

# Recognizing the Factors Leading to a Transition in Cuisine Habits of Indians in Context of Indian College-Going Students

Ashay Raj

**Abstract**—Indians love bargaining for products and services. Their motive for bargaining goes way beyond just the value of money and becomes more about making a relationship with the seller so that they get better deals in the long run. But in the present era of globalization when every country is embracing the cultures and ideas of other countries, their way of life is undergoing a transition where developing countries like India are adopting western cultures. This cross-culture coalition has also brought a change in their way of bargaining. As a result, the advent of online food delivery system has brought a drastic change in the cuisine habits of young Indians, especially the ones living in metropolitan cities like Delhi and Mumbai. Their food preferences and the methods of placing orders has taken a modern approach to become par with the western culture. Hence the objective of the paper is to identify the elements due to which this paradigm change has taken place. Taking into consideration the college going students which is one of the largest demographic groups in India, the motivation for this change has been thoroughly emphasized in the present study. The study concludes that due to the stated factors, the cuisine habits of Indians has undergone a massive shift and the Indian market being so huge, this change has opened new grounds for marketers to work upon to gain competitive advantage.

**Index Terms**—Bargaining, college students, globalization, online food delivery.

## I. INTRODUCTION

Food service is a large omnipresent industry, having its reach in almost every household in some way or another. With evolving and expanding societies, it has rapidly grown over the years. Since the onset of the Gen-Y population cohort, proportion of women in the industry has seen a sharp increase which has resulted in people spending less time to plan and cook a meal. Hence eating out regularly becomes a necessity for many. The food service providers need to make full use of the situation to generate mutual profits.

A major part of food service users involves the present university students. They have turned into a very important segment for all kinds of foodservice providers [1]. Being sophisticated and experienced in eating-out, their opinions stand on receiving quality products and services, even when it means paying some extra bucks for that [2], [3].

Currently, there are around 207 million college-going students, which the number is expected to double, with India having the largest student population [4] by 2025. Campuses are becoming progressive and hence foodservice

providers find themselves competing with local campus eateries [5]. They have realised the need to understand the customers' behaviour to successfully implement themselves. College students lying in the age group of 18-22 have unique lifestyles different from people of other age groups. They are choosy and but tend to spend less observing their food service preferences due to their busy schedules. They have their evening meal anytime between 8PM and 2AM whenever they get free [6] and always remain in lookout for better and more dependable on-the-go food which can offer satisfaction as well as value [7]. Their average lifetime-value is brief with 3 to 4 years for an undergraduate student and 1 to 2 years for a postgraduate student. This creates problems for the foodservice providers because this young crowd remains exploitable for very short time and their perception keeps changing with changing traditions. Further, the number of dining options open to the students has created the need to develop innovative marketing schemes and also to create better products and services [8]. Their success lies in their ability to meet with the demands of the youngsters by providing a popular dining experience which exceeds or at least meets their expectations, both in tangible and intangible form [9], [10]. But what exactly do the students want? According to Hume et al. [6], this section of today's students want speed, quality, convenience and a wide range of choices in the menu to get a personal touch of experience [4]. With tuition and other costs going up every year, this cohort expects better in terms of the required products as well as the services offered to them [11]. If one service fails to meet their demands, they hardly waste time to switch to a better and more viable option. Hence the students' interests needs be monitored regularly to improve the services and hence retain this big part of market.

## II. THE BARGAIN-PRONE CUSTOMER

Consumer bargaining is defined as a tangled behaviour of exchange for a product or service between a buyer and a seller to reach a mutually agreeable price. If an agreement is not reached, either party may walk away abruptly ending or delaying the process. For a better deal this has been a long going on process in the world. Customers bargain for different reasons from getting a better value for the price or developing a healthier relationship with the seller. Given its benefits, one expects it to be prevalent across all nations. But the nature of bargaining is different across the cultures. Hall [12] made a broad distinction according to the difference in cultures. He divided the cultures into high-context and low-context cultures based on the importance of

Manuscript received March 5, 2019; revised May 2, 2019.

Ashay Raj is with Delhi Technological University, Bawana Rd, Shahbad Daulatpur Village, Rohini, Delhi, India (e-mail: ashayraj\_bt2k16@dtu.ac.in).

social interaction prevalent across the culture. Consumers from high context cultures tend to place a greater deal of importance on the social context of transactions [13]. On the other hand, the interactions taking place in low context structures are more emphasised on promptness, saving time and being on schedule with the job at hand [12]. For example, in US, customers are not expected to bargain over common household goods as they are termed as fixed priced goods [14]. They mostly haggle over the price of expensive products like automobiles, real estate or special services provided by the companies [15]-[17]. But in contrast with other parts of the world, consumer bargaining in US is direct, gentle and economic in nature. Their bargaining is more like a peaceful negotiation over the price and may seem quite lifeless. Whereas, customers in east world countries like China, Malaysia and India are a lot more vigorous while negotiating over the price. Surveys suggest that Indians love to bargain and their obsession with price goes beyond getting the value of money. More than the monetary transaction, they have other reasons to bargain. They bargain to get a perception of price disparities among the sellers, to develop a personal relation with the seller, to derive satisfaction from the perception of being favoured and also to draw additional benefits from the seller in the future [16]-[21]. In fact, sometimes the customers pay a higher price to earn some special features which are relevant to them [22]. Hence the underlying motive for consumer bargaining is to seek better deals in the long run [23]. Tactics like engaging a polite dialogue or showing disinterest towards the product help them in order to strike a bargain deal at the typical ground level of eastern countries [24]. In the recent times due to rapid globalization of world economy, changes in government policies and the proliferation of media, the mindset of Indian youth has slowly acquired a western approach [22], [25]. Immigrations all over the world have lead to exchange of ideas which has resulted in a cross-culture transition of Indian mindset. This process where individuals from one culture socialize with individuals of different cultures resulting in a blending of ideas and traditions is called acculturation [26]-[28]. Due to high acculturations, the differences shown in the behaviours exhibited by groups tend to diminish [13], [29]. As immigrants blend into the host nation, they increasingly align their behaviours with the society of the host culture. Hence as the Indians acculturate into the US culture, their attitude towards bargaining becomes less rigid and their attitude slowly becomes less effective in bargaining [30]. Even though they still want to earn better value for their money, a feeling of embarrassment seeps into these modern minds while bargaining about petty deals. In contrast with the typical Indian behaviour, they feel abashed on publicly fighting with dealers for acquiring small profits and extended offers. Hence unwillingly they end up paying a higher price for the product.

### III. M-WALLETS AND E-COMMERCE

The birth of Internet has eliminated any such “embarrassment” resulting from haggling in public [13].

The advancement in technology has brought smartphones to every common man and with access to cheap internet, there has been a 40-fold increase in the use of mobile transactions from 2013 to 2018 [31]. This increase has been most significant in metropolitan cities like Delhi, Mumbai and Bangalore. The younger generations are more tech savvy and consider online transactions safer and time-saving [32]. Hence it immensely used to carry out transactions quickly [33]. The Indian Government has active to promote partnerships among IT companies and banks to increase the rate with which M-Wallets are adopted by the public. For example, Tata Teleservice entered into contract with ICICI bank back in 2009 to offer mobile payment services, Bharti Airtel and Western Union Bank collaborated to provide mobile money service from 2007 [34]. Hence the sphere of IT and cashless transactions is rapidly spreading far and wide and the youth now prefer the online way to carry out any payments [32]. Apart from normal banking transactions, Indians are now shifting towards digitally carrying out retail and educational processes. But typical to their nature, they still dig for better ways to draw additional profits over the deal. Hence keeping the Indian way of bargaining in mind, online retail stores have evolved their channel in certain ways to suit the local taste.

The Indian e-commerce industry grew at an exceptional rate of 88 percent in 2013 [35] and from \$8.8 billion in 2016 [36], it is posed to touch \$76 billion by 2021. More and more MNCs are coming to India to join this recent spurt of online retail market and are becoming alternate source of consumer product over time [37]-[40]. Apart from the lower prices, they provide their customers with other incentives like loyalty programmes, one-day deliveries, special services, discount coupon etc to satisfy both their urge to bargain over price and to get special treatment [41], [42]. Hence the crowd responds positively to these offers and are slowly becoming the entrepreneurs of consumption [43]. As a result, online retail stores like Amazon and Flipkart have gathered immense success in the Indian market.

### IV. ONLINE FOOD DELIVERY SYSTEM

One area where, until a few years ago, Indians hadn't been successful in drawing bargaining benefits was readymade food. Whether it was going for a dine-in option or ordering food through telephone, customers had to pay the exact amount as in the menu. There was no scope of bargaining for extra discounts or obtaining special offers. Moreover with the liberalization of economy when the employment increased exponentially, a large section of Indian youth found themselves busy in their jobs. Hence with a tighter work schedule, they were not willing to travel distances to explore cheaper cuisine options [23]. Also, ordering food by telephone was not feasible as there were a very few restaurants who offered home delivery and that too, the services were quite poor. Hence the youth were left with no viable option to get an efficient source of readymade food with negotiable prices. The advent of Internet among the masses also found a potential solution to provide readymade food delivery to the customers. On similar grounds to online retail stores, online food delivery services like Swiggy, Zomato and Foodpanda have used the

cyberspace to get hold of Indian market. They provide the customers with a pool of restaurants along with the menus to choose their favourite dishes. These online services provide food freshly prepared from the selected restaurants and deliver it free of cost without any minimum order bar. They cater the customers with seemingly unbelievable coupon offers for trial purchase like desserts for Rs.9, snacks for Rs.19 and first-five-orders-free which turns out to be very effective in bringing new customers in the market [44], [45]. Premium offers like Buy-One-Get-One free and substantial discounts remain the strongest tool for regular sales promotions [39]. Some customers opt for the long term loyalty programmes laid by these services to draw long term benefits from the offers. Furthermore, customers are provided with options to cancel or alter the order anytime. If the customers do not like the quality of food or the service, they can lodge a complaint and get full reimbursement for the loss incurred. The delivery personnel remain equipped with GPS so can be live-tracked anytime by the customer. All this is done through a mobile app and hence no human interaction is required in the entire process.

#### V. FOOD PREFERENCE OF COLLEGE STUDENTS

The current university students are ultra modern and their food preference has seen a drastic change by the growth of the online food delivery interface. Their expectations have grown over the time due to the changing landscape, increasing literacy rate, and development of culinary culture [46]. They are regarded as the generation with continuous updates and high social awareness. Global competition has made them spend more and more time on the digital interface and hence they tend to minimize the time spent on their meals. So to occasionally please their taste buds, it becomes cumbersome to them to physically go to an eatery, wait for the food to be prepared and eat it there. They prefer the online food delivery option where they only spend a minute or a half to order their favourite dish and continue with their work as the food is prepared and delivered to them without distracting them [23]. Also since these students usually work late nights, their demand for quality food after midnight is catered only by the mobile apps [47]. Further, these students usually do not have a source of income. Hence they find the online delivery system more pocket-friendly in the long run.

#### VI. CONCLUSION

Consumer bargaining is alive and is flourishing across the world. Due to the expansion of Internet, it has switched modes from face-to-face to online bargaining. Now because of increasing global competition and shifting economies from manufacturing to service sector, there has been a phenomenal increase in the products categories to be explored online. This transition seems to be expanding and is likely to continue for decades as more and more customers become the entrepreneurs of consumption.

Like a good entrepreneur, they are value seeking and are likely to bargain to get better deals. Sellers cannot afford to

ignore consumer bargaining as modern consumers compare the stated value of the product with their perceived value to motivate themselves for bargaining for a better deal. Marketing scholars are behind these changing market trends as hardly any research has been done on that. But it is high time now that consumer bargaining must be considered as a positive market force and its prevalence must be recognized while designing marketing strategies. By analysing the extant literature, this work has reflected the change in consumer bargaining of Indian consumers due to globalization. The second contribution of this work is to portray how the cuisine behaviour of youth, mainly the college going students, has changed due to the advent of internet and due to the creation of online food delivery system. But also on the broader sense, it provides a consumer's point of view regarding the phenomenon and hence can be used to generate long term competitive advantage by the firms.

#### REFERENCES

- [1] T. Shanka and R. Taylor, "Assessment of university campus café service: The students' perceptions," *Asia Pacific Journal of Tourism Research*, vol. 10, no. 3, pp. 329-340, 2005.
- [2] E. K. Choi, A. Wilson, and D. Fowler, "Exploring customer experiential components and the conceptual framework of customer experience, customer satisfaction, and actual behavior," *Journal of Foodservice Business Research*, vol. 16, no. 1, pp. 347-358, 2013.
- [3] Schuster, K. (2008). Get more from your store. Food Management. [Online]. Available: [http://food-management.com/business\\_feature/1009\\_get\\_more/index1.html](http://food-management.com/business_feature/1009_get_more/index1.html)
- [4] C. Binge, H. Xufen, L. Guoying, W. Chunyue, and Y. Tingting, "Impacts of campus foodservice on students' life: An anthropological case study of Shantou University," *International Journal of China Marketing*, vol. 2, no. 2, pp.123-143, 2012.
- [5] S. Shoemaker, "The future of pricing in services," *Journal of Revenue and Pricing Management*, vol. 2, no. 3, pp. 271-279, 2003.
- [6] S. Hume, A. Perlik, M. Sheridan, and L. Yee, "College students dine late, care about nutrition, quality," *Restaurant and Institution*, vol. 112, no. 21, p. 2, 2002.
- [7] A. Friedland, "Food on the run," *Food Management*, vol. 40, no. 3, pp. 46-50, 2005.
- [8] D. H. Sutherlin and K. A. Badinelli, "The future of college and university foodservice: An environmental perspective," *Journal of College and University Foodservice*, vol. 1, no. 1, pp. 53-61, 1992.
- [9] E. K. Choi, A. Wilson, and D. Fowler, "Exploring customer experiential components and the conceptual framework of customer experience, customer satisfaction, and actual behavior," *Journal of Foodservice Business Research*, vol. 16, no. 4, 2013.
- [10] A. Parasuraman, V. A. Zeithaml, and L. L. Berry, "Servqual: A multiple-item scale for measuring consumer perc.," *Journal of Retailing*, vol. 64, no. 1, p. 12, 1998.
- [11] S. S. Andaleeb and A. Caskey, "Satisfaction with food services," *Journal of Foodservice Business Research*, vol. 10, no. 2, pp. 51-65, 2007.
- [12] E. T. Hall and M. R. Hall, "Hidden differences: Doing business with the Japanese," Garden City, NY: Anchor Press/Doubleday, 1987.
- [13] L. A. Manrai and A. K. Manrai, "Effects of cultural-context, gender, and acculturation on perceptions of work versus social/leisure time usage," *Journal of Business Research*, vol. 32, no. 2, pp. 115-128, 1995.
- [14] C. Terwiesch, S. Savin, and I. H. Hann, "Online haggling at a name-your-own-price retailer: Theory and application," *Management Science*, vol. 51, no. 3, pp.339-351, 2005.
- [15] K. R. Evans and R. F. Beltramini, "Atheoretical model of consumer negotiated pricing: An orientation perspective," *The Journal of Marketing*, pp. 58-73, 1987.
- [16] S. M. Nowlis and I. Simonson, "Sales promotions and the choice context as competing influences on consumer decision making," *Journal of Consumer Psychology*, vol. 9, no. 1, pp. 1-16, 2020.
- [17] B. M. Eisenhauer, "Haggle over car price? Yes, please," *American Demographics*, vol. 17, 1995.

- [18] P. H. Bloch, D. L. Sherrell, and N. M. Ridgway, "Consumer search: An extended framework," *Journal of Consumer Research*, vol. 13, no. 1, pp. 119-126, 1986.
- [19] G. N. Punj and R. Staelin, "A model of consumer information search behavior for new automobiles," *Journal of Consumer Research*, vol. 9, no. 4, pp. 366-380, 1983.
- [20] W. W. Kassar, "The role of haggling in marketing: An examination of buyer behavior," *Journal of Consumer Marketing*, vol. 7, no. 4, pp. 53-62, 1990.
- [21] H. E. Kramer and P. A. Herbig, "The Suq model of haggling: Who, what, when and why?" *Journal of International Consumer Marketing*, vol. 5, no. 2, pp. 55-68, 1993.
- [22] C. K. Prahalad and K. Lieberthal, "The end of corporate imperialism," *Harvard Business Review*, vol. 76, pp. 68-79, 1998.
- [23] V. M. Sharma and K. S. Krishnan, "Recognizing the importance of consumer bargaining: Strategic marketing implications," *Journal of Marketing Theory and Practice*, vol. 9, no. 1, pp.24-37, 2011.
- [24] J. Dawra K. Katyal, and V. Gupta, "Can you do something about the price?": Exploring the Indian deal and bargaining-prone customer," *Journal of Consumer Marketing*, vol. 32, pp. 356-366, 2015.
- [25] Msn.Com. (2018). [Online]. Available: <https://www.msn.com/en-us/money/markets/gen-z-is-set-to-outnumber-millennials-within-a-year/ar-BBMa8Iw>
- [26] M. K. Hui, A. Joy, C. Kim, and M. Laroche, "Acculturation as a determinant of consumer behavior: Conceptual and methodological issues," in *Proc. the AMA Winter Educators' Conference*, vol. 3, pp. 466-73, 1992.
- [27] J. W. Berry, "Psychology of acculturation," in *Proc. the Nebraska Symposium on Motivation*, pp. 201-234, 1990.
- [28] J. W. Berry, "Immigration, acculturation and adaptation," *Applied Psychology: An International Review*, vol. 46, pp. 5-34, 1997.
- [29] J. L. Tsai, Y. W. Ying, and P. A. Lee, "The meaning of "being Chinese" and "being American" variation among Chinese American young adults," *Journal of Cross-Cultural Psychology*, vol. 31, no. 3, pp. 302-33, 2000.
- [30] P. U. Nyer and M. Gopinath, "Bargaining behavior and acculturation: Across-cultural investigation," *Journal of International Consumer Marketing*, vol. 14, no. 2-3, pp.101-122, 2002.
- [31] Financial express. [Online]. Available: (<https://www.financialexpress.com/industry/sme/mobile-wallet-transactions-in-india-swell-40-times-in-just-5-years-beat-cash-on-delivery-in-e-commerce/1075781/>)
- [32] S. Singh, "Customer perception of mobile banking: An empirical study in national capital region delhi," *The Journal of Internet Banking and Commerce*, vol. 19, no. 3, pp.1-22, 1970.
- [33] A. Kumar and S. P. Seri, "Banking on the mobile wallet – achieve significant benefits through proactive involvement in mobile wallets," *Infosys White Paper*, 2014.
- [34] K.P rice and P. Pilorge, *Mobile Money an Overview for Global Telecommunications Operators. Ernst and Young*, 2009.
- [35] The economic times. [Online]. Available: <https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/indias-online-food-aggregators-are-taking-lessons-from-china/articleshow/63740650.cms>
- [36] A. Thamizhvanan and M. J. Xavier, "Determinants of customers' online purchase intention: An empirical study in India," *Journal of Indian Business Research*, vol. 5, no. 1, pp.17-32, 2013.
- [37] B. B. Jackson and B. Bund, "Winning and keeping industrial customers: The dynamics of customer relationships," *Free Press*, 1985.
- [38] R. S. Achrol, "Evolution of the marketing organization: New forms for turbulent environments," *The Journal of Marketing*, pp.77-93, 1991.
- [39] M. Mittal and P. Sethi, "The effectiveness of sales promotion tools among Indian consumers: An empirical study," *Journal of Promotion Management*, vol. 17, no. 2, pp. 165-182, 2011.
- [40] N. Singh, S. Srivastava, and N. Sinha, "Consumer preference and satisfaction of m-wallets: A study on North Indian consumers," *International Journal of Bank Marketing*, vol. 35, no. 6, pp. 944-965, 2017.
- [41] D. Grewal, M. Levy, and V. Kumar, "Customer experience management in retailing: An organizing framework," *Journal of Retailing*, vol. 85, no. 1, pp.1-14, 2009.
- [42] E. Gummesson, "The new marketing — Developing long-term interactive relationships," *Long Range Planning*, vol. 20, no. 4, pp. 10-20, 1985.
- [43] A. Cook, "How to cash in on coupon craze," *Incentive Business*, June-July, 2003.
- [44] W. A. Robinson and L. L. Carmack, "Best sales promotions," *NTC Business*, 1992.
- [45] A. Zopiatis and J. Pribic, "College students' dining expectations in Cyprus," *British Food Journal*, vol. 109, no. 10, pp.765-776, 2007.
- [46] Forbes.com. (2018). [Online]. Available: <https://www.forbes.com/sites/bryanpearson/2018/04/17/grocers-beware-food-delivery-closing-the-gap-between-campus-and-commerce/#2be0dd8dce28>



**Ashay Raj** completed his high school from Delhi Public School Kolkata and is currently pursuing the bachelor of technology from Delhi Technological University, New Delhi in mechanical and automobile engineering. His research interest involves marketing topics like consumer psychology and buying behavior. He is the author of marketing papers published at marketing conferences and has taken part in various business case study competitions.