

## SERVICE QUALITY DELIVERY IN THE NIGERIAN FAST FOOD INDUSTRY- A Re-Examination Of Current Practices

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### **ABSTRACT:**

*The changing socio-cultural pattern witnessed worldwide, especially in developing economies, has brought the fast food industry into limelight more than ever before. This paper therefore considers it worthwhile to expose the fast emerging sector in Nigeria, with the aim of consolidating and improving current operating procedures in the industry. The paper therefore while recommending strict application of quality control and improvement measures, also comes to the conclusion that the industry's activities portends great opportunities for economic development of the country, if properly harnessed.*

**Keywords:** *socio-cultural pattern, quality control and improvement, citizens, proliferations, restaurants, perception, practitioners.*

### **INTRODUCTION**

The opening of what can be referred to as the first modern fast food outlet in Nigeria in 1986, by Mr Bigg's, a subsidiary of UAC Nigeria, could be regarded as a turning point in the social wellbeing of the citizens as well as a significant

landmark in the economic history of the country.

Since then, the Nigerian business environment has never remained the same again. It has witnessed and continues to witness the establishment of various fast food joints, fondly referred to as eateries in virtually every nooks and corners of the

country. A glance at any street corner in Nigeria, now, especially in the urban centres, may likely reveal at least two eateries with their front-lit menu boards jostling for customers' attention. At present, there are over 150 brand names in the country. Also, the South western Nigeria alone accommodates nothing less than 500 outlets of different sizes established by corporate individuals and organizations (Fakokunde, 2010). According to Eke (2006) and reported by Olutayo and Akanle (2009), the number of fast food outlets in Nigeria is increasing at a geometric rate and expected to double in five years.

Notwithstanding, this increasing growth and proliferation of fast food restaurants in Nigeria can be excused on the basis that it is a worldwide phenomenon. The Food Institute Reports of February 6, 2006 and April 19, 2010 both confirmed the ever-increasing global demand for fast food services. In 2006, the global fast food market grew by 4.8% and reached a value of 102.4 billion and a volume of 80.3 billion transactions. It was also reported in April 2010 that sales increase of 3.0% from a year earlier is the largest in the sector since January 2009.

The essence of this paper, therefore, is to present the current dynamics of fast food operations in Nigeria against the backdrops of existing quality service administrations and customers perception and with a view of finding a common need for improvement and proper control in the industry.

### **THE CONCEPT OF THE MODERN FAST FOOD**

The modern fast food industry is highly commercialized and characterized by various pre-formulated procedures and food preparation methods usually set up with the intention of minimizing production cost and delivery time. Greater emphasis is always placed in ensuring certain level of flavour and quality consistency of products and quick services as expected by customers. Various variants of cuisines and dishes are popularised by fast food restaurants across the globe. While pizza is wide known in the U.S., sushi is common in Japan, kebab, fish and chips are popular fast foods in Europe, Australia and New Zealand.

It is noteworthy that the business of fast food retailing is fast spreading and striving

globally with numerous fast food ventures located all over the world. McDonald's is considered as the largest operator of fast food in the world, with over 31,000 restaurants located in 120 countries, on six continents. The busiest fast food in the world is McDonald's in Moscow, which was opened on January 31, 1990. Other fast food multinationals include Burger King, Kentucky Fried Chicken (KFC), Big-mac, Pizza Hut, Subway and Taco Bell. In Nigeria, the leading fast food operators are Mr. Bigg's, Tantalizers, Tastee Fried Chicken (TFC), Sweet Sensation, Tetrizzini and Chicken Republic. The indigenous South African fast food market is dominated by Nandos, Black Steer and Chicken Licken. In Canada, PizzaPizza and 241 Pizza are among the leading indigenous fast food operators.

Consumption records show that about \$110 billion was spent on fast food in 2000 as against \$6 billion in 1970 in the U.S. alone. Employment records also shows that over 2 million workers are employed in the areas of fast food operations and servicing in the United States. Although the organized fast food industry loses substantial market share to the informal sector,

sales figures of \$142 billion in 2006, are expected to increase by 5% yearly. In India, the fast food industry is growing by 40% yearly (www.fastcasual.com).

### **THE NIGERIAN FAST FOOD INDUSTRY: CURRENT TRENDS AND ISSUES.**

The fast food is linked to the food industry. Mainly, fast food outlets in Nigeria can be classified as either providing unstandardized or standardized services. The unstandardized outlets are usually the unregistered small operators, providing informal but fast casual table services to customers. In this category are the traditional food vendors, cafeterias and casual dining restaurants. On the other hand, the standardized outlets include the registered food retail outfits with formalized business names and organized structures, whose operations are usually large-scaled and certified by appropriate regulating authorities. In this category are the single-branch eateries and chained quick service restaurants that provide minimal table service to customers. Also, unlike the former, which is considered to have existed for generations, the latter category is regarded as modern and emerging, as a result of

recent rapid urban developments in various countries of the world. Outlets in the organized sector are usually established by either corporate individuals or multinational organizations concentrating mainly in urban centres.

In this light, the Nigerian fast food industry can thus be divided into two: the formal sector and the informal sector. The formal fast food industry consists of the newly emerging organized and registered outfits of different sizes providing large scaled standardized eat-in and take-away services to consumers. The informal sector consists of the plethora of usually unregistered small operators and restaurants providing unstandardised fast but casual table services to consumers.

According to the Association of Fast Food and Confectioners of Nigeria (AFFCON), the Nigerian fast food industry is healthy and currently worth about N190billion with the potential to grow bigger.

Also, the industry is considered as highly labour-intensive. In Nigeria, this category of industry is identified as a leading overall employer of labour, looking at the food supply chain from

farm to the table. The management and operations of quality service restaurants (QSRs) require and attract various job opportunities and professionals, including service providers and suppliers. These ranges from farmers, caterers, horticulturists, interior decorators, technicians, food technologists to estate agents, architects, engineers, auditors, accountants etc.

Although the list of new entrants increases daily in Nigeria, as earlier mentioned, but this research identifies only seven fast food owner-operators as dominating the industry with less than 50% share of the total industry market as at 2007. There are other numerous indigenous QSRs holding sway in Lagos, Abuja, Ibadan, Port Harcourt and other urban locations, namely Sweet Sensation, Chicken Lovers, Chicken Licking, Mama Cass, Captain Cook, Chicken Palace, Spices, etc providing varieties of Africana and continental cuisines to teeming customers. The presence of international brands such as Nandos, Steers and St. Elmos is also felt in the industry. At present, there are about 100 brand names in the industry. Some big established outlets now offer

franchise opportunities and arrangements for willing individual investors to own and operate fast food businesses with their brand names. Through these arrangements and others, it is planned that more restaurants will be opened in due course to meet the ever-yearning desires of Nigerians for an ideal fast food industry in the country.

Due to the socio-cultural background of the various ethnic settlements of the country, the Nigerian formal fast food industry operates amidst its more active informal counterpart, which is characterized by unregistered indigenous operators also providing restaurant services to the populace. But, the fast food industry is quick in changing the existing pattern by distinguishing itself into an organized structure providing healthy, modern and local menus, with class, status and taste attached to it ([www.nigbusinfo.com](http://www.nigbusinfo.com)).

Also due to rapid social transformation in the country, the main menu of fast food restaurants which used to be exclusively foreign and continental cuisines like hamburgers, fried rice, jollof rice, salads, hot dogs, meat pies,

coffees, chips, pizzas, ice-creams, soft drinks etc are now translating into local and traditional dishes such as ofada (white rice), iyan (pounded yam), amala (yam flour), asaro (porridge), emu (palm wine) etc. Some restaurants now offer traditional foods only. Notwithstanding, restaurants providing specialized products/services such as ice-cream only, pizza-only, outdoor-only, Chinese-only menus are still striving in various parts of the country.

### **QUALITY APPRAISAL IN THE FAST FOOD INDUSTRY**

The fast food industry is a product-offering as well as service-rendering industry. This poses a fundamental challenge for any practitioner in the industry, more so that service quality is even more difficult to measure. Thus, different approaches could be adopted in identifying quality of fast food products and services. According to Fakokunde (2010), these include:

- A. The subjective/objective approach
- B. The descriptive approach

A. The subjective method is based on the individual opinion, and arises from psychological reactions to product/service offering. It is also usually based on personal past experiences and previous trainings. It involves the use of sensory organs to perceive and evaluate product\ service quality. Thus, the interpretation or judgement is based on personal preference and may not be an exact recording of the situation Schiffman and Kanuk (1998) offered that the basis for perceptions of product and service quality are usually provided by both the intrinsic and extrinsic characteristics of the product/service. For example, the aroma and colour cues surrounding the operating environment, including the approach and interior decorations all contribute significantly to the assessment of quality service offered by a fast food operator.

On the other hand, the observation of quality level may entirely exclude personal preferences and attitudes. Instead, quality judgements are purely based on generally accepted and recognized scientific standards. This is referred to as the objective method. Thus, service quality indicators provide the accurate

yardsticks in evaluating quality and satisfaction. These are considered as veritable means of measuring the extent to which key service quality factors such as the ones proposed in this study, are meeting levels of service expectations and satisfaction. In the Nigerian fast food industry, these may include maintaining a certain level of cleaning, hygiene, nutritive contents etc, as prescribed by a supervisory authority such as **NAFDAC**, from time to time. Fast food practitioners must therefore strive to continually upgrade their operations in line with these standard operating procedures (SOPs).

B. Descriptive approach: This is another perspective from which product quality can be determined or measured. It may be classified as:

- (i) Physical method of measurement, which is concerned with using physical attributes to evaluate product quality such as colour, texture, size etc. For examples, the size and colour decorations of cakes are often used to judge its quality.
- (ii) Chemical method of measurement. These are standard methods for the quantitative

evaluation of the nutritive value of the product offer. In this case, the extent to which the prepared items such as pizzas, cakes, breads etc meet the nutritive content and requirements specified by regulating authorities is used as a basis for quality evaluation of fast food services.

- (iii) Microscopic method of measurement. This requires considerable amount of training and state-of-the-art equipment for product quality to be examined. This is a special method of quality evaluation usually applied in cases involving contamination, adulteration, expiration etc. Stored and frozen foods usually fall under this category

### **CUSTOMERS PERCEPTION OF FAST FOOD SERVICE QUALITY**

Some researchers believe that, since quality is inherently difficult to measure, a better yardstick should be seen in customers' perception of quality. That is, service quality measurement may be based on a comparison of customer expectation with actual service performance.

Arora (2006) agrees that quality measurements, especially in service organizations, should include external conformance, which can be traceable to the aspect of the organization's operation that can be sensed by the consumers. Therefore, how a customer perceives a product has a strong influence on both purchase intentions and purchase satisfaction (Schiffman and Kanuk, 1998). Perception can be described as how we see the world around us. It represents the interpretation of a situation by the individual based on his cognitive processes. Within the framework of consumer behaviour, perception is regarded as the process of becoming aware of products and their qualities by way of the sense organs. The sense organs function singly or collectively to evaluate the status and ability of a product or service to reach a certain level of acceptance. Schiffman et al discovered that, apart from the purchase price, product utility is associated with consumer purchase. This represents the perceived economic gain or loss, pleasure or displeasure, associated with a purchase. The customer is always wary of the difference between his expectation of a product



and the actual quality of the product. This provides a yardstick in measuring his level of satisfaction with a product/service and thus sharpening his continuous patronage decisions.

Schiffman et al offered the following explanation regarding customers perception of quality:

Informational cues provide the basis for perceptions of product and service quality. These cues include both intrinsic and extrinsic characteristics of the product. Intrinsic cues used, in some cases, by consumers to judge product quality concerns the physical attributes of the product itself, such as the size, colour, flavour, or aroma. For example, consumers often judge the flavour of ice cream or cakes by colour cues. Even the perceived quality of food of an eatery is affected by the aroma surrounding its physical operating environment. Although, more often than not, the physical characteristics are used to judge quality, however, they have no intrinsic relationship to the products/service quality.

It is therefore not surprising to discover that consumers usually find it difficult to identify superior brand through physical attributes. More

so, it is difficult for consumer to evaluate the quality of services than the quality of products because of certain characteristics of service sector which include: intangibility; perishability; inseparability; heterogeneity and demand fluctuation. In order to determine the operational efficiency of in the fast food industry, it is necessary to first ascertain the unit cost of services rendered, and to compare it with the price charged or with the competitive price. In ascertaining the unit cost in a fast food industry, per meal serves as the basis of measurement used for dividing the total cost incurred because of the nature of the industry (Iwarere 2014). To overcome the inability of consumers to compare services side-by-side as they do with competing products, consumers tend to rely on surrogate cues (i.e. extrinsic cues) to evaluate service quality, such as pricing, packaging, advertisement, company image, trademarks and even peer pressure. For example, in evaluating a fast food retail outlet's services, the approach, the reception, interior decorations, professionalism among others contribute more to the consumers overall evaluation of service quality.

On the other hand, the actual quality of services have been observed by researchers to vary from day to day, employee to employee,



outlet to outlet, and even from customer to customer, especially in the fast food industry. The main concern should therefore be the institution of proper quality processes in the industry towards achieving a high level of standardization in service delivery. These processes, which must be entrenched in all operations of the organization and imbibed by management, must be based on everyone's understanding of each other's needs. This is referred to as customer / supplier alignment, which includes all specific exercises organization, must follow to streamline work processes and maintain quality.

The study shows that three levels or types of quality could be identified based on customers' perception.

**1. Expected Quality or Compulsory Quality:** This level of quality never excites the customers, but if not provided can cause deep dissatisfaction. Whilst the customer will not tell it or ask for it, he actually expects this minimal level of service. The customer may therefore be indifferent to this type or level of quality unless disappointed. For example, the fast

food customer expects quick and courteous service, cold drinks, safe and hygienic environment, a clean toilet and even a television set in the dining hall.

**2. Selective Quality:** This second level of quality can excite the customer if provided, and can cause indifference or dissatisfaction if not provided. In this case, the customer expressly specifies his requirements. A fully air-conditioned dining hall, secured car park, traffic controller, even installation of insects' electrocutors could actually excite the customer if he gets it or otherwise cause indifference or great dissatisfaction if his specifications are not met.

**3. Unexpected or Elective Quality:** This third level of quality can cause real excitement if provided, but may not cause any difference or dissatisfaction if not provided, because it is unexpected. Customers cannot request for it because they are not aware of its existence or possibility. It is only introduced to encourage customer loyalty. However,

once experienced, an unexpected & exciting quality becomes expected quality and more room is thus created for further improvement of service delivery. The customer would be excited by personalized service delivery, seasons' greetings and text messages, all serving as marks of appreciation and recognition towards customers.

Because of the characteristic nature of service industry, it becomes necessary to focus on customer satisfaction and customer loyalty in determining the quality of services rendered in a fast food industry. Customer satisfaction is the extent to which an organisation's products and services satisfy the customers' specifications and other attributes such as reliability, durability, and prompt customers' service as demanded by the customers. While Customer loyalty is the extent to which the existing customers continue to patronise a particular firm in procuring its products or services. There is a strong relationship between customer

satisfaction and customer loyalty. Thus, a satisfied customer appears to be loyal to the firm by trying to continue patronising the firm's products and services (Iwarere 2010)

### **THE NEED FOR QUALITY CONTROL AND IMPROVEMENT PRACTICES IN THE FAST FOOD INDUSTRY**

Undoubtedly, the consumption of fast food has become a fact of life. This, according to Mrs.Olayinka Adedayo, the President of the Association of Fast Food and Confectioners of Nigeria (AFFCON), is due to the general increase in average disposal income of families, decrease in the cost difference between eating out and cooking at home, and increasingly hectic lifestyles of people, which gives less time for home cooking. In this regard, the fast food industry can not be exonerated from worldwide calls for improved quality living standards and wellbeing of individuals, especially, the emphasis on food hygiene, safety and nutrition. Studies linking the increasing consumption of fast food to excessive body weight, especially in children, obesity,

diabetes, heart disease, etc., ([www.abouthealthynutrition.com](http://www.abouthealthynutrition.com).) have therefore stimulated renewed interest for a global review of fast food contents.

Unfortunately, the local fast food setting does not appear to be adequately responding to this increasing health concerns, considering the various unethical practices pervading the industry, from the plethora of restaurants springing up on a daily basis in the nooks and corners of our suburban communities. Recently, it was reported that the National Agency for Food and Drug Administration and Control (NAFDAC), the food regulatory agency in Nigeria shut down a popular outlet for failure to comply with specified hygiene standards (The Daily Champion, February 2010).

It is against this background that the issue of standards, nutritional contents and quality control cannot be pushed to the sidelines in the fast food industry. Any effort in this direction, it is believed, will also go a long way in sanitising the rots presently experienced in our public health system.

Also, the increasing importance attached to quality internationally, coupled with the

dynamic economic climates and increase global competitiveness, have also revitalized the urge in fast food firms to adapt to new changes and put more efforts on issues relating to their customers satisfactions, if their major reason of existence (profitability) is to be achieved. This, MacDonald & Piggot (1990) referred to as global quality challenge. This actually justifies the formulation of series of standard relating guidelines by various international organisations, such as the World Health Organisation (WHO) and International Organisation For Standardisation (ISO). These operating rules governing the operations of business organisations, apart from ensuring customers safety and security, have a direct effect on the global health system (Dubois, 2002).

In the fast food industry, quality practices are governed and regulated, globally, by industry, government and international standards. International standards such as ISO 9000 and ISO 22000 have been formulated to provide series of guidelines and regulations regarding the applications of quality management and safety principles in the food retail industry. Firms with certain level of compliance and conformance to

these laid-down standards are certified and awarded due recognition. The objective of these regulations and control schemes is mainly to guide the attainment of best practices among practitioners in the industry worldwide, towards ensuring high level quality delivery, safety and good health of their numerous consumers.

In Nigeria, similar efforts such as the ones targeted at regulating the activities and operations of fast food restaurants can also not go on unnoticed. Thus, the establishment of the National Agency for Food and Drug Administration and Control (NAFDAC) in 1993.

All these phenomena, coupled with the greater health awareness on the part of consumers, have made the issue of product quality control and improvements more vital to fast food operations. The fast food restaurants, small or big, have therefore, come to realise that their continuous existence and survival rests solely on satisfying and fulfilling the expectations of their customers. This probably accounted for reasons why some firms manage to find their feet in the challenging market, while others eventually get sunk.

In Nigeria, the fast food industry is organized by the Association of Fast Food and Confectioners of Nigeria (AFFCON) and regulated by the National Agency for Food and Drug Administration and Control (NAFDAC).

The need for the operations of fast food firms in Nigeria to be harmonized necessitated the inauguration of the Association of Fast Food and Confectioners of Nigeria in 2009. AFFCON, the only umbrella body for the organized fast food sector in Nigeria, is therefore set up to provide a common front in the industry with the aim of promoting further investments and unified standard quality practices in the industry. Recently, AFFCON challenged the Lagos State government in a law suit over the imposition of 5% tax on consumption of food and services at events centres, hotels and eateries. Also, at a stakeholders' forum on "Excellence and Quality Consumer Services in the Fast Food Industry" organized by the association in May, 2009, the President, Mrs.Olayinka Adedayo stated, ".....our association was formed to promote the rich and diverse nutritional culture of the nation through introduction of Nigerian food while our

restaurants had become major eateries for all Nigerians to entertain themselves.”

The National Agency For Food and Drug Administration and Control (NAFDAC) was established as a parastatal of the Federal Ministry of Health by Decree No. 15 of 1993 as amended by Decree 19 of 1999. The Agency has the mandate to regulate and control the manufacture, importation, exportation, distribution, advertisement, sale and use of food, drugs, cosmetics, medical devises, chemicals, detergents, packaged water and other drinks. The mission of NAFDAC is to safeguard public health by ensuring that only the right quality of food and other regulated products are manufactured sold and used.

The National Agency for Food and Drug Administration and Control (NAFDAC), in performing its role as a food regulatory agency, listed the contending quality issues that needed to be regularly examined in the operations of fast food business in Nigeria. The conditions must be regularly satisfied by fast food operators and their outlets during and after regular unscheduled inspections and visits by NAFDAC officials.

### **Challenges facingFast Food Industry in Nigeria**

Some of the unorganised restaurants are seriously attacking the fast food industry in the areas of quality and price per meal. In recent years, the unorganised restaurants have introduced continuous improvement in the quality of meal prepared to their customers and attached marginal increase in price per meal. The aspect yet to focus is the quality of facilities installed. The unorganised restaurants focus their attention on the masses, whereas fast food operators focus on elites and to some extent university students wherever university is located. For this reason, there seems to be peak and slack periods in a year. However, of resent, some market leaders fast food firms have been closing down their operations in some of their major branches. Majority of the students and the elites they focus upon in some of the towns and cities where universities are located could no longer patronise the fast food business because of economic problem and the unaffordable price charge.

### **CONCLUSION**

An examination of the Nigerian fast food industry reveals that the whole essence of

providing a reliable and dependable fast food service, which primarily concerns improving the quality of life of citizens, must be well propagated and adequately protected by practitioners and other stakeholders in the industry.

Schlosser (2002), however, noted that despite efforts on the part of fast food practitioners to improve quality and achieve best practices, the attendant negative effects of their operations on public health is yet to be effectively addressed by stakeholders. Also, its full implementation among QSRs and fast food chains are still hindered by many obstacles and bottlenecks (Parsa and Kwansa, 2001). The fast food operators should start focusing on how to improve quality and reduce price per meal in order to remain in the future business environment. The paper, therefore, while calling for a blueprint guiding the operations and activities of the industry is in agreement with Choppin (1995) which reiterated that achieving success in organizations may still be attributed to developing a unique model, which reflects the business ethics and purpose of the industry in question.

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