

The Motivations of Consumer Preferences and Choosing a Service Provider in the Domestic Market of Institutional Catering

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Abstract: The theoretical background of the topic- the role of institutional catering in the eating-out type food consumption. In our study we examined one of the alternatives of eating out, namely, institutional catering, within the frames of primary research. Making use of the typically cheap, favourably-priced institutional catering has had a sharp decline till 2001 after the change of the regime. (Lehota, 2001) One of the reasons for this can be that only the biggest corporations and public institutions could ensure eating facilities at a favourable price for their employees in their own restaurants or canteens run by themselves. On the other hand, the decline can be explained by the fact that the main part of women living in the countryside was pushed out of the labour market, thus decreasing the number of the potential clients of institutional catering. Due to the economic constraints and the narrower possibilities cooking at home has become the main household chore-primarily among the strata with low income. The fact that similarly to the European tendencies more and more people –especially the younger women with higher income and status- have become addicted to health consciousness also in Hungary could have contributed to the further amplification of this process. This way fewer and fewer members of this consumer stratum require the services of institutional catering (Mikesné, 2004). However, institutional catering has made a significant progress after 2001 and this dynamic growth can be reflected both in the number of outlets and revenue. This development far exceeded the growth rate typical of domestic retail turnover. The fact that most multinational companies operating in Hungary and employing a great number of people are equipped with a kitchen or restaurant have also contributed to the shift from the trough. Furthermore, the development and spread of domestic institutional catering has also been promoted by the increase of tax free contribution to catering costs over the level

Á. Csiszárík-Kocsir et al.

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of inflation as well as the fact that nowadays more and more places of work are willing to cover the extra costs of hot meals. There is a growing need for cheap and quick possibilities of hot meals on working days. (Rudolfné Katona Mária, 2003)

Keyword: consumer preferences, institutional catering

1 The Objective of Research

During the research it was our objective how the possibilities of institutional catering were assessed by the respondents in terms of price, quality, convenience and time. It was also our aim to analyse the factors affecting institutional catering and to explore the motivations behind choosing a special catering alternative of working days. A further goal was to examine whether there was a correlation between points of food consumption and factors playing a role when choosing a mode of institutional catering.

2 Method of Sample Taking and Circumstances of Research

During our research a deliberate sampling by a quota was applied. The adults employed domestically were regarded as majority. The categories of age applied by available statistical registers in terms of regions and gender were not totally similar to our categorisation. From the point of view of our research the proportion of the most important age group, i.e. those aged between 18 and 60 within the sample showed similar compounds to those of the real majority in the single regions when breaking down in terms of gender.

The results published in the paper are only partial ones as they were formed on the basis of summarising the answers to the questions of a standardised questionnaire in the survey.

3 The Results of Research

3.1 The Main Motivations of Requiring the Services of Institutional Catering

The respondents were asked to assess statements to evaluate and analyse the role of institutional catering by using a discrete semantic differential scale from 1 to 5.

Based on the results the most important feature of institutional catering is to ensure the possibility of having a hot meal on working days. It is a convenient way to substitute cooking that can also save the time spent on cooking but, on the other hand, it means financial sacrifice as it is more expensive than cooking.

The results reflect that institutional catering has a priority over cooking in terms of quality, time and convenience as utility factors –it is only from the dimension of time that it means a less favourable option. Despite this fact, or, to put it in another way, that is why it has not become a general practice domestically. It is proved by the fact that the role of price has the highest priority in the judgement of domestic food consumers. The high sensitivity to price can be the main reason why the services of institutional catering are not frequently required by the employees despite of its recognised and perceived advantages.

3.2 Catering Alternatives Typical of Working Days

Price sensitivity was proved by the examination of the frequency of catering alternatives typical of working days: the majority, however, still opt for the cheapest solution by taking food from home on working days. Although consuming hot meals appeared as a strong desire on working days and the necessary infrastructure was at the disposal of 81.9% of the respondents, still we cannot state that the majority would frequently use it.

However, the rank based on the frequency of use of alternatives and services substituting cooking do not only reflect the price sensitivity of users. The most favoured type of channel was canteen, one of the cheapest solutions regarding price-value ratio, followed by buffet, restaurant in the neighbourhood, fast food in the neighbourhood and home delivery. The restaurant in the neighbourhood of the workplace ranked as the third most preferred alternative overtaking home delivery which is obviously more time consuming and cheaper based on the average prices. This quantifies the previous results of the focus group examinations according to which the employees frequent the restaurants off the workplaces in most cases to be out of work at least during the lunch break thus spending the time in a different environment outside their places of work (Qualitative phase, 2008.)

Based on the frequency of the use of catering alternatives canteen and buffet are the first in the rank that also were the most favoured alternatives in the previous

research (Pest, 2003; Heves 2005). The advantage of the canteen is the possibility of having hot meals quickly on the premises. The choice of the buffet is to serve the meals-between that have a more and more prominent role even on working days.

3.3 The Assessment of Factors Determining Catering Alternatives Typical of Working Days

When opting for the concrete form of institutional catering the most important utility factors are the elements of intrinsic and extrinsic quality („taste of food”, „ambient surroundings”, „versatile menu”) together with the suitable price-value ratio and time („within easy reach”, „fast service”).

Table 1
Factors playing a role in choosing the way of eating on workdays
Source: own research, 2008. N=1000 persons

<i>actors</i>	<i>average</i>	
the most important factors average >=4		
parts of extrinsic quality	taste of food	4.60
	ambient surroundings, atmosphere	4.20
parts of intrinsic quality	versatile menu	4.18
price-value proportion	value for money	4.32
parts of the time dimension	accessibility, within easy reach	4.12
	fast service	4.10
more important factors average >=3		
parts of the price dimension	low price	3.80
	employer should cover part of the costs	3.43
	lunch vouchers can be used for payment	3.13
parts of intrinsic quality	substantial meals	3.95
	traditional flavours	3.55
parts of extrinsic quality	sight of the cover	3.69
perceived quality	quality assurance system of the caterer must be provided	3.46
promotion, publicity	information and promotion material about the caterer	3.07
less important factors average <3		
convenience	home delivery	2.95
health consciousness	dietary menu	2.72
	organic food	2.33
special flavours	exotic meals	2.41

The fact that the service provider should be aware of the system of quality assurance was assessed among the most important utility factors by the

respondents. The legally acknowledged quality provided by the caterer means a kind of guarantee for the consumers losing trust. Besides, the consumers also require information about it together with other service requirements. Based on the results, the guests are in need of information of the appropriate depth and intensity from the provider. The caterers should also realise that the elements of communication policy must be considered in building trust and keeping the customers. Ensuring contribution to catering costs as well as cashing lunch vouchers were also ranked as the most important factors, i.e. the possibility of sharing costs and covering the partial expenses of institutional catering arising from the side of the consumer. This result also proves that there are real needs behind the strive of the employers to cover the extra costs of hot meals or to provide lunch vouchers. Despite of this, we cannot state that this form of assistance could be general practice nationwide as 51% of the respondents reported that their places of work did not contribute to the costs of institutional catering and they were not given lunch at a preferential cost. Those who are given some, the extent is typically slight covering only 33.36% of the monthly costs of institutional meals. In spite of the fact that the possible payment by lunch vouchers was mentioned as one of the most important factors in choosing the modes /circumstances of eating, the use of lunch vouchers was not typical of the sample for working lunch: less than 30% of the respondents pays by lunch vouchers for working lunch and this form of contribution only covers 31.97% of the total costs. In assessing the factors determining the way of institutional catering ensuring delivery of food was given a strikingly low mean value of importance that corresponds to the result according to which only a few people and very rarely make use of the possibility of home delivery on working days. To sum it up, we can state that the factors in connection with both the intrinsic and extrinsic quality of food and the elements associated with price and time are dominant in choosing catering alternatives typical of working days. During the research it was our objective whether there was a correlation between points of food consumption and factors playing a role when choosing a mode of institutional catering. That is why the ranking values of food consumption and those typical of choosing the way of institutional catering on a working day were compared.

3.4 The Connection between Points of Food Consumption and Institutional Catering

Based on the mean points of the single utility factors considered by the respondents the intrinsic and extrinsic quality of food as well as the appropriate price-value ratio are the most important ones when choosing food. The most important criteria are freshness, taste, fragrance followed by the statement of value for money as part of the price-value ratio.

The ranking values testify a conscious quality-oriented view, such a consumer behaviour whose main principle is to provide suitable quality for the right price.

An interesting result within quality was that the extrinsic features of the product (freshness, fragrance, taste) were regarded more important than the intrinsic ones (mineral and vitamin content). The role of low calorie as an intrinsic value was obviously pushed into the background when compared to the other utility factors.

Table 2
Factors of choosing food

Source: own research, 2008. N=1000 persons

factors		average
the most important factors average >=4		
extrinsic quality	freshness	4.7
	taste, fragrance	4.63
price-value	value for money	4.26
intrinsic quality	versatility	4.08
more important factors average >=3		
health consciousness	free from artificial agents	3.88
intrinsic quality	vitamin- mineral content	3.86
extrinsic quality	nice design and appearance	3.85
convenience-practicality	suitable portions	3.73
health consciousness	nutritional value	3.44
convenience-practicality	quick to be prepared	3.41
	long life	3.37
	practical packaging	3.29
price	cheap	3.29
less important factors average <3		
origin	place of origin	2.91
health consciousness	low calorie content	2.9
brand	brand name	2.92

Generally we can state that the quality features of the product are definitely given priority over that of time. The role of time as a utility factor was examined based on the list in such sense how it can ease and make food preparation at home faster. The practical features of food preparation and catering (easy to prepare, practical packaging, suitable portion, long life) were ranked among the most important factors based on their mean values thus overtaking the role of price: the criterion of cheapness, geographical origin or the perceived utility of brand name.

In the case of factors determining the mode of institutional catering, parts of extrinsic and intrinsic quality („taste of food”, „ambient surroundings”, „versatile menu”) and the appropriate price-value ratio were the most important ones but in this case parts of the time dimension („accessibility, within easy reach”, „fast service”) were also favoured.

Conclusions

To sum it up, we can state that the factors in connection with the intrinsic and extrinsic quality of food and the elements associated with price are dominant in choosing both food and catering alternatives typical of working days. Only the assessment of the role of time shows a slight difference: it has a more dominant role in choosing the mode of catering than that of food. When summarising the results it can be concluded that in the evaluation of the concrete type of institutional catering the food preference of the individual has a decisive role.

That is why we assume that the thorough analysis of the food preferences of the clients could carry useful pieces of information for the caterers. The unique requirements dependent on food consumer behaviour could make the creation of target group-oriented and thus better positioned portfolio of services possible.

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