

AN ANALYSIS OF CONSUMER BEHAVIOR AND PREFERENCES IN THE RESTAURANT INDUSTRY: A CASE STUDY OF MYSORE CITY

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ABSTRACT

The restaurant industry has become a vital component in the modern service sector, offering more than just food and beverages, but also social contact, recreation, convenience and higher quality eating experiences. The performance and competitiveness of restaurants is heavily influenced by consumer behaviour, since consumers take into account a variety of aspects while picking a restaurant. These include meal quality, price, service quality, ambiance, cleanliness, location, accessibility, variety of menu and changing tastes and preferences of consumer. The present study analyzes consumer behaviour and preferences towards the restaurants in Mysore City and main elements affecting the choosing of restaurants and customer's satisfaction. The study also aims to examine the relation between customer happiness and overall performance of restaurants.

Primary data was collected from 130 respondents using structured questionnaire with a proportionate random sampling. Secondary data were collected from books, research publications, reports and related web sites. The results reveal that meal quality, affordability, service quality, cleanliness, ambiance, menu diversity and accessibility are critical factors of consumers' restaurant choice and dining experience. The study indicates the increasing need to understand shifting consumer preferences and expectations to improve service quality and customer happiness. The findings give important knowledge to the restaurant owners and managers for formulating customer-oriented strategies, boosting service delivery, strengthening customer loyalty and improving competitiveness in the restaurant business in Mysore City.

Keywords: Consumer Behaviour, Consumer Preferences, Restaurant Industry, Customer Satisfaction, Food Quality, Service Quality, Restaurant Choice, Dining Experience, Restaurant Management, Mysore City.

1.1. INTRODUCTION

Restaurant establishments have become a big part of the modern service sector, due to changing lifestyles, increased disposable incomes, urbanization, tourism and changing dietary tastes. Today, restaurants give more than food and drinks. They provide convenience, social connection, recreation and unforgettable dining

experiences. Consumers consider numerous aspects in choosing a place to eat and consumer behavior is an important element of the success and competition of restaurants. Among the most important elements influencing the consumer's choice and satisfaction are food quality, pricing, service quality, cleanliness, ambiance, location, accessibility, menu diversity, reputation and changing tastes and preferences. The increased adoption of digital platforms, online reviews, social media and food-delivery applications has further altered the ways in which consumers look for, assess and choose restaurants.

Mysore City has grown considerably and diversified in its restaurant sector, being a significant tourism, educational, cultural and commercial center. The availability of a wide range of cuisines and dining venues has increased the competitiveness among restaurants offering consumers with greater choices. Therefore, it is important to understand customers' preferences and elements affecting restaurant choices to improve client satisfaction and business performance. The present study consequently explores the key characteristics that influence consumers' choice of restaurants and their degree of satisfaction, with specific focus on meal quality, price, service quality, ambiance, cleanliness, location, accessibility and menu diversity. The study also aims to provide important information for restaurant owners and managers to understand the changing consumer expectations, improve the service quality, increase customer happiness and boost their position in a competitive market.

1.2. REVIEW OF LITERATURE AND RESEARCH GAP

Jeganathan G. S. and Srinivasulu Y. (2014) observed that restaurants are gradually moving beyond the traditional profit-oriented approach towards the triple bottom line framework, which gives importance to economic, social, and environmental sustainability. Hospitality organisations are increasingly contributing to society through initiatives such as women empowerment, children's education, digital infrastructure development, and support for disadvantaged communities. The authors also highlighted the growing adoption of green hotels, environmentally friendly equipment, and renewable energy as important measures towards sustainable development in the hospitality sector.

Gopi and Samat (2020) emphasised that continuous research on customer behaviour is essential in the hospitality industry because consumer needs, expectations, and preferences change over time. Since customers are dynamic and their satisfaction levels can vary according to changing circumstances, hospitality businesses need to regularly understand and evaluate customer expectations. Such continuous assessment helps organisations improve their services, respond to changing consumer needs, and enhance overall customer satisfaction.

Frost & Sullivan (2022) highlighted that consumer expectations in the restaurant industry have undergone significant changes, particularly with regard to hygiene, safety, and convenience. The COVID-19 pandemic increased consumers' awareness of cleanliness and health standards, making these factors an essential part of the overall dining experience. The study also indicated that dining out has increasingly shifted from being

an occasional activity to a more regular consumption habit, largely influenced by changing lifestyles and the demand for convenience.

1.2.1. RESEARCH GAP

Although several studies have examined consumer behaviour and customer satisfaction in the restaurant and hospitality industry, there is still a need for localised and contemporary research focusing on restaurant consumers in Mysore City. Existing studies have largely concentrated on general restaurant preferences, service quality, sustainability and customer satisfaction, while comparatively less attention has been given to the combined influence of food quality, price, service quality, ambience, cleanliness, location, accessibility and menu variety on consumers' restaurant choices in the Mysore context. Further, changing consumer behaviour due to digital platforms, online reviews, food-delivery services, and evolving lifestyles requires continuous investigation. Therefore, the present study attempts to address this gap by examining the preferences, restaurant selection behaviour, and satisfaction levels of consumers in Mysore City based on primary data collected from 130 respondents.

1.3. OBJECTIVES OF THE STUDY

Following are the major objectives of the study

1. To examine the major factors influencing consumers' preferences and restaurant selection in Mysore City.
2. To analyse the level of customer satisfaction and its relationship with the overall dining experience in restaurants.

1.4. HYPOTHESES OF THE STUDY

➤ **H₀:** There is no significant relationship between food quality and the satisfaction level of consumers.

H₁: There is a significant relationship between food quality and the satisfaction level of consumers.

1.5. METHODOLOGY OF THE STUDY

The present study is based on both primary and secondary data. Primary data were collected from 130 consumers in Mysore City through a structured questionnaire. The respondents were selected using the proportionate random sampling method to obtain representation from different consumer groups. The questionnaire focused on consumers' restaurant preferences, factors influencing restaurant selection, dining experiences, and levels of customer satisfaction. Secondary data were collected from books, journals, research articles, reports, and relevant websites. The collected data were systematically classified, tabulated, and analysed using suitable descriptive statistical techniques to identify the major factors influencing consumer behaviour and preferences in the restaurant industry.

1.6. CONSUMER BEHAVIOUR IN THE RESTAURANT INDUSTRY IN INDIA

In the restaurant industry, consumer behaviour is the process from which customers identify their dining needs, review choices, select restaurants, consume food and services, and evaluate their total dining experience. Apart from the quality and taste of food, restaurant consumption is also affected by pricing, quality of service, cleanliness, ambiance, location and convenience, variety of menu and reputation of the dining centre. Changing lifestyles, higher earnings, urbanization, tourism and exposure to a wider range of cuisines have all contributed to changing consumers' dining habits and tastes.

The rapid expansion of dining and drinking establishments across India reflects the growing importance of the food-service sector. According to data aggregated on 20 March 2025, India had more than 2.65 million dining and drinking locations across 54 regions and 684 districts. Maharashtra recorded the highest number of such establishments, with approximately 373,099 locations, while Bengaluru accounted for approximately 76,541 locations. The large number and wide geographical spread of dining establishments indicate the increasing availability of food-service choices and the growing competitiveness of the sector.

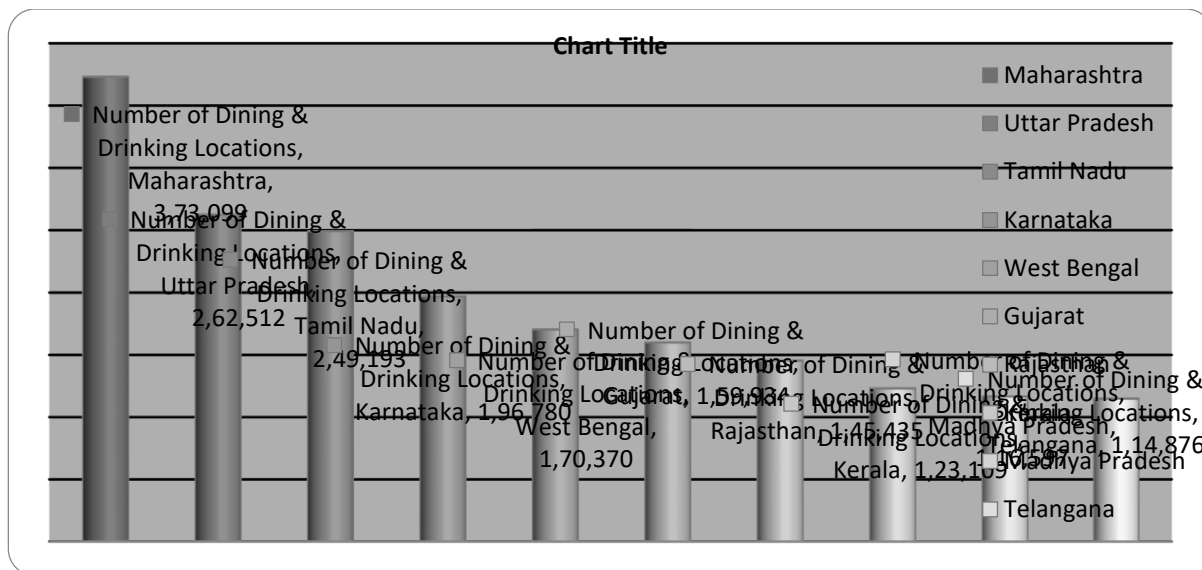
TABLE NO- 1.4.1 DISTRIBUTION OF DINING AND DRINKING LOCATIONS BY STATE IN INDIA

Sl. No.	State	Number of Dining & Drinking Locations
1	Maharashtra	373,099
2	Uttar Pradesh	262,512
3	Tamil Nadu	249,193
4	Karnataka	196,780
5	West Bengal	170,370
6	Gujarat	159,934
7	Rajasthan	145,435
8	Kerala	123,109
9	Madhya Pradesh	116,597
10	Telangana	114,876

Source: xMap, *Dining & Drinking Locations in India*, Aggregation Date: 20 March 2025

DIAGRAM NO -1.4.1 DISTRIBUTION OF DINING AND DRINKING LOCATIONS BY

STATE IN INDIA



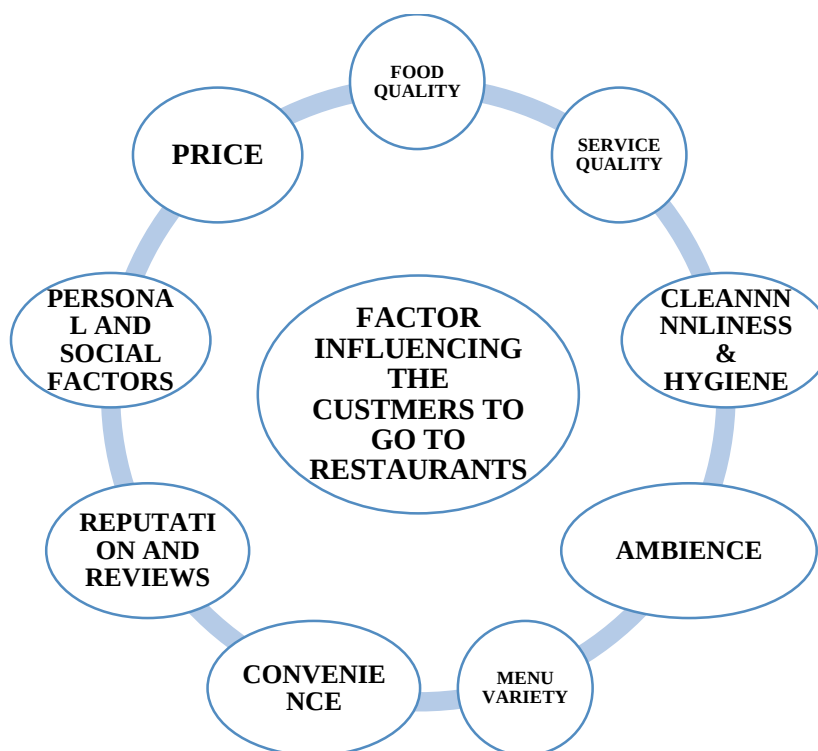
The table shows that Maharashtra has the highest number of dining and drinking locations (373,099), followed by Uttar Pradesh (262,512) and Tamil Nadu (249,193). Karnataka occupies the fourth position with 196,780 locations, indicating the substantial growth and importance of the food-service sector in the state.

1.5. FACTOR INFLUENCING THE SELECTION PROCESS OF RESTAURENTS

Consumer behaviour in the restaurant sector is the process customers use to decide where to dine. It starts when someone wants to eat out of the home. Then they search for restaurants that meet their needs. They look at possibilities and consider things, such the food, the price, how excellent the service is, the vibe, where the restaurant is and how simple it is to get to.

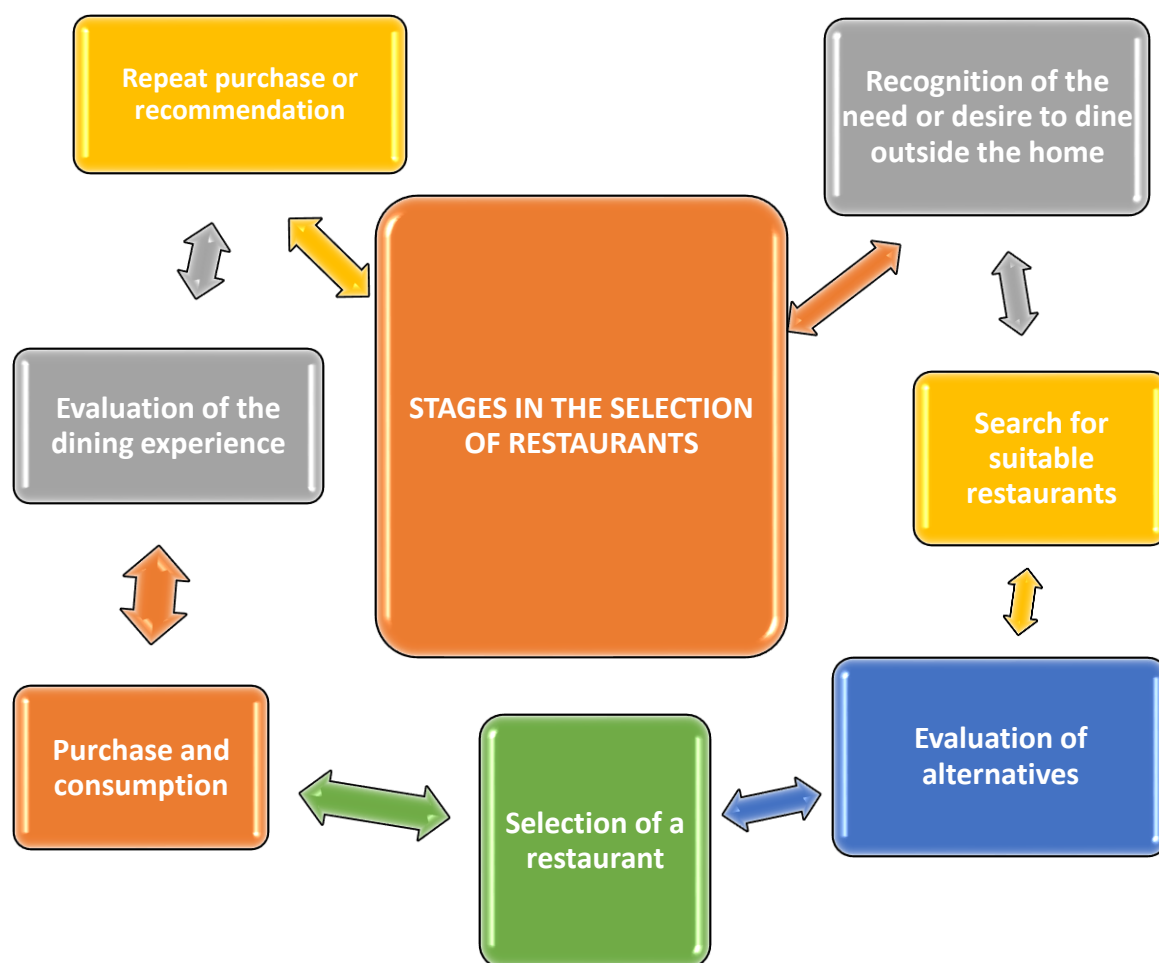
FIGURE NO -1.5.1. FACTORS AFFECTING CONSUMERS' CHOICE

ABOUT RESTAURANTS



Consumer behaviour towards restaurants is influenced by a combination of economic, social, personal, and service-related factors. Food quality is one of the primary considerations, as consumers generally expect food to be fresh, tasty, hygienic, and well presented. Price also plays an important role, with consumers seeking reasonable prices and value for money. Service quality, including promptness, staff behaviour, responsiveness, and professionalism, can strongly influence the overall dining experience. Similarly, ambience and cleanliness contribute to consumers' comfort and perception of the quality of a restaurant.

FIGURE NO- 1.5.2. STAGES IN THE SELECTION OF RESTAURANTS BY CUSTOMERS



After evaluating the available options, consumers select a restaurant and experience its products and services. Following the dining experience, customers evaluate their level of satisfaction. A positive experience may encourage customers to revisit the restaurant, recommend it to others and develop loyalty towards the restaurant. Thus, understanding the complete consumer decision-making process is important for restaurant businesses to attract customers, improve satisfaction and encourage repeat visits.

1.6. DATA ANALYSIS AND INTERPRETATION

This chapter presents the analysis and interpretation of the primary data collected from 130 respondents in Mysore City. The data were collected through a structured questionnaire to understand consumers' restaurant preferences, behaviour, and satisfaction levels. The responses are systematically classified, tabulated, and analysed using frequencies and percentages. The analysis focuses on the demographic characteristics of respondents, frequency of restaurant visits, factors influencing restaurant selection, food quality, price, service quality, ambience, cleanliness, convenience, online reviews, and overall customer satisfaction. The interpretation of the data helps identify the major factors influencing consumers' decisions and provides an understanding of their preferences and dining experiences.

TABLE NO –1.6.1. DEMOGRAPHIC PROFILE OF THE RESPONDENTS

Sl. No.	Demographic Variable	Category	Frequency	Percentage (%)
1	GENDER	Male	62	47.69
		Female	68	52.31
		Total	130	100
2	AGE	Below 20 years	18	13.85
		21–30 years	42	32.31
		31–40 years	31	23.85
		41–50 years	23	17.69
		Above 50 years	16	12.30
		Total	130	100
3	EDUCATIONAL QUALIFICATION	PUC/12th	17	13.08
		Undergraduate	38	29.23
		Postgraduate	51	39.23
		Other	24	18.46
		Total	130	100
4	OCCUPATION	Government Employee	25	19.23
		Private Employee	42	32.3
		Business/Self-employed	21	16.15
		Homemaker	15	11.54
		Total	130	100
5	MONTHLY INCOME	Below ₹20,000	24	18.46
		₹20,001–₹60,000	36	27.69
		₹60,001–₹100,000	31	23.85
		₹100,001–₹140,000	22	16.92
		Above ₹140,001	17	13.08
		Total	130	100

The table presents the demographic profile of the 130 respondents covered in the study. With regard to gender, female respondents constitute the majority, accounting for 52.31 percent, while male respondents represent 47.69 percent. In terms of age, the largest proportion of respondents belongs to the 21–30 years category, accounting for 32.31 percent, followed by those aged 31–40 years (23.85%). Respondents below 20 years constitute 13.85 percent, while 41–50 years and above 50 years account for 17.69 percent and 12.30 percent, respectively. This indicates that the study has a relatively higher representation of young consumers.

Regarding educational qualification, postgraduate respondents form the largest group (39.23%), followed by undergraduates at 29.23 percent. Respondents with PUC/12th qualification account for 13.08 percent, while 18.46 percent fall under other qualifications. With respect to occupation, private employees constitute the largest group at 32.30 percent, followed by government employees at 19.23 percent, business/self-employed respondents at 16.15 percent, and homemakers at 11.54 percent. The occupational distribution indicates that the respondents come from different employment backgrounds.

In terms of monthly income, the highest proportion of respondents falls in the ₹20,001–₹60,000 income group, accounting for 27.69 percent, followed by the ₹60,001–₹100,000 group at 23.85 percent. Respondents earning below ₹20,000 constitute 18.46 percent, while 16.92 percent earn ₹100,001–₹140,000 and 13.08 percent earn above ₹140,001. Overall, the demographic profile shows that the respondents represent diverse age, educational, occupational, and income groups, providing a suitable basis for analysing consumer behaviour and preferences towards restaurants in Mysore City.

1.6.2. SOURCE OF INFORMATION USED BEFORE SELECTING A RESTAURANT

Source	Frequency	Percentage (%)
Friends/Family	36	27.69
Online Reviews	29	22.31
Social Media	24	18.46
Food-Delivery Apps	21	16.15
Advertisements	12	9.23
Other	8	6.16
Total	130	100

In the above table, the Friends and family remain the most common source of information (27.69%), followed by online reviews (22.31%) and social media (18.46%). This indicates that both personal recommendations and digital information influence restaurant selection.

1.6.3. FREQUENCY OF RESTAURANT VISITS BY RESPONDENTS

Frequency of Visit	Frequency	Percentage (%)
Daily	10	7.69
2–3 times a week	28	21.54
Once a week	35	26.92
2–3 times a month	32	24.62
Occasionally	25	19.23
Total	130	100

The table shows that 26.92 percent of respondents visit restaurants once a week, while 24.62 percent visit 2–3 times a month. This shows that eating outside the home has become a relatively regular activity for many consumers.

1.6.4. CONSUMER PERCEPTION TOWARDS MAJOR FACTORS INFLUENCING RESTAURANT SELECTION

Sl. No.	Factor	Highly Important	Important	Neutral	Less Important	Not Important	Total
1	Food Quality	55 (42.31%)	48 (36.92%)	15 (11.54%)	8 (6.15%)	4 (3.08%)	130 (100%)
2	Price	43 (33.08%)	52 (40.00%)	19 (14.62%)	10 (7.69%)	6 (4.61%)	130 (100%)
3	Service Quality	46 (35.38%)	51 (39.23%)	18 (13.85%)	9 (6.92%)	6 (4.62%)	130 (100%)
4	Cleanliness and Hygiene	67 (51.54%)	43 (33.08%)	12 (9.23%)	5 (3.85%)	3 (2.30%)	130 (100%)
5	Ambience	38 (29.23%)	46 (35.38%)	25 (19.23%)	13 (10.00%)	8 (6.16%)	130 (100%)
6	Menu Variety	35 (26.92%)	49 (37.69%)	27 (20.77%)	12 (9.23%)	7 (5.39%)	130 (100%)
7	Location and Accessibility	30 (23.08%)	45 (34.62%)	29 (22.30%)	17 (13.08%)	9 (6.92%)	130 (100%)
8	Online Reviews and Social Media	25 (19.23%)	39 (30.00%)	34 (26.15%)	20 (15.38%)	12 (9.23%)	130 (100%)

42.31 percent of respondents consider food quality highly important in selecting a restaurant. 36.92 percent consider it important, while 11.54 percent remain neutral, 6.15 percent consider it less important, and 3.08 percent consider it not important. 33.08 percent of respondents consider price highly important in selecting a restaurant. 40 percent consider it important, while 14.62 percent remain neutral, 7.69 percent consider it less important, and 4.61 percent consider it not important.

35.38 percent of respondents consider service quality highly important in selecting a restaurant. 39.23 percent consider it important, while 13.85 percent remain neutral, 6.92 percent consider it less important, and 4.62 percent consider it not important. 51.54 percent of respondents consider cleanliness and hygiene highly important in selecting a restaurant. 33.08 percent consider it important, while 9.23 percent remain neutral, 3.85 percent consider it less important, and 2.30 percent consider it not important.

29.23 percent of respondents consider ambience highly important in selecting a restaurant. 35.38 percent consider it important, while 19.23 percent remain neutral, 10.00 percent consider it less important, and 6.16 percent consider it not important. 26.92 percent of respondents consider menu variety highly important in selecting a restaurant. 37.69 percent consider it important, while 20.77 percent remain neutral, 9.23 percent consider it less important, and 5.39 percent consider it not important.

23.08 percent of respondents consider location and accessibility highly important in selecting a restaurant. 34.62 percent consider it important, while 22.30 percent remain neutral, 13.08 percent consider it less important, and 6.92 percent consider it not important. 19.23 percent of respondents consider online reviews and social media highly important in selecting a restaurant. 30.00 percent consider it important, while 26.15 percent remain neutral, 15.38 percent consider it less important, and 9.23 percent consider it not important.

HYPOTHESIS TESTING

TABLE NO –1.6.5. FOOD QUALITY AND SATISFACTION LEVEL OF CONSUMERS

Sl No	Food Quality Rating	Frequency	Percentage (%)	Mean Satisfaction Score	Standard Deviation
1	5 – Highly Important	55	42.31	4.76	0.43
2	4 – Important	48	36.92	3.85	0.36
3	3 – Neutral	15	11.54	2.73	0.46
4	2 – Less Important	8	6.15	1.75	0.46
5	1 – Not Important	4	3.08	1.00	0.00
6	Total	130	100	3.89	1.09

The analysis of 130 responses demonstrates that food quality is closely related to customer satisfaction. The respondents who ranked food quality as Highly Important obtained the greatest mean satisfaction score of 4.76, whereas the respondents who assessed food quality as Important reported a mean satisfaction score of 3.85. Those who said meal quality was Neutral (2.73), Less Important (1.75) and Not Important (1.00) progressively had a lower satisfaction score.

The total mean satisfaction score of 3.89 shows that clients are generally quite satisfied with their restaurant experience. The total standard deviation of 1.09 shows that there is a moderate level of diversity in the satisfaction ratings across the respondents. The relationship is obvious that customer satisfaction is connected with increased value perception of food quality.

Statistical Test: Spearman's Rank Correlation

Spearman's Rank Correlation	Result
Sample size (N)	130
Spearman's rho (ρ)	0.95
p-value	< 0.001
Significance level	5%
Result	Statistically Significant

The Spearman correlation coefficient of approximately 0.95 indicates a very strong positive relationship between food quality rating and customer satisfaction. The relationship is statistically significant at the 1% level ($p < 0.001$). Therefore, H_0 is rejected and H_1 is accepted.

1.7. MAJOR FINDINGS AND CONCLUSION

- The study covered 130 respondents, comprising 52.31 percent females and 47.69 percent males. The largest age group was 21–30 years, accounting for 32.31 percent of the respondents.
- In terms of educational qualification, postgraduates constituted the largest group at 39.23 percent, followed by undergraduates at 29.23 percent.
- Private employees formed the largest occupational group, accounting for 32.30 percent of respondents. The highest income group was ₹20,001–₹60,000, representing 27.69 percent of respondents.
- Friends and family were the most common source of information used before selecting a restaurant, accounting for 27.69 percent, followed by online reviews at 22.31 percent and social media at 18.46 percent.
- Restaurant visits appear to be a regular activity among the respondents. 26.92 percent reported visiting restaurants once a week, while 24.62 percent visited two to three times a month.
- Cleanliness and hygiene emerged as an important consideration, with 51.54 percent of respondents rating it highly important. Food quality was rated highly important by 42.31 percent, while 35.38 percent considered service quality highly important.
- Price was rated highly important by 33.08 percent of respondents, while 40.00 percent considered it important. This indicates that price is an important consideration in restaurant selection.
- Ambience and menu variety were also considered relevant factors, with 29.23 percent and 26.92 percent, respectively, rating them highly important.
- Location and accessibility received a highly important rating from 23.08 percent of respondents, whereas online reviews and social media were rated highly important by 19.23 percent.

- The food-quality and satisfaction analysis shows that respondents who rated food quality as highly important recorded the highest mean satisfaction score of 4.76. The mean satisfaction score declined progressively to 3.85, 2.73, 1.75 and 1.00 across the lower food-quality categories.
- The overall mean satisfaction score was 3.89, with a standard deviation of 1.09, indicating a generally high level of satisfaction with restaurant experiences among the respondents.
- The Spearman's rank correlation reported in the study is 0.95, with a p-value below 0.001, indicating a very strong positive and statistically significant relationship between food-quality rating and customer satisfaction. Accordingly, the null hypothesis was rejected.

The study concludes that consumer behaviour in the restaurant sector is shaped by a combination of economic, service-related, environmental and changing lifestyle factors. The findings reveal that consumers have become more conscious about the overall dining experience rather than merely the availability of food. Among the major factors considered, cleanliness and hygiene, food quality, service quality and price emerge as important considerations in restaurant selection. At the same time, ambience, menu variety, location and accessibility, and online reviews and social media also influence consumer choices to varying degrees. The study further indicates that restaurant visits have become a regular part of consumers' lifestyles, while recommendations from friends and family and information obtained through digital platforms contribute to restaurant-selection decisions.

The analysis also establishes the importance of food quality in determining customer satisfaction. The overall mean satisfaction score of 3.89 indicates a generally favourable level of satisfaction among the respondents. The Spearman's rank correlation coefficient of 0.95, with a p-value below 0.001, demonstrates a strong and statistically significant positive relationship between food quality and customer satisfaction. Thus, the study highlights that restaurants need to focus continuously on food quality, hygiene, efficient service, reasonable pricing and a pleasant dining environment to meet changing consumer expectations. Understanding these preferences can help restaurant owners and managers improve customer satisfaction, encourage repeat visits, strengthen customer loyalty and remain competitive in the changing restaurant market.

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