

**STUDY OF CONSUMERS' BEHAVIOUR OF
MULTI-CUISINE RESTAURANT
IN URBAN AND SUB-URBAN AREAS OF VARANASI**

**काशी हिन्दू
विश्वविद्यालय**



**BANARAS HINDU
UNIVERSITY**

PROJECT REPORT

**SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE DEGREE OF**

MASTER

OF

AGRI-BUSINESS MANAGEMENT

**Supervisor:
Prof. H.P. Singh**

**Submitted By:
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**DEPARTMENT OF AGRICULTURAL ECONOMICS
INSTITUTE OF AGRICULTURAL SCIENCES
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VARANASI-221005**

I.D.No. 17412ABM012

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Enrolment No. 400871

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To,

The Registrar

Banaras Hindu University,

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Through:

The Head,

Department of Agricultural Economics,

Dear Sir,

I have great pleasure in forwarding the project report entitled “**Study of consumers behaviour of multicuisine Restaurant in urban and sub-urban areas of Varanasi**” submitted by **Mr. Prakhar Mishra, I.D. No. 17412ABM012**, in partial fulfilment of the requirements for the degree of **Master of Agribusiness Management**, of the Banaras Hindu University and placing on record that he has completed the requisite requirements as contained in the statutes of the university.

I certify that the entire scheme of investigation reported herein was planned and carried out solely by the candidate under my guidance and supervision. The data presented in the thesis, to the best of my knowledge and belief, are genuine and have not been utilized for the award of other degree or distinction.

Thanking you,

Forwarded By:

Coordinator

Head

Prof. H.P. Singh
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At the outset, being the student of this great institution. I bow my head with in great reverence to the lotus of **Mahamana Pandit Madan Mohan Malaviya Ji**, the founder of the Banaras Hindu University whose everlasting desire was to serve the mankind.

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Date:/.... /.....

Place: Varanasi

(Prakhar Mishra)

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• *Introduction* •



INTRODUCTION

The word 'Restaurant' covers a broad range of food service operations. The term comes from the French word *restaurant*, meaning "restorer of energy." The term was used as early as the mid-1700s to describe public places that offered soup and bread. Today, any public place that specializes in the sale of prepared food for consumption on- or off-premise can be described as a restaurant. Food service is generally used to represent the broader term, which encompasses all sorts of public and private locations that provide food for sale.

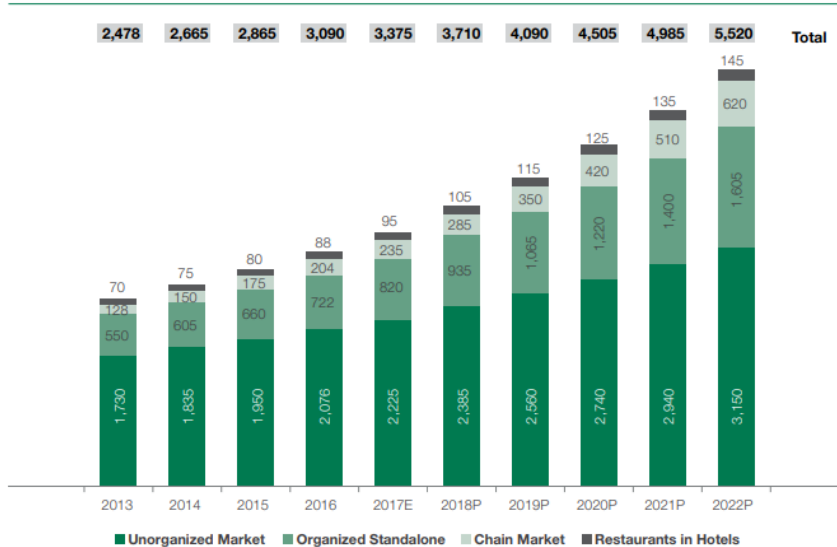
Cuisine refers to any style of **cooking**, including its **practices**, **traditions** and **recipes**. A cuisine is usually associated with a specific **culture**. It is mainly influenced by the **ingredients** that are available to that culture. Cooking methods, customs and ingredients together form meals that are unique to a particular region.

Cuisine is a **French** word that means "**kitchen**", but it originally comes from the **Latin** word *coquere*, which means "to cook".

A decade back eating out had not been a prominent feature in an Indian's life but over the years, due to changing consumption pattern, eating out has gained momentum. This changing pattern has ensured constant growth for the Indian Food Services market. India's Food Services market has come a long way from early 1980's when the number of organized brands were countable and the market otherwise was dominated by un-organized players. The revolution in this sector began in 1996 with the opening up of restaurants by McDonald's, Pizza Hut, Domino's followed by Subway, Haldiram's, Moti Mahal and Barbeque Nation etc.

The Indian Food and Beverage service Industry is one of the most vibrant industries that has seen unprecedented growth in the recent past and continues to expand rapidly. This can be attributed to the changing demographics, increase in disposable incomes, urbanisation and growth of organised retail.

Food Services Industry is classified in two segments: organized and unorganized based on following three key parameters: (i) accounting transparency, (ii) organized operations with quality control and sourcing norms, and (iii) outlet penetration. The Food Services outlets that do not conform to the above three key parameters would be categorized under the 'unorganized' segments. This segment primarily comprises of dhabas, roadside small eateries, hawkers and street stalls. The organized segment conforms to above three parameters and is further classified in Chained and Standalone formats. Chained formats are domestic and international formats with more than three outlets present across the country.



Source: NRAI Technopak India Food Services Report 2016, Technopak Analysis

Figure 1.1 Indian Food Services Market Size (INR '00 crore)

The unorganized segment's share in the Food Services market reduced from 70% in 2013 to 66% in 2016 and is projected to fall to 57% in 2022. This is the case as many unorganized businesses are moving towards the organized sector. The organized market (chain and organized standalone outlets) is estimated at INR 1,15,000 crore in 2017 and is projected to grow, at a CAGR of 16%, to reach INR 2,37,000 crore by 2022 gaining a share of 40% from 31% in 2017 (figure 1.1)

The Indian economy has a significant presence on the global economic stage. During FY 2010 to FY 2016, India's Real GDP grew at a CAGR of 7.3%. It is estimated that GDP will grow at a CAGR of 7.6 % from FY 2016 to FY 2022 and India will be in the top three global economies by 2050. The Indian economy is pegged to reach an estimated ~INR 230 lakh crore by 2020 (nominal terms) and. Food Services emerges a key segment in Indian economy, with the overall market worth INR 3,37,500 crore (2017) which is ~8 times bigger than hotels. The market's growth will be powered by changing consumer dynamics and increasing market proliferation by brands in the space.

Table 1.1 Share of Expenditure by Category (at current prices, INR crore)

Particular	2011-12	2012-13	2013-14	2014-15
Food and non-alcoholic beverages	1,499,739	1,767,780	2,065,410	2,213,918
Alcoholic beverages, tobacco and narcotics	137,226	142,316	157,726	180,125
Clothing and footwear	311,547	353,915	460,075	537,864
Housing, water, electricity, gas and other fuels	807,280	927,746	1,044,170	1,155,638
Furnishings, household equipment and routine household maintenance	158,414	179,847	205,314	222,938
Health	181,334	214,394	248,090	295,946
Transport	744,691	863,244	937,183	987,937
Communication	114,138	126,680	141,485	155,826
Recreation and culture	50,721	54,534	60,074	63,048
Education	182,378	211,685	237,562	284,745
Restaurants and hotels	116,491	129,318	141,609	158,378
Miscellaneous goods and services	632,039	736,144	849,562	971,006

Source: MOSPI

The share of expenditure in basic goods (food, beverages and tobacco and clothing and footwear) in private final consumption expenditure is expected to decline substantially to about 36% in FY20, versus 45% in FY11. On the other hand, share of discretionary spending (rent, fuel and power, furniture, medical care, transport and communication, recreation and education) is projected to increase to rise from 55% (P) in FY11 to around 64% in FY20 (Table 1.1).

Presently, Varanasi has achieved a new grandeur under present government at centre. There is a big boom in tourism industry at Varanasi. The tourists are arriving from across the world. As the tourism industry is flourishing, the people (locals) are experiencing many developments. The restaurant industry is also experiencing various developments. The food from different cuisines are added to the menu-list of restaurants and the new players are also coming with new innovations in this area.

The present study is conducted to examine the preferences of locals, their consumption behaviour towards multi-cuisine restaurant in Varanasi. Looking upon this scenario, the study is conducted with the following specific objectives:

- To assess the customers' preference of multi-cuisine restaurant.
- To examine the accessibility and affordability of consumers multicuisine restaurant.
- To study the factors affecting customers choice.



**REVIEW OF THE
LITERATURE**

REVIEW OF LITERATURE

This chapter deals with the review of literature of past research workers on different aspects of present study, i.e. service quality, customer expectation, market scenario and individual food choices.

Bitner (1990) studied the intangible quality of services is that services constitute performances and they often cannot be seen, felt, tasted, or touched like physical goods (Zeithaml, 1981)., when making restaurant choice decisions, Consumers used both tangible and intangible factors. The intangible factors are primarily: food quality, service quality, and value for money the intangible characteristic of services makes these factors difficult to evaluate prior to the actual purchase. Accordingly, restaurant patrons often rely on Tangible clues such as restaurant facilities, décor, and atmosphere to guide them in forming expectations about the restaurants.

Auty (1992) identified the choice factors in the restaurant decision process based on four occasions: a celebration, social occasion, convenience/quick meal, and business Meal. Food type, food quality and value for money were found as the most important Choice variables for consumers when choosing a restaurant. The order of these choices Criteria varied according to dining occasions. The author further suggested that if the consumers perceived that restaurants provide comparable food type, food quality and price, they would take image and atmosphere of the restaurants into account when making a final decision, Family/popular and convenience/ fast-food restaurants.

Baker *et al.* (1992) reported that, at present Indian Fine dining Restaurant industry is at cross roads. Backed by expanding service sector and increasing affluence, no doubt this sector is growing faster. The rapid growth and fine future prospects has led many players to enter this space both from International and domestic arena. This has surely increased the competition and is expected to increase further as many players are in the pipe line. At the same time, growing disposable incomes and changing life styles have made Indian consumer ever demanding, of deeper sensory experiences.

Zeithaml et al. (1996) observed that services are an experience. Consumers pay to get access to and experience a service but do not get a tangible ownership of that service. Accordingly, consumers may feel a lack of control in the purchase of services. Food quality is rated as the most important attribute influencing restaurant decisions in many studies on consumers' restaurant selection behaviour (e.g., Auty, 1992; Lewis, 1981; Soriano, 2002; Sulek & Hensley, 2004). The elements that constitute food quality proposed in this study are unique tastes and ingredients, menu variety, Appearance and presentation, healthy food options, and familiar food.

Bailey and Tian (2002) in their study found that a customer who does not show up for a reserved table in the restaurant will cause the restaurateur to turn down the chance to serve other diners if the restaurant is full Service providers often find it difficult to balance the supply and demand of services, given the unpredictable nature of consumer demand for services.

Raajpoot (2002) reported that food characteristics depend upon the food type and the individual's food preference because the characteristic quality of food which creates changes will change with respect time and consumer's mind.

Wong (2004) studied that people today prefer to eat out more often. Customer expectation of quality levels towards fast food restaurant with respect to dining experience in the recent years has gone up.

Cheng (2006) conducted a research to identify the role of various attributes responsible for the selection of organized and unorganized retail outlets in case of grocery purchase as well as the changing role of marketing scenario in attracting and retaining 59 the customers. It is found that customers are interested to buy the bundles of benefit in terms of product. Further, the major attributes namely product, price, promotion, location, public relation, physical environment; process and service offered by retailers play a key role in the buying decision of the customers.

Ryu and Jang (2007) explored the combined effect of multiple atmospheric variables on behavioural intentions in upscale restaurants. Their findings supported that ambience (e.g. music, aroma and temperature) and employee appearance had the most important influence on customers' emotional responses, which in turn affected customers' post-dining behavioural intentions.

Ryu and Han (2010) in study of service quality found that service quality is the demanding success factor of fast food restaurant. Service quality is the main component in a fast food restaurant which is to be measured and improved continuously. Service quality will undoubtedly affect the emotional satisfaction that in turn that would have specific effect on both customer loyalty and relationship quality.

Sahay and Kumar (2011) studied that pricing or the perceived value of the restaurants is another element that has been considered with respect to the customer service quality experience in relation to customer satisfaction. Monetary and time costs variously affect perceived value while perceived service quality points to higher levels of perceived value. Moreover, post-purchase intentions were more energetically determined by perceived value.

ASSOCHAM (2014) reported that the rising needs of consumers for convenience, increased appetite and hunger for international cuisines and exposure to global media, the annual spending of middle-class households of tier II and III cities have witnessed an increase of 108% growth over the last two years. The factors propelling this buoyancy include the changing economic and demographic profile of consumers in India who are exposed to international brands and are far more aware of global trends.

Raghu and Rohit (2015) studied that India presents countless opportunities in the restaurant service market being the second most populous country with 65% of its population below the age of 35 proposing enormous growth prospects for existing and new restaurant businesses. It can also be noted that India is likely to become the world's youngest country, with 64% of its population in the working age group presenting interesting opportunities for the quick service restaurant and casual dining segment. Growth of the middle class, supported by the growing Indian youth population is also a driving force in India's rising consumption story. With the increase in spending power, the Indian consumer market is seeking more entertainment

options, driving the growth of the restaurant segments. Moreover, the increasing penetration of the organised sector contributing 8% to the total retail in India suggests huge potential for the organised sector to grow. Existing global brands have been popular amongst the Indian consumer market due to their capability of adapting to the local taste of India and continue to penetrate the Indian market. Amid the growth of mall culture and organised retail, food service industry is also expected to grow within.

Sahay (2015) studied the food quality which is one of the important aspects in fast food restaurants but there is no unity on the individual attributes that constitute food quality. So, that all the food characteristics are chunk together in only one variable that is food quality.



RESEARCH METHODOLOGY

This chapter deals with the methodology used in achieving the objective of the study. It comprises sampling design and analytical tools used to achieve final result. For cohesiveness and clarity in presentation, this chapter can be classified into two broad sections. The first section focuses on the sampling design to select the district, market, restaurants, respondents and collection of data etc. The second section is related with the analytical tools and technique applied.

For the present study the methodological aspect has been discussed under the following four heads:

3.1 Sampling design

3.2 Collection of data and method of enquiry

3.3 Period of enquiry

3.4 Analytical tools

3.1 Sampling design

Data has been collected from restaurant visitors. Multistage sampling design is used for the study.

3.1.1 Selection of District

The total number of districts in Uttar Pradesh is 75. Among these districts, Varanasi district of Uttar Pradesh was selected purposively for study, because Varanasi district is one of the major tourist places and has growing food and beverages industry in Uttar Pradesh.

3.1.2 Selection of the Market

Out of the major markets in urban and sub-urban areas in Varanasi district, Lanka, Nadesar, Bhelupur and Sunderpur were selected purposively because maximum number of restaurants are there in these areas.

3.1.3 Selection of Restaurants

Ten restaurants were selected purposively where maximum number of respondents visit.

3.1.4 Selection of Respondents

The respondents were selected randomly and they are arranged in order on the basis of the profession and further sorting has been on the basis of income group.

3.2 Collection of Data and Method of Enquiry

The data on customers' choice and preference aspects were collected by personal interview method.

3.2.1 Primary Data

Primary data was used in the present study. Primary data was collected with the help of pre-tested schedule prepared in advance. Survey method was adopted for the present study.

3.2.2 Secondary Data

The secondary data sources include the web portals and different magazines, thesis, project reports, and journal related with Agri-business and data available with the department or university.

3.3 Period of Enquiry

The study was undertaken for the year 2018-19.

3.4 Analytical Tools

The collected data are summarized in tabular form so that it becomes relevant to fulfil the various objectives of study. Thus, the collected data are analysed using descriptive statistics. Therefore, the entire information is presented in such a way as to provide a base for subsequent analysis and interpretation of the data.



DESCRIPTION OF THE STUDY AREA

DESCRIPTION OF THE STUDY AREA

4.1 General description of Varanasi district:

Varanasi, or Benaras, (also known as Kashi) is one of the oldest living cities in the world. Varanasi's prominence in Hindu mythology is virtually unrevealed. Mark Twain, the English author and literature, who was enthralled by the legend and sanctity of Benares, once wrote: Benaras is older than history, older than tradition, older even than legend and looks twice as old as all of them put together.

Varanasi is a city on the banks of the Ganges in the Uttar Pradesh state of North India, 320 kilometres (200 miles) south-east of the state capital, Lucknow, and 121 kilometres (75 miles) east of Allahabad. A major religious hub in India, it is the holiest of the seven sacred cities (SaptaPuri) in Hinduism and Jainism, and played an important role in the development of Buddhism and Ravidassia. Varanasi lies along National Highway 2, which connects it to Kolkata, Kanpur, Agra, and Delhi, and is served by Varanasi Junction railway station and Lal Bahadur Shastri International Airport.

Varanasi is also one of 75 districts in the Indian state of Uttar Pradesh. At the time of the 2011 census, there were a total of 8 blocks and 1329 villages in this district. Main languages of Varanasi are Banarasi, Bhojpuri/Awadhi.

Varanasi, considered as an important seat of learning in India. Varanasi is said to be a compound of the names of two streams, the Varuna and the Assi, which still flow in the north and south of the city respectively. This name seems to have been corrupted, in medieval times to Banaras, which was in use till May 24, 1956 when it was changed to Varanasi, by an order of the Government of India. Varanasi is probably one of the most ancient living cities in India. From time immemorial it has been a great religious centre for Hindus and one of their most sacred places of pilgrimage, being visited by millions of people every year.

The places worth visiting in the city of Varanasi are the several ghats that dot the riverside, and the hundreds of temples that form part of the old city of Varanasi.

4.2 History of Varanasi

Varanasi is a very ancient city which has a continuous history since 1000 B.C. This is one of the holiest city of India which is a seat of learning, art and culture. The name Varanasi, according to the Vamon Purana, is located in between two rivers, the Varuna in the North and the Assi in the South on the bank of Ganga-and from the combination of the names of the two streams Varanasi was derived. Such statements are also seen in "Kashi Mahatmya" in Padma Purana and in the Skand Purana also. The oldest name of Varanasi was Kashi deriving from its inhabitants known as Kashis which were the first Aryan settlers about 5000 years ago. Regarding this a statement meaning Varanasi city of the Kashis, can be seen in Das Kumar Charito. In Vayu Purana and in other great epic like Ramayan and Mahabharat somewhat similar statements and references are also found. In the fifth century A.D., Fa-Hian, a Chinese traveller, who visited India made similar statements in his visiting report to India. The name Kashi is derived from the King Kasa, the seventh King of Manu dynasty and is a reputed seat of Aryan Philosophy and religion. About 650 B.C. Kashi was, however, annexed to the kingdom of Kosala and Rhys. Dravids mentions Kashi-Kosala as one of the 16th political division which was extended in India before the arrival of Budha. Both Kashi as well as Kosala fell victim of the Magadh power at the instance of Chandra Gupta Maurya.

Ganges is said to have its origins in the tresses of Lord Shiva and in Varanasi, it expands to the mighty river that we know of. The city is a centre of learning and civilization for over 3000 years. With Sarnath, the place where Buddha preached his first sermon after enlightenment, just 10 km away, Varanasi has been a symbol of Hindu renaissance. Knowledge, philosophy, culture, devotion to Gods, Indian arts and crafts have all flourished here for centuries.

Vaishnavism and Shaivism have co-existed in Varanasi harmoniously. With a number of temples, Mrs. Annie Besant chose Varanasi as the home for her 'Theosophical Society' and Pandit Madan Mohan Malviya, to institute 'Banaras Hindu University', the biggest University in Asia. Ayurveda is said to be originated at Varanasi and is believed to be the basis of modern medical sciences such as Plastic surgery, Cataract and Calculus operations. Maharshi Patanjali, the preceptor of Ayurveda and Yoga, was also affiliated with Varanasi, the holy city. Varanasi is also famous for its trade and commerce, especially for the finest silks and gold and silver brocades, since the early days.

Varanasi has also been a great centre of learning for ages. Varanasi is associated with promotion of spiritualism, mysticism, Sanskrit, yoga and Hindi language and honoured authors such as the ever-famous novelist Prem Chand and Tulsi Das, the famous saint-poet who wrote Ram Charit Manas. Aptly called as the cultural capital of India, Varanasi has provided the right platform for all cultural activities to flourish. Many exponents of dance and music have come from Varanasi. Ravi Shankar, the internationally renowned Sitar maestro and Ustad Bismillah Khan, (the famous Shehnai player) are all sons of the blessed city or have lived here for major part of their lives.

4.3 Geography

Due to population explosion and more urbanization, the area of Varanasi in square kilometre, (km²) has increased from 1901 to 2002. In 1901, Varanasi area was 22.10 sq. km. To 73.82 sq. km. In 1951 urban population of Varanasi was 3,41,923 in 1971 as reported in census of Varanasi India, which has further increased to 12,68,522 in 2001. The rural population of Varanasi is 18,79,405 in 2001. In 1991, this area has gone up 234.3 sq. km. with further increase in population. Due to more birth and less death rate, population explosion has occurred. The city area has further increased to accommodate the living population.

The city of Varanasi is located in the middle Ganges valley of North India, in the Eastern part of the state of Uttar Pradesh, along the left crescent-shaped bank of the Ganges river. It has the headquarters of Varanasi district. The "Varanasi Urban Agglomeration" - an agglomeration of seven urban sub-units - covers an area of 112.26 km² (approximately 43 mi²). The urban agglomeration is stretched between 82° 56'E - 83° 03'E and 25° 14'N - 25° 23.5'N. Being Varanasi is situated in the agro climatic zone of eastern plain of Uttar Pradesh, bordering the district Jaunpur in the north, Ghazipur in the Northeast, Chaundauli in the east, Mirzapur in the south and Sant Ravidas nagar in the west. The total area of district is 1526.36 sq. km, supporting a population of 31.48 lakh persons. This district is densely populated, with 2063 person per square km, as against the state average 689 person per square km. This district is divided into eight blocks namely, Baragaon, Araziline, Chiraigoaon, Cholapur, Haruha, KishividhyaPeth, Pindra and Sewapuri.

Varanasi is often said to be located between two confluences: one of the Ganges and Varuna, and other of the Ganges and Assi, (Assi having always been a rivulet rather than a river.) The distance between these two confluences is around 2.5 miles (4.0 km), and religious Hindus regard a round trip between these two places—a Pancha-koshiYatra (a five-mile (8 km) journey) ending with a visit to a SakshiVinayak Temple as a holy ritual. The geographical area of Varanasi is 1526.56 sq. km.

4.4 Demographics

According to provisional data from the 2011 census, the Varanasi urban agglomeration had a population of 1,435,113, with 761,060 men and 674,053 women.

The population of the Varanasi urban agglomeration in 2001 was 1,371,749 with a ratio of 879 females every 1,000 males. However, the area under Varanasi Nagar Nigam has a population of 1,100,748 with a ratio of 883 females for every 1,000 males. The literacy rate in the urban agglomeration is 77% while that in the municipal corporation area is 78%. Approximately 138,000 people in the municipal area live in slums.

Table No. 4.1 Population of Varanasi

S. No.	Particulars	Population
1	Male	761,060
2	Female	674,053
3	Total	1,435,113

Table No. 4.2 Literacy rate (%)

S. No.	Particulars	Literacy Rate (%)
1	Male	83.66
2	Female	48.59
3	Total	67.09

4.5 Climate

Varanasi experiences a humid subtropical climate (Koppen climate classification Cwa) with large variations between summer and winter temperatures. The dry summer starts in April and lasts until June, followed by the monsoon season from July to October. The temperature ranges between 22 to 46 °C (72 to 115 °F) in the summer. Winters in Varanasi see very large diurnal variations, with warm days and downright cold nights. Cold waves from the Himalayan region cause temperatures to dip across the city in the winter from December to February and temperatures below 5 °C (41 °F) are not uncommon. The average annual rainfall is 1,110 mm.

Fog is common in the winters, while hot dry winds, called loo, blow in the summers. In recent years, the water level of the Ganges has decreased significantly; upstream dams, unregulated water extraction, and dwindling glacial sources due to global warming may be to blame.

Through a combination of water pollution, new constructions of upstream dams, and increase in the local temperature, the water level of the Ganges has recently gone down significantly, and small islands have become visible in the middle of the river.

Table No. 4.3 Rain fall (mm)

S. No.	Particulars	Rainfall (in mm)
1	SW monsoon (June-Sep):	944.5
2	NE Monsoon (Oct-Dec):	60.9
3	Winter (Jan- March)	56.5
4	Summer (Apr-May)	19.8

Agro-climatic zone Eastern plain region

4.6 Economy

According to the 2006, City Development Plan for Varanasi, approximately 29% of Varanasi's population is employed.

Approximately 40% are employed in manufacturing, 26% work in trade and commerce, 19% work in other services, 8% work in transport and communication, 4% work in agriculture, 2% work in construction, and 2% are marginal workers (working for less than half of the year). Among manufacturing workers, 51% work in spinning and weaving, 15% work in metal, 6% work in printing and publishing, 5% work in electrical machinery, and the rest work in a wide variety of industry sectors. Varanasi's manufacturing industry is not well developed and is dominated by small-scale industries and household production.

4.6.1 Agriculture

Varanasi produces large quantities of langra mangoes, which are variety developed in the area. Banarasi paan (betel leaf) and khoa (a milk product) are popular, and the related small-scale industries employ many people. Chiraigaon very famous for cultivation Guava fruit crop. It has many small units of food processing which makes Pickle, Sauce, Jam, and Jelly.

Table No. 4.4 Agriculture allied work forces

S. No.	Particulars	Workforce
1	Cultivators	207666
2	Small and Marginal farmers	195581
3	Agricultural labors	102573
4	Artisans	92567
5	Others workers	303283

4.6.2 Tourism

Tourism is Varanasi's second most important industry. Nearly 6.3 million domestic tourists and 690,472 foreign tourists visited Varanasi in 2015. Domestic tourist most commonly visit for religious purposes while foreign tourist visit for ghats along river Ganges and Sarnath. Most domestic tourists are from Bihar, West Bengal, Madhya Pradesh, and Uttar Pradesh, while the majority of foreign tourists are from Sri Lanka and Japan. The peak tourist season falls between October and March. In total, there are around 12,000 beds available in the city, of which about one half are in inexpensive budget hotels and one third in dharamshala. Overall, Varanasi's tourist infrastructure is developing.



RESULTS AND DISCUSSION

RESULTS AND DISCUSSION

The main objective of the study is to analyse the consumers' preference of multicuisine restaurant in Varanasi, U.P. The specific objectives are to examine the expenditure on eating out, customer satisfaction, frequency of eating out in restaurant. In this section, the results are presented under the following heads, keeping in view the objectives of the study.

5.1 Respondent's profile

5.2 To assess the customers' preference of multicuisine restaurant

5.3 To examine the accessibility and affordability of consumers multicuisine restaurant

5.4 To study the factors affecting customers choice

This chapter deals with the results of the primary data collected from the sample of 100 respondent customers.

5.1 Respondent's profile

The respondent profile includes age group of the respondents eating out in restaurant.

5.1.1 Age groups of Respondents

The table 5.1 revealed that respondents belong to three age groups. However, results clearly indicates that the majority of respondents belong to early age i.e. below 25 years and middle age groups i.e. between 25-35 years, while the early age group is more interested in eating out. Out of 100 respondents, 74 are below 25 years in age, 22 are between 25-35 years in age and only 4 are between 35-45 years in age.

Table 5.1 Age Group of respondents

Age Group (in Years)	No. of respondents	(%)
Below 25	74	74%
25-35	22	22%
35-45	4	4%
Total	100	100%

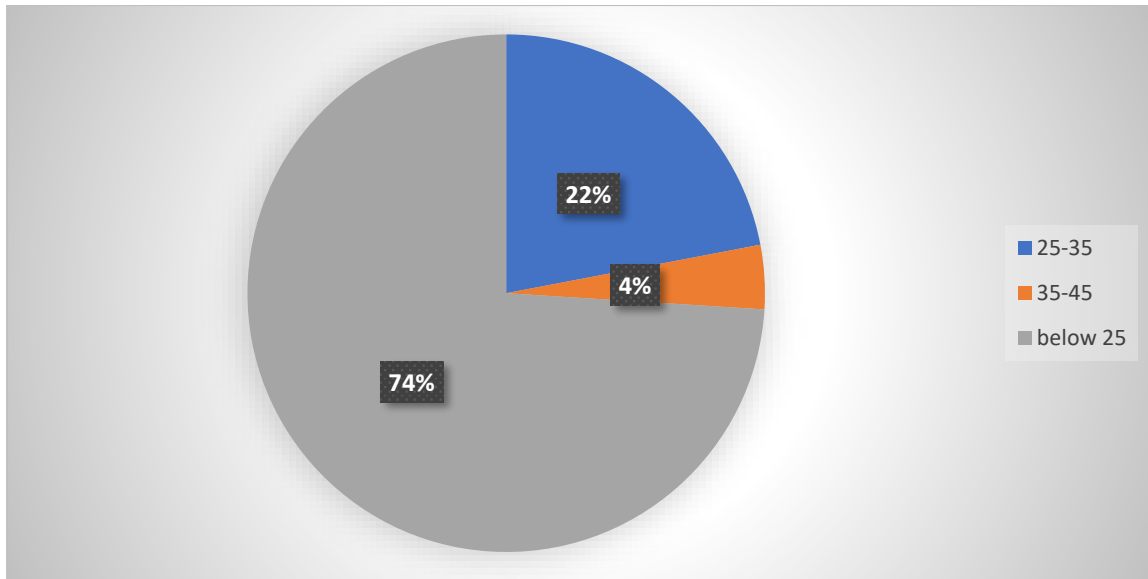


Figure 5.1 Age groups of respondents

5.2 Preferences of the respondents

The preferences of the respondents include style of restaurant (homey, modern, traditional or mixed), purpose of visit (leisure, business, party), service of restaurant, which basically gives the insight of what the customers expects when they visit a restaurant.

5.2.1 Frequency of visit and Age Group

Table 5.2 represents the frequency of visit to restaurants under four categories and the age group of the respondents. The table depicts the early age group visits the restaurant more frequently than the other two. Out of the 100 respondents, 41 respondents visit restaurant on weekly basis, 28 respondents visit on bi-weekly basis, 16 respondents and 15 respondents visit restaurant on once in a month and daily basis respectively. Among respondents of below 25 years age group, 36 respondents visit restaurant on weekly basis whereas only 10 respondents visit restaurant once in a month. Among respondents of 25-35 years of age, 11 visit restaurant on bi-weekly basis and only 2 respondents visit restaurant on daily basis. Among respondents of 35-45 years of age, 2 respondents visit restaurant on weekly basis and 2 respondents visit on bi-weekly basis.

Table 5.2 Frequency of Visit and the age group

Frequency of visit	Age Group (in years)			
	Below 25	25-35	35-45	Total
Daily	13	2		15
Weekly	36	3	2	41
Bi-weekly	15	11	2	28
Once in a month	10	6		16
Total	74	22	4	100

5.2.2 Frequency of visit and Time of Visit

Table 5.3 reveals the frequency of visit to restaurants under four different categories and the time preferred to visit the restaurant. The majority of the respondents visit the restaurant weekly during the night. Out of 100 respondents, 54 respondents prefer to visit restaurant during evening, and 43 respondents visit during night, whereas only 3 respondents prefer visiting restaurant during afternoon. Here it observed 21 respondents visit restaurant on weekly basis during evening.

Table 5.3 Frequency of visit and Time of Visit

Frequency of visit	Time of Visit			
	Afternoon	Evening	Night	Total
Daily	1	7	7	15
Weekly	2	21	18	41
Bi-weekly		19	9	28
Once in a month		7	9	16
Total	3	54	43	100

5.2.3 Style of Restaurant and Age Group

Table 5.4 reveals the style of restaurant the respondents prefer based on the age of the respondents. Out of 100 respondents, 46 respondents below 25 years of age prefer Mixed style of restaurant (traditional and modern) whereas only 3 respondents from 35-45 years of age prefer Mixed style of restaurant (traditional and modern).

Table 5.4 Style of restaurant and Age of respondents

Style of Restaurant	Age Group (in years)			
	below 25	25-35	35-45	Total
Homey	10	3	1	14
Mixed (traditional and modern)	46	17	3	66
Modern	13	1		14
Traditional	5	1		6
Total	74	22	4	100

5.3 Accessibility and affordability of consumers

Eating out in a restaurant involves expenditure, which includes the money the customers are paying for the food and do the price factor influence the consumers' behaviour.

5.3.1 Expenditure per person on food in restaurant and Income Group

Table 5.5 reveals the three categories of expenditure per person on food in restaurant and the five different income groups of the respondents. Out of 100 respondents, 52 respondents prefer to spend less than Rs. 200 on food per person in restaurant, while only 37 respondents prefer to spend more than Rs. 200 on food per person in restaurant.

Table 5.5 Expenditure per person on food in restaurant and Income Group of Respondents

Expenditure per person on food in restaurant	Income Group of Respondents (in Rupees)					Total
	Below 10000	10000- 20000	20000- 30000	30000- 40000	40000 & above	
Less than Rs 100	5	3		1	2	11
Between Rs 100 -200	40	6	2		4	52
More than Rs 200	18	3	3	5	8	37
Total	63	12	5	6	14	100

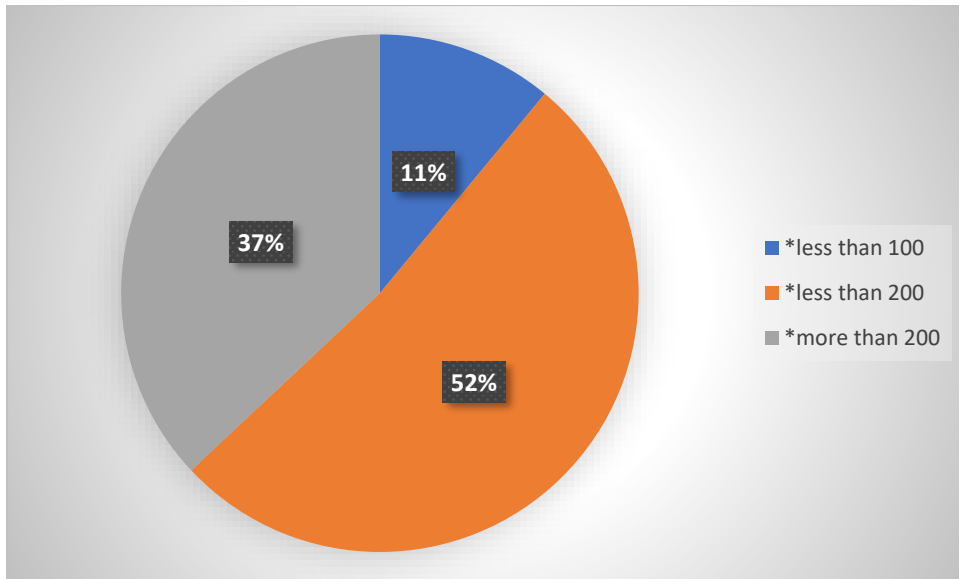


Figure 5.2 Expenditure per person on food in restaurant

5.3.2 Preference to travel and importance of price

Table 5.6 reveals the distance that respondents prefer to travel to a multi-cuisine restaurant and the importance of the price of food. Out of 100 respondents, 49 respondents prefer to travel distance less than 5k.m. when going to restaurant, whereas only 24 respondents prefer to travel less than 10k.m. when going to restaurant.

Table 5.6 Preference to travel and importance of price

Prefer to travel (restaurant)	Importance of Price			Total
	Important	Not important	Somewhat important	
Between 5- 10 km	13	2	9	24
Between 2-5 km	27	6	16	49
Less than 2 km	23	1	3	27
Total	63	9	28	100

5.3.3 Age group and Expenditure on food per month in restaurant

Table 5.7 reveals the expenditure on food per month in restaurant based on the age group of the respondents. Out of 100 respondents, 47 respondents from below 25 years of age prefer to spend below Rs. 2000, whereas only 6 respondents from age group prefer to spend less than 10000. Only 1 respondent from 35-45 years of age spend below 10000.

Table 5.7 Age group and Expenditure on food per month in restaurant

Age Group (in years)	Expenditure on food per month in restaurant (in Rupees)			
	Below 2000	Below 5000	Below 10000	Total
Below 25	47	21	6	74
25-35	15	4	3	22
35-45	2	1	1	4
Total	64	26	10	100

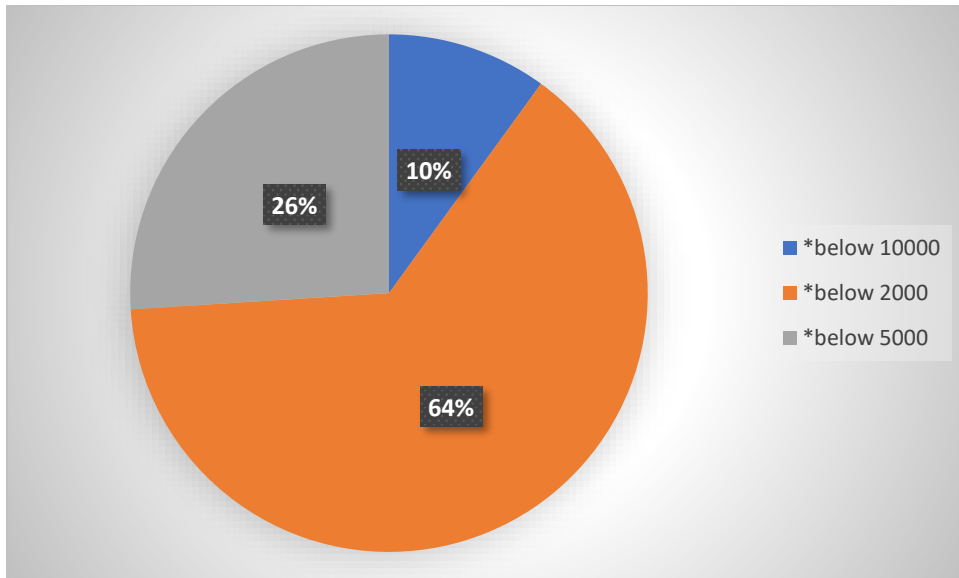


Figure 5.3 Expenditure on food per month in restaurant

5.3.4 Expenditure on food per person and Importance of Price

Table 5.8 reveals the expenditure on food per person by the respondents and the relevance of price factor. Out of 100 respondents, 35 respondents spending less than Rs. 200 on food per person find price as an important factor. 8 respondents spending more than Rs. 200 don't consider price as an important factor.

Table 5.8 Expenditure on food per person and Importance of Price

Expenditure on food per person	Importance of Price			
	Important	Somewhat important	Not so important	Total
Less than Rs. 100	9	1	1	11
Between Rs. 100-200	35	17		52
More than Rs. 200	19	10	8	37
Total	63	28	9	100

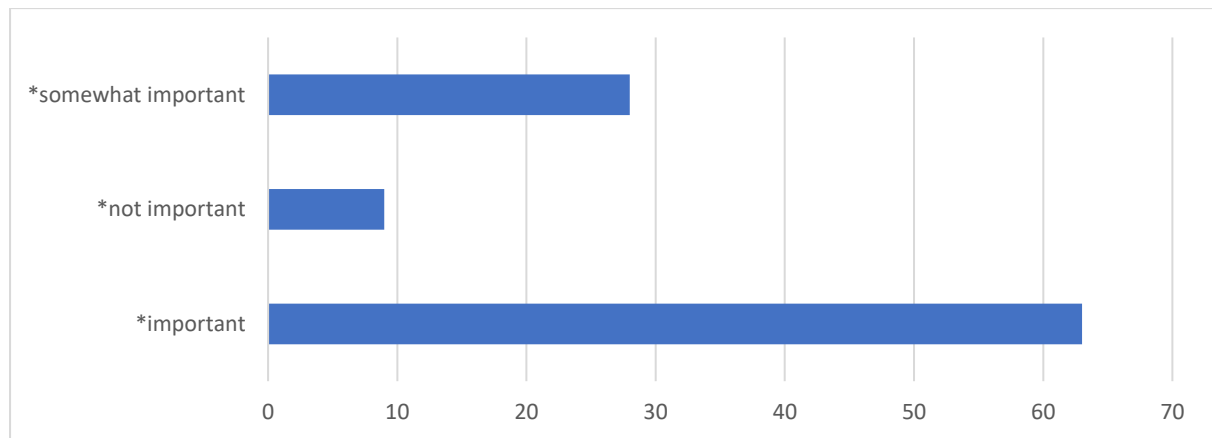


Figure 5.4 Importance of Price

5.4 Factors affecting customers' choice

The choice of the restaurant is based on the various factors which influence the selection pattern amongst the customers. Here we will understand the various factors which affect the customers' choice.

5.4.1 Age Group and Basis of Restaurant Selection

Table 5.9 reveals the basis of selecting a restaurant among the different respondents of various age groups. The availability of variety of food is the major factor while selecting a restaurant. Out of 100 respondents, 35 respondents consider variety as basis of restaurant selection, whereas only 17 respondents consider price as basis of restaurant selection.

Table 5.9 Age Group and Basis of Restaurant Selection

Age Group (in years)	Basis of Restaurant Selection				
	Location	Menu	Price	Variety	Total
Below 25	17	19	15	23	74
25-35	4	8	1	9	22
35-45			1	3	4
Total	21	27	17	35	100

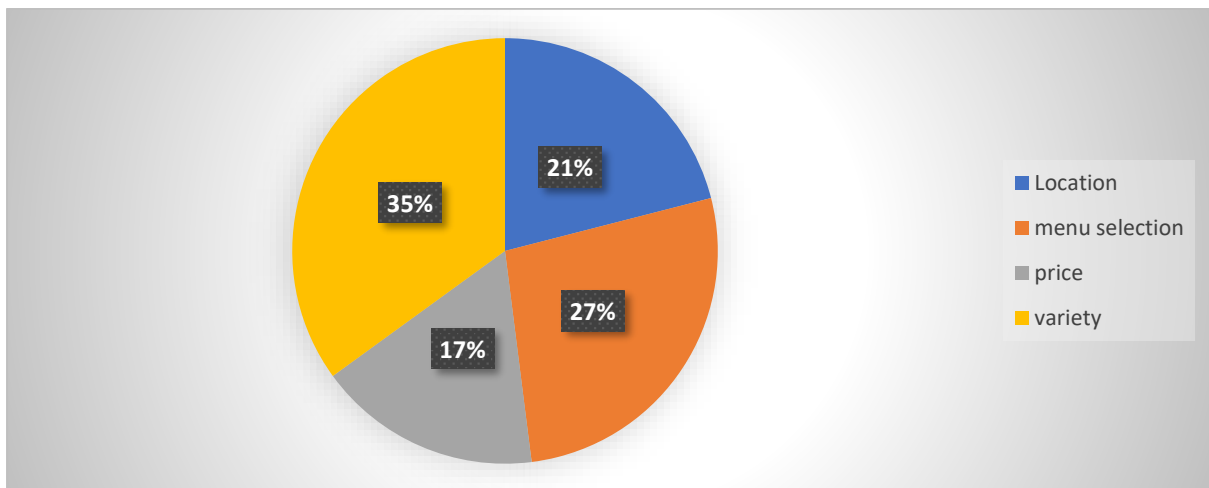


Figure 5.5 Basis of Restaurant Selection

5.4.2 Profession and Awareness about Restaurant

Table 5.10 reveals the awareness about the restaurant among the respondents from different professional backgrounds. Out of 100 respondents, 58 respondents are aware about restaurants through suggestion, and only 7 respondents are aware about restaurant through advertisement.

Table 5.10 Profession and Awareness about Restaurant

Profession	Awareness about Restaurant				
	Advertisement	Internet	Self	Suggestion	Total
Professional	2	2		7	11
Research Scholar			1	2	3
Service	2	3	5	6	16
Student	3	3	21	43	70
Total	7	8	27	58	100

5.4.3 Age Group and Preference of Order

Table 5.11 reveals the preference of order in a restaurant among the customers of different age group. Generally, the respondents preferred to try different food. Out of 100 respondents, 81 respondents prefer to try different food and among them 60 respondents are below 25 years in age.

Table 5.11 Table of Age Group and Preference of Order

Age Group (in years)	Preference of Order		
	Repeat food	Try different food	Total
Below 25	14	60	74
25-35	5	17	22
35-45		4	4
Total	19	81	100

SUMMARY



SUMMARY AND CONCLUSIONS

Like many industries, the restaurant industry faces a variety of challenges keeping up with the rapid pace of change driven by the consumer trends and changing demographics. Growing preferences for healthier food options, concerns over environmental sustainability, increased competition from grocery stores, heightened consumer expectations, and rapidly advancing technology are reinventing the traditional dining experience and forcing change on how the industry operates. And the rising spending power of the millennial generation of consumers is accelerating the industry's response to such trends.

At the same time, economic forces continue to have an industry impact. GDP growth is slowing while the average household income is decreasing, leaving consumers with less to spend. In fact, rising healthcare and education costs have reduced spending on food by an average household. Food accounts for nearly 30 percent of a restaurant's costs, and unfavourable weather and macroeconomic conditions can result in a substantial increase in food prices. However, fear over weakening their market position often prevents restaurant operators from increasing their menu prices in the same proportion.

As restaurants juggle a variety of challenges, they must seek to innovate and adapt nimble business strategies that enable them to cost-effectively compete in an everchanging tech environment.

The booming tourism industry in Varanasi has provided opportunity for restaurant industry to flourish and the people (locals) are getting more exposure to food from various cuisines.

This has brought a wave of excitement among the locals, especially the youth i.e. below 25 years age, which is interested to taste different foods from various cuisines. The exposure is providing opportunity for budding entrepreneurs to start-up restaurants which can offer the maximum range of food items to meet the increasing demand of consumers.

Objective:

- To assess the customers' preference of multi-cuisine restaurant.
- To examine the accessibility and affordability of consumers multicuisine restaurant.
- To study the factors affecting customers choice.

Primary data was used in the present study. Primary data was collected with the help of pre-tested schedule prepared in advance. Survey method, by personal interview was adopted for the present study.

The secondary data sources include the web portals and different magazines, thesis, project report, and journal related with Agri-business and data available with the department or university. The study was undertaken for the year 2018-19.

FINDINGS

1. As far as sample of respondents are found, 74% of respondents are below 25 years in age, whereas 22% and 4% respondents belong to age groups 25-35 and 35-45 respectively.
2. According to primary data, 41% respondents visit the restaurant on weekly basis, while only 16% respondents visit restaurant once in a month.
3. 54% respondents prefer to visit the restaurant during evening hours, where as only 3% prefer visiting restaurant during afternoon.
4. The style of restaurant most preferred by the respondents was mixed (traditional and modern) i.e. preferred by 66 % respondents.
5. The respondents of below 10000 income group prefer to spend more than Rs 100 per person on food in restaurant making around 52% of the total respondents.
6. It is observed that 49% respondents prefer to travel distance of less than 5k.m. to visit restaurant, compared to 27 % and 24% respondents who prefer to travel only less than 2k.m. and less than 10k.m. respectively.
7. The price of food is an important factor for 63% respondents, whereas it is not important to 9% respondents.
8. The expenditure on food in restaurant per month is observed to be below Rs 2000 by 64 % respondents, whereas below Rs 5000 and below Rs 10000 was preferred by 26 % and 10 % respondents respectively.
9. The respondents spending less than Rs 200 on food per person in restaurant who consider price as an important factor are 35%.
10. The respondents select the restaurant mainly on the basis of four factors viz. Location, Menu, Price and Variety.
11. 35% respondents prefer variety, while 21%, 27% and 17% respondents prefer location, menu and price respectively as the basis of selection of restaurant.
12. The awareness about the restaurant among the respondents was mainly by suggestions i.e. 58%, then 27% self-aware, 8% by internet, and 7% by internet.
13. Among the respondents, 81% prefer to try different food while making order whereas 19% prefer to repeat food in restaurant.

Conclusions

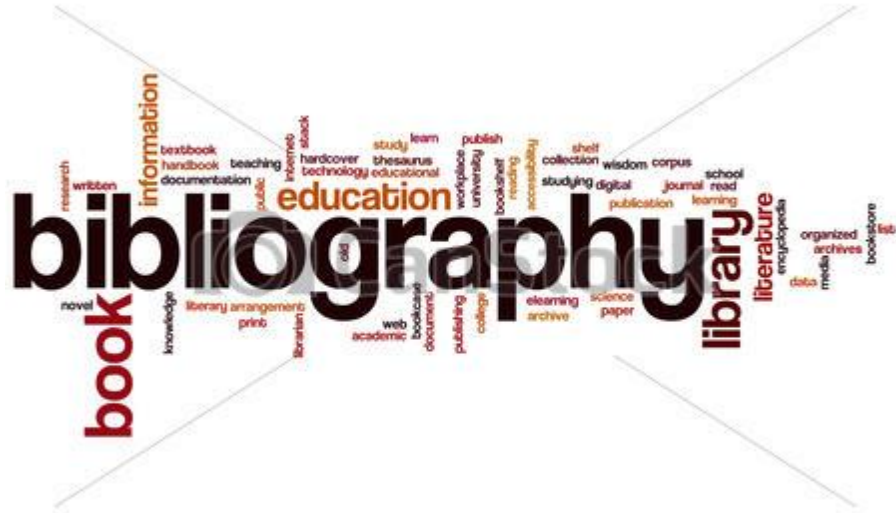
From the study, it is concluded that the youth below 25 years age frequently visits the restaurant. 41% respondents visit restaurant weekly, generally during evening hours.

Variety of food is the major basis of restaurant selection as 35 % respondents prefer.

The awareness about the restaurants is mostly i.e. 58% through suggestions, which means word of mouth is very effective.

SUGGESTIONS

As observed from study, the word of mouth is very effective for creating awareness about the restaurants. So the restaurants should focus on improving the quality of food. The restaurants must give utmost priority to hygiene. The restaurants should display the nutritional value along with ingredients in the menu, to let customer know about the benefits of food to health.



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APPENDIX



APPENDIX

Banaras Hindu University Institute of Agricultural Sciences PROJECT

“STUDY OF CONSUMERS’ BEHAVIOUR OF MULTI-CUISINE RESTAURANT
IN URBAN AND SUB-URBAN AREAS OF VARANASI”

SCHEDULE

Name:

Sex:

Contact:

Age: * Below 25 *25-35 *35-45 *45-60 *above 60

Profession:

Marital Status: *Single *Married No. of kids:

Q. what is your preferred restaurant?

* Multi-Cuisine *single-cuisine

Q. how often do you visit a restaurant each month?

Q. you prefer to:

* try different food * repeat food

Q. what style of restaurant would you prefer?

*traditional *homey *Modern *mixed traditional & modern

Q. how much do you prefer to spend on food per person?

*less than 100 *more than 100 *more than 200

Q. reason for going to restaurant?

* leisure * party *business

Q. how far do you prefer to travel?

*less than 2 km *less than 5 km *less than 10 km

Q. please indicate your monthly salary:

*below 10,000 *10,000 – 20,000 *20,000-30,000 *30,000-40,000

*40,000 and above

Q. what is the basis of selecting a restaurant?

*location *menu selection *price *variety

Q. order service timing?

*fast *normal *slow

Q. with whom do you prefer to go to a restaurant?

*alone *family *friends *colleagues *a large group

Q. satisfaction parameter:

*taste *price *ambience *quality

Q. Rate your satisfaction:

*taste of food

*quality of ingredients

* food service speed

*food temperature

Q. what do you prefer in food?

*quality *quantity

Q. Preference of restaurant:

*try different *repeat order

Q. rate your satisfaction for staff:

*behaviour of staff

*service of staff

*no. of staff

Q. How important is the price factor for you?

*important *somewhat important *not important

Q. when you visit the restaurant what is the first thing you look for?

*ambience *service *hygiene *variety of deals *price

Q. do you check rating of restaurant?

*Often * rarely *never

Q. restaurant selection based on:

*Suggestion * advertisement *self *Internet

Q. how much do you consider coupons / Discounts

*very much *rarely *never

Q. you prefer to visit (time of visit):

*afternoon *evening *night *late night

Q. availability of cuisine at time of customer's choice?

*very much *rarely *never

Q. how much do you spend monthly in restaurant?

*below 2000 *below 5000 *below 10000

Q. customer loyalty towards:

High medium low

*food

*restaurant