Critical review of research paper titled 'customer profile of the carryout segmen...

Introduction:

The research paper by David C. Bojanic on Customer profile of the " carryout" segment for restaurant provides an idea of the customers profile for the ' carryout' segment at all types of restaurant. My research topics will emphasis on the fundamental evaluation of the different methodologies that the researcher had use in the paper and how it can be improved for the better outcome of the research. ' Carryout' segment is the main part based on what the research has been carried out, so before moving into the depth of the issue of the methodology used behind the research, I must say something about the ' carryout' restaurants to familiarize the reader with it. ' Carryout' orders generate a large volume of sales to all kind of quick service restaurant (QSR's). These are the restaurants where the customers come and call ahead, place their order and then wait in their car while a restaurant employee serves the food and process the payment. Quick and better service with quality food is the main motto of this type of restaurant. With an increasingly fast and busy schedule of human life the ' carryout' orders or QSR's are becoming popular among the customers of all groups. In the research paper Mr. Bojanic has chosen quantitative approach towards his research. He has made survey with some structured questionnaire in two restaurants in Western Massachusetts over one week of period in a spring. And based on the survey done he tried to find out the customer profile who ' carryout' food at least once a week from any type of restaurant and then compared them to the profile of all customers who ' dine out' to find out if there are any significant difference.

' Is Mr. Bojanic's research valid'? ' Does his evidence support his conclusion'? ' How well did he apply his research method'? ' How might Mr. Bojanic research be improved'? – In this essay I will try to evaluate all this issue from my viewpoints and will make an attempt to find an alternative research proposal.

Literature Review:

Market Segmentation is becoming increasingly important for marketers to sustain in the competitive market. It's become an important strategy in the restaurant industry also. Different product ranges target different customers. Segmentation helps marketers understand and the needs of different customers better and serve them with better value proposition. As Wright (2004) suggest, segmentation is thus the ability to ' divide the markets into groups, or clusters, of customers based upon realistic and meaningful criteria so as to offer clear, targeted benefits to every customers'.

Kotler. P (2000) suggests that market segmentation is ' the subdividing of a market into homogeneous (or similar) subsets of customers, where any subset may conceivably be selected as a target market to be reached with a distinct market mix'.

[Source: Groucutt. J. 2005, p 54]

If the marketers know which particular market they are targeting, they can design their marketing mix to suit the customer in the market. If marketers want to convert their potential customers into real customer they have to develop their communication program effectively to grab those targeted

customers. For the effective segmentation, segmentation variables need to exhibit certain criterion such as:

1. Measurability

2. Sustainability

3. Accessibility

4. Differentiability and

5. Action ability

[Source: Kotler. P. 2003, p 286]

Once the segmentation strategy satisfies the five criterions, the next step is to choose the segmentation variables that would be best at segmenting the market. Market segmentation is done through the help of following variables:

⌨ Geographic: Region, city or metro size, climate

⌨ Demographic: Age, family size, family life cycle, gender, income, occupation, religion, race, nationality, social class

⌨ Psychographic: Lifestyle, personality

⌨ Behavioral: Occasion, benefits, user status, usage rates, loyalty status.

[Source: Kotler. P. 2003, p 288]

Research on market segmentation in hospitality and tourism has developed since 1980s. Most of the segmentation research in the restaurant industry is

based on the identification of determinant attributes and their use in selecting restaurants. Bahn and Granzin (1985) published one of the earliest papers involving market segmentation for restaurants. The authors established the use of the benefits sought in segmenting the market for fast-food restaurants. Kivela (1997) used what he called the " determinant attributes analysis technique" to segment the market for restaurant in Hong Kong. Clark and Wood (1999) used determinants attributes in an attempt to identify the ' loyal' customers.

Becker-Suttle et al. (1994) examined age (seniors and non seniors) and benefits sought for of full-service restaurants, while Shank and Nahhas (1994) compared the dining preference and the behaviors of the mature and younger customers for a family restaurant. It was also found that restaurant consumption behaviors changes in different age of life cycle (Withiam, 1985).

Location or place is one of the vital marketing mixes for any restaurant. Thus the geodemographic is used to determine a location that has enough population of potential customers who fit the demographic profile of the target segment (Muller and Inman, 1994). Most recently, Blose and Litvin (2005) looked at the social values and their ability to provide a basis for segmenting restaurant customers.

Therefore, this study will attempt to identify the " carryout" segment using a combination of demographic, determinants attribute, and dining behaviors.

Overview of the Research:

Methodology:

Mr. Bojanic had tentatively used the ' survey method' in his research paper. Before elaborating on the methods I would first explain what is meant by survey. The survey is a type of research method of gathering data directly from the customers via a questionnaire. In his research paper Mr. Bojanic has taken sample of customers from two restaurants in Western Massachusetts. And the research has done over one week period in the spring. The restaurants are situated in a populated part of the city. The survey was done during the whole week including weekend. Trained interviewers are engaged with the survey. They have prepared a structured sample questionnaire which is given to the adult customers of each family of the customers. And the respondents are asked to return that to the interviewers or drop it off at the hostess stand on the way out.

Data collection:

The questionnaire or data collection instrument consisted of three parts. The first part contained questions focusing on the dining behavior of the respondent, the second part consisted of perceptions of restaurant service and the third part was used to obtain the demographic profile of the respondents. The drafts of the questionnaire was initially reviewed by the mangers of each restaurant and also tested on a small group of customers. The total length of the questionnaire was 2 pages and it took 5-10 minutes to answer the structured questions.

Results:

On that particular week the researcher have completed 446 surveys. The response from the customer was also very high; the response rate was almost 84% for the study.

No. of surveys distributed

Response rate of the customer each day = ————————————–

No of returned survey

Through the survey Mr. Bojanic has found out 3 separate types of outcome or information.

1. Demographic profile: Here it was found that over 50% of the respondents are in the three youngest age group (18-34, 35-44, and 45-54) who ordered take out at least once a week or more. The older people whose age is more than 55 are less participates in carry out segment. It was also found that respondents having children are more likely to order carry out than those who are without children.

2. Dining out behavior: Here it was found that those who order carryout consumed away from home for dinner 3. 36 times in a typical week, compared with 2. 49 times for those who did not order carry out.

3. Attributes importance ratings: Here it was found that ' quality of service', ' value for price paid', ' convenience of location' are rated slightly higher in case of non-carryout segment than the carryout segment.

Evaluation of Methodology:

" On their corporate web site [Sussex language Institue, 20-08-2009] stated that in academic terms, critical analysis means considering the claims of the theorists, governments, authorities and so on, what they are based on, and how far they seem to apply or be relevant to a given situation."

Here I am going to evaluate on the different questions that I had put forward at the beginning of my research about Mr. Bojanic's methodology to study the " carry out" segment for restaurants'.

' Is Mr. Bojanic's research valid'? This question I had made in the opening of my paper. My answer to this question would be absolutely yes.

First of all we have to focus on the nature of the research he has done. Mr. Bojanic is very particular to notify or make an alert in his paper that he has targeted only the exploratory part of the study. In his survey he tried to stand by his point by providing accurate quantification and various research figures. So we have understand that his prime focus of the research is to make a compare between the two segment of customer in restaurant i. e. carryout and non carryout customers and find out the profile of ' carryout' customers.

Then I have put forward the question that ' how well did Mr. Bojanic apply his chosen method'?

Mr. Bojanic has chosen quantitative research method to find out the profile of carryout segment of customers and made a comparison between two segment of carryout and non carryout customer. The approach he had shown

in clarifying his point is very promising; he had use survey method which took 5-10 minutes to complete the structured questionnaire. And it is very much appropriate technique to make a research on carryout segment as the customers of this segment don't stay for a long time in the restaurant so the respondent's time is a big factor to this and Mr. Bojanic had managed it very well. He used individual information and participants' response for the research.

Another question I need to answer ' how might Mr. Bojanic's research be improved'?

In his research Mr. Bojanic has chosen the sample of customer from only 2 restaurant of same location and that was also for a single week in the spring. Thus the used sample size is very small which may not disclose the actual results for the research. If the survey was made in different restaurant of different areas in different time period, the research result would come more accurately. Though it will bare some extra cost but definitely help him to get more actual figure for the research outcome.

My next question ' is Mr. Bojanic's evidence support his conclusion'?

In his research Mr. Bojanic has concluded that because of the busy schedule customers are relying more and more on carryout service now a days and the profile of those customers are below 55, married and having child. Those families have good discretionary income. And because of the high demand of carryout foods in market the casual dining segment of restaurant is taking the opportunities of this trend and focusing more of their marketing efforts to reach those carryout segments of customers. For his entire conclusion he

has nicely provided some evidence. For all his arguments he has provided some fact and figure when ever he compared the profile between carryout and non carryout segment of customers. And at the end he came to the decision on his research based on all those figure and evidence he has found out trough his survey.

Research findings:

Mr. Bojanic's research work was extremely focused on the quantitative approach of analysis the customer profile of the ' carryout' segment of the restaurant. In his findings he had focused three separate types of information which I have already discussed in the review and summery.

My finding on his research is extremely positive. The way he used the survey method is very much creditable. And the structured questioner is also appropriate for this kind of survey, but few points I would like to mention which I think would add more value to his research is that he should also gather some secondary data from different previous research work on quick service restaurant to get a clear idea of the various segments of restaurant and their customer behavior and perceptions towards ' carryout' orders which would help him to get the profile of customers in those various segments of restaurant.

The most important finding I have found in the research is that the sample size for the research work. It seems to be very small. Mr. Bojanic has chosen only 2 restaurants from the same geographic location and that might not be the representative of the whole population of the area. The sample could include people from different geographic areas which may give some

different result because customer profile and their perception can vary place to place. Lastly the study should span through out the year to eliminate any temporal bias and account for behavioral difference related to season.

Conclusion:

I think the work of Mr. Bojanic is very standard in accordance to today's fast moving life. The growing market of ' fast food' and the changing concept of ' carryout' segment of customer are forcing the casual dining restaurant to become quick service restaurant and changing their image. The profile for carryout segment customers is changing rapidly. This differs from the previous notion that carryout service is a practice used mainly by quick service restaurant aimed at teenager and young adults. Now a day's more families are relying on ' carryout' service because of their fast busy life, particularly those who are below age of 55, married and having child.

Mr. Bojanic has put forward some empirical evidence and came to his conclusion through his research. I appreciate his approach, only few shortfall which I found in the research are the short sample size of one particular geographic location and the short time period of the survey which may lead to sample bias for the research.

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