Satisfaction Evaluation of Food-Away-from-Home Choices by Consumers

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This study analyzes consumers' selection of outlets and brands and their menu choices, including nutritional issues, when they eat out. This study is expected to help understand future demand for various segments of the food-away-from-home (FAFH) market in terms of menus, nutrition, and consumers' economic and socio-ethnic characteristics, among others.

Although the recent economic downturn may have slightly dampened consumers' eating-out decisions, the trend towards eating out more is likely to continue. A crucial issue in the study of the economics of the food-away-from-home (FAFH) market is consumers' selection of outlets and brands and their menu choices, including nutritional issues. For instance, one of the fastest-growing segments of the foodservice industry is the mid-scale dining segment. Some industry commentators expect sales in this segment to grow at a faster rate than fast food sales (e.g., Foodservice 2010). Many of these mid-scale outlets are beginning to offer carry-out (i.e., home-meal replacement or HMR) and compete directly with the fast food segment. However, little information is available to analyze or predict future demand for this segment (and its competing segments) in terms of menus, nutrition, and consumers' economic and socio-ethnic characteristics. Our study evaluates consumers' choice and satisfaction with their selection of outlets and brands and their menu choices, including nutritional issues.

Past studies on consumer behavior in the FAFH market are predominantly focused at the macro or national level (e.g., Sexauer 1979; Larson 1998; Nayga and Capps 1992; Byrne, Capps, and Saha 1996). It is commonly agreed that micro-level data enhances the understanding of *consumer behavior* compared to macro- or national-level data. Keeping that in mind, the focus of this paper is directed at the FAFH consumers in the mid-Atlantic region, and more specifically those in New Jersey. This region in general and New Jersey in particular is a perfect example of where annual household income is substantially higher than in the rest of the country and where people are always starved for time. New Jersey, for instance, is densely populated and highly urbanized. The State also has a wide variety and large number of commercial foodservice establishments, including restaurants, fast food chains, and food-delivery services, to serve the needs of its high-income and time-starved consumers. Such characteristics make this region in general and New Jersey in particular the perfect study area to analyze consumers' eating-out behavior.

This paper documents and analyzes several key issues, such as consumers' choices of outlet and menu; the frequency of visitation; and the consumers' beliefs about health, food safety, and advertising—all of which are important from an industry perspective. For instance, this study would help marketers better understand changing consumer preferences for outlets, brands, and menu choices. Marketers may then take proactive steps to identify and satisfy consumer needs. In addition, it would also help foodservice firms better understand their relative competitive position within the industry and with respect to menu and brand demands, all of which may help retain existing customers and acquire new ones, thereby building sales and increasing profits. Finally, being a micro-level study, this study complements existing studies and is a refinement over the existing macro-level studies.

Research Methodology

Attitudes and perceptions of FAFH consumers were captured through a mail survey. The survey also captured socio-demographic and economic char-

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acteristics of these consumers. The survey instrument was pre-tested among selected consumer households in New Jersey in early Spring 2002. Data collection, including sample design, was conducted by the first author with input from the co-authors. A copy of the consumer survey is available upon request.

The target population was households in New Jersey. The population was further stratified into the 21 counties in New Jersey. The sample was drawn from list frames or listings of households purchased from InfoUSA (www.InfoUSA.Com), a private mailing-list firm. The survey sample was drawn using a systematic random-sample design. Prior to drawing the sample, the list frames of consumers were sorted by county based on the 2002 Census of Population data. Data-collection activities included initial and follow-up mailings of questionnaires with mail follow-up of mail non-response. Data collection began in late Spring 2002 and was completed by June 2002. The total number of usable responses received was 989, or 41 percent.

Results and Discussions

Respondent Characteristics

Our collected data include information on the socio-economic characteristics of households. Comparing the mean characteristics of our sample with the socio-demographic characteristics of the State of New Jersey as identified in Census 2000, the authors concede that there may be some non-response bias. Such problems are commonplace with survey data (e.g., Deaton 2000). In this study, white, home-owning suburbanites appear to be over-represented. The majority of respondents were female (52 percent). This is perhaps not surprising given that female heads of household are known to have more say over food, whether eaten at home or away from home. Of these respondents, about 55 percent declared themselves as the person "primarily" responsible for shopping for food and cooking in their respective household.

The majority of the respondents identified themselves as white (87 percent), followed by African-American (5.01%), Asian (3.65%), and Hispanic/Latino (3.13%). Note that we were not able to differentiate those Hispanics who identified themselves as white. A large majority (almost 87 percent) of the respondents were 65 or under, and almost 70 percent of the respondents were between the ages of 35 and 65; slightly over 6 percent were between 18 and 24. A large majority of the respondents were married (76.11 percent). About two-thirds of the respondents had an average of two children per household; the rest did not have any children at home.

Almost 58 percent of respondents had college degrees, and slightly over 65 percent were employed full-time. About 25 percent of respondents (mostly female) were not employed for wages; we can probably consider them as household managers. Slightly over 42 percent of the respondents' combined household incomes were at least $100,000. Only about 18 percent reported combined household income of less than $50,000. On the other hand, almost 82 percent of the respondents reported that they *themselves* earned less than $100,000 (of this, about 45 percent earned below $50,000). New Jersey being the number-one state (or number-two, depending on Connecticut's economy) in the nation in terms of per-capita income, such responses from this survey are not surprising. However, given the cost of owing a home in New Jersey, it was surprising to find that most respondents (about 94 percent) owned their place of residence. A large majority (almost 80 percent) considered themselves suburbanites, which in New Jersey means not living in such big cities as Newark or Camden.

Respondents' Eating Out Characteristics

Slightly over 47 percent of the respondents eat out at least once a week, while 38.5 percent eat out once a month. This is similar to the national average reported by earlier studies (Byrne, Capps, and Saha 1996). In terms of the meal of choice when eating out, dinner is the most common meal eaten outside home (for 68.4 percent of the respondents), followed by lunch (for about 25 percent respondents). When they eat out, most respondents (about 80 percent) eat out with friends and family members.

We are all creatures of habit; not surprisingly, about 43 percent of the respondents frequented the same place when they eat out. A majority (almost 68 percent) stated that they were indifferent about eating at a national chain vs. a locally/privately owned eating place. Both of these findings are important to foodservice marketers, as they all compete to retain their customers, and the independents compete with chains for consumers' FAFH budget. In an issue related to retaining existing customers and obtaining new ones, when asked whether advertising influences their FAFH decisions, only 13.27 of the respondents acknowledged the influence of advertising and promotion on their menu choices, about 29 percent acknowledged such influence on their outlet choices, and the majority (almost 66 percent) were not influenced by FAFH-related advertising. Such findings make one wonder about the effectiveness and impact of the money spent on advertising and promotional efforts by the restaurant industry, particularly by the national chains.

In terms of menu choices (i.e., type of food) by FAFH consumers, Table 1 shows that consumers prefer hamburgers, sandwiches, and fries for breakfast; deli-type food (e.g., subs) for lunch; and Italian food, including pizza, for dinner. The second most-preferred foods for breakfast, lunch, and dinner were continental; hamburgers, sandwiches, and fries; and Chinese food, respectively. In terms of outlet choices (i.e., type of places/establishments), FAFH consumers preferred family restaurants (e.g., Denny's or IHOP) for breakfast, fast food places (e.g. McDonalds or Burger King) for lunch, and fine dining for dinner. Table 2 shows that the second most-preferred outlets were cafés, coffee shops, or delis for both breakfast and lunch and American diners (e.g., TGIF or Applebee's) for dinner. It is

Table 1: Top FAFH Menu Preferences, By Meal.

Breakfast	Lunch	Dinner
Hamburger, sandwich (entrée or breakfast), and fries	Deli-type food (e.g., subs)	Italian, including pizza
Continental	Hamburger, sandwich (entrée or breakfast), and fries	Chinese
Deli-type food (e.g., subs)	Italian, including pizza	Steak house
Southern/country	Chinese	American seafood (Red Lobster-type)
Vegetarian	Mexican (Taco Bell-type)	Bar & Grill

Table 2: Top FAFH Outlet Preferences, By Meal.

Breakfast	Lunch	Dinner
Family restaurant (e.g., Denny's, IHOP)	Fast food place (e.g., McDonalds, BK)	Fine dining
Café, Coffee Shop, or Deli	Café, Coffee Shop, or Deli	American Diner (e.g., TGIF, Applebee's)
Fast food place (e.g., McDonalds, BK)	Pizza-oriented (e.g., Pizza Hut, Dominos)	Pizza-oriented (e.g., Pizza Hut, Dominos)
Cafeteria (e.g., at work)	American Diner (e.g., TGIF, Applebee's)	Chicken-oriented (e.g., KFC, Boston Market)
Hotel/motel/resorts	Cafeteria (e.g., at work)	Family restaurant (e.g., Denny's, IHOP)

apparent from these results that while convenience and time saving were critical factors in deciding both outlet and menu choices for breakfast and lunch, consumers preferred to enjoy their dinner in a more relaxed atmosphere, i.e., without the morning and mid-day rush. They also spent more money on dinner than they did for either breakfast or lunch.

We also asked the respondents about food attributes they consider important in the food they eat away from home. Table 3 shows the results of such consumer preferences. The three most important attributes that respondents identified were taste (identified by 86 percent of respondents), nutrition (almost 62 percent of respondents), and low cholesterol (almost 51 percent of respondents). This shows that consumers want tasty and healthy food when they eat out, and are least concerned about price (low price was important to about 33 percent respondents and was ranked last among all attributes). Among other attributes of FAFH considered important by consumers were low calories (about 44 percent of respondents), protein (slightly over 43 percent of respondents), easy to digest (almost 43 percent of respondents), and vitamins (almost 42 percent of respondents).

As evident from Table 4, our respondents were more concerned about poor atmosphere (according to almost 83 percent of respondents) than food

Table 3: Attributes of Food Considered Important by Consumers.

Food Attributes	Response Rate (%)	
	Not at all Important (1, 2)	Very Important (4, 5)
Vitamins	16.68	41.55 (8)
Calcium	20.32	35.29 (10)
Protein	14.25	43.28 (6)
Fiber	17.19	40.55 (9)
Low calories	15.16	43.68 (4)
Low cholesterol	14.66	50.65 (3)
Nutrition	7.99	61.58 (2)
Low prices	22.45	32.86 (11)
Taste	1.92	86.05 (1)
Easy to prepare/cook	14.25	43.38 (5)
Easy to digest	18.91	42.77 (7)

1= Not at all Important, 5 = Very Important.
Ranks in parentheses.

Table 4: Consumers' Principal Concerns regarding FAFH.

Concerns	Response Rate (%)	
	Not concerned (1, 2)	Very concerned (4, 5)
Get sick (i.e., food safety)	30.7	59.98 (5)
Poor quality-taste of food for the price	4.2	81.05 (2)
Poor service for the money	12.91	69.20 (4)
Limited selection or limited variety	23.54	45.38 (6)
Too greasy	11.36	78.61 (3)
Poor atmosphere	6.39	82.99 (1)
Who else eats there	64.94	17.65 (7)

1= Not or Least Concerned, 5 = Most or Very Concerned.
Ranks in parentheses.

safety (about 60 percent of the respondents). Other issues of concern expressed by the respondents include paying a high price for poor quality/poor tasting of food (81 percent), eating too-greasy food (almost 79 percent), and paying a high price and receiving poor service (69 percent). We also asked our respondents their belief about the link between diet and disease. These results are presented in Table 5, which shows that a majority believe there is a strong link between diet and heart disease (69.26 percent), high blood pressure (almost 62 percent), and diabetes (over 57 percent). Obviously these respondents are aware of the link between diet and diseases. One of our future research agenda includes an examination of how consumer awareness and attitudes get translated into behavior, i.e., given that these consumers know about the link between poor diet and diseases, do they still select poor diets, eating fast food which is known to have an adverse effect on health? We hope to present the results of this next phase in the near future.

Conclusions

We conducted a survey of New Jersey consumers in late spring-early summer 2002 to examine their food-away-from-home behavior. We analyzed consumers' selection of outlets and brands and their menu choices, including nutritional issues, when they eat out. The percentage of people eating out in the study area is very similar to the national average. This study shows that consumers usually eat out with their friends and family members, and dinner is the most common meal eaten out. Surprisingly, advertising apparently did not influence consumers' choice of either menu or outlet. This raises the question of the impact of advertising on consumers' FAFH menu and outlet choices—an interesting and useful future research exercise, no doubt.

Our study shows that the most common *types of food* preferred for breakfast, lunch, and dinner are hamburgers and/or sandwiches, deli type (e.g., subs), and Italian (including pizza), respectively. Similarly, the most common *types of place* preferred for breakfast, lunch, and dinner are family restaurants (e.g., IHOP), fast food (e.g., Burger King), and fine dining, respectively. It is apparent from these results that while convenience and time saving were critical factors in deciding both outlet and menu choices for breakfast and lunch, consumers prefer to enjoy their dinner in a more relaxed atmosphere.

Not surprisingly, taste was the most important food attribute for food consumed away from home, followed by nutrition. In terms of major concerns among the respondents when eating out, poor atmosphere was the principal concern, followed by poor quality/poor tasting for food for the price paid. Consumers in New Jersey seem to be quite satisfied with foodservice providers' ability to manage food safety, because our respondents ranked food safety as one of the least important concerns. This should please restauranteurs in New Jersey. Most of the consumers are aware of the link between diet and health, as most of our respondents believe that major diseases (e.g., heart disease, high blood pressure) are related to diet. More interestingly, however, the question is whether consumer behavior reflects consumer attitude, i.e., if they are concerned about high fat, cholesterol, and heart disease from their diet, do they avoid fast food? Such questions are important from both a marketer's and a public-

Table 5: Consumers' Belief about the Link between Diet and Diseases.

Diseases	Response Rate (%)	
	Strongly Do not Believe (1, 2)	Strongly Believe (4, 5)
High blood pressure	12.84	61.98 (2)
Ulcer	29.32	33.57 (4)
Liver disease	29.52	31.44 (5)
Heart disease	8.6	69.26 (1)
Diabetes	5.85	57.53 (3)

1= Strongly Do not Believe There is a Link, 5 = Strongly Believe There is a Link.
Ranks in parentheses.

policy perspective to assess consumer needs and to respond to consumer demand. However, a recent survey by the Retail Food Industry Center, University of Minnesota (2002) shows that there is about a two-year lag between consumer attitudes and behaviors when it comes to shopping for food at home, i.e., at retail or grocery stores! Therefore, we plan to conduct a follow-up analysis to examine whether consumer attitudes are reflected in behavior when it comes to choices made for food away from home.

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