-part-diet.aspx
- [2] Coulburn, K. (2014) The History of Fast Food in America: Retrieved from http://www.accupos.com/posarticles/history-of-fast-food-in-america.php
- [3] Levine, B. (2013) Fast Food Consumption: Retrieved from http://jonbarron.org/natural-health/american-fast-food-consumption-statistics#.U8ADhF698ZZ
- [4] Paddock, C. (2013) Fast Food Accounts For More Than 11% Of Americans' Daily Calories: Retrieved from http://www.medicalnewstoday.com/articles/256732.php
- [5] Zollinger, P. (2013) Is it time fast food restaurants became more responsible?: Retrieved from http://www.theguardian.com/sustainable-business/time-fast-food-became-responsible
- [6] Hamburger Chef Jamie Oliver Proves McDonald's Burgers "Unfit for human consumption": Retrieved from http://politicalblindspot.com/hamburger-chef-jamie-oliver-proves-mcdonalds-burgers-unfit-for-human-consumption/
- [7] Xaxx, J. (2014). Key Elements of Success in the Fast Food Industry: Retrieved from http://smallbusiness.chron.com/key-elements-success-fast-food-industry-24913.html
- [8] Griffin, M. (2008). Critical success factors: Retrieved from http://www.smartcompany.com.au/leadership/4372-critical-success-factors.html#
- [9] Orciari, M. (2013). Fast food companies still target kids with marketing for unhealthy products: Retrieved from http://news.yale.edu/2013/11/04/fast-food-companies-still-target-kids-marketing-unhealthy-products
- [10] Morrison, M. (2013). Yale Study: Fast Feeders Still on the Hook for Kids' Health: Retrieved from

- http://adage.com/article/news/study-fast-food-improve-kids-marketing-practices/245110/
- [11] Ramrayka, L. (2014). Brands continue to target fast food marketing at kids: Retrieved from http://www.theguardian.com/sustainable-business/brands-increase-fast-food-marketing-kids
- [12] Hoffman, B. (2012). It's Convenience, Not Cost, That Makes Us Fat: Retrieved from http://www.forbes.com/sites/bethhoffman/2012/07/17/its-convenience-not-cost-that-makes-us-fat/
- [13] Nunez, C. (2012). The Convenience of Fast Food...At What Cost?: Retrieved from http://www.efoodsdirect.com/blog/the-convenience-offast-food-at-what-cost/
- [14] Tuttle, B. (2010). 3 Fast Food Trends: Cheap Prices and Promos Aimed at Getting You to Spend More. Retrieved from http://business.time.com/2010/09/24/3-fast-food-trends-cheap-prices-and-promos-aimed-atgetting-you-to-spend-more/
- [15] Tuttle, B. (2014). Fast Food Chains Are Desperate to Kill the Dollar Menu.: Retrieved from http://business.time.com/2014/01/14/fast-food-chains-are-desperate-to-kill-the-dollar-menu/
- [16] Oches, S. (2013). The Drive-Thru Performance Study.: Retrieved from http://www.qsrmagazine.com/reports/drive-thruperformance-study
- [17] Brox, D. (2010). Fast Food Fast. : Retrieved from http://www.qsrmagazine.com/ordering/fast-food-fast
- [18] Vij, V. (2013). Fast food companies turning more environment-friendly.: Retrieved from http://sustainability.thomsonreuters.com/2013/05/03/fast-food-companies-turning-more-environment-friendly/
- [19] Bateson, S. (2009). Chipotle Mexican Grill leading U.S. restaurants in going green. : Retrieved from http://www.examiner.com/article/chipotle-mexican-grill-leading-u-s-restaurants-going-green
- [20] Watson, B. (2013) Fast Food's Green Trend: Making Big Macs and Lattes More Earth-Friendly: Retrieved from http://www.dailyfinance.com/2013/04/22/fast-foods-green-trend-environmentalism/
- [21] Anne, M. (2013) 'Greening Fast Food Packaging': Retrieved from http://www.packworld.com/sustainability/supply-chain/free-report-greening-fast-food-packaging
- [22] Vik, V. (2013) Fast Food Companies Turning More Environment-Friendly: Retrieved from http://www.justmeans.com/blogs/fast-food-companies-turning-more-environment-friendly
- [23] Faulkner, Z. (2014) Can Fast-Food Companies Really Go Green?: Retrieved from http://www.divinecaroline.com/life-etc/culture-causes/can-fast-food-companies-really-go-green
- [24] Browne, G. (2014) Fast Food Chains Going Green? Their Efforts May Surprise You: Retrieved from http://www.huffingtonpost.com/gay-browne/fast-food-chains-going-gr_b_848070.html



[25] Guthman, J, (2003) Fast food/organic food: reflexive tastes and the making of 'yuppie chow'. Vol. 4, No. 1, Pg 46 , DOI: 10.1080. http://www.unc.edu/~wwolford/Geography160/Guthmany uppychow.pdf

[26] Shanthy A. Bowman, PhD., Steven L. Gortmaker, PhD., Cara B. Ebbeling, PhD., Mark A. Pereira, PhD.

