

## **CHAPTER SIX**

# **FINDINGS, CONCLUSION AND SUGGESTIONS**



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#### **6.1 FINDINGS**

On the basis of analysis and interpretation of the data, researcher has arrived at certain findings which are divided into two parts:

- Findings based on collected information.
- Findings based on personal discussion.

##### **6.1.1 Findings on Caterers Opinion Survey**

1. The study reveals that at present, the percentages of men caterers are higher than the number of women caterers. Women's entered in catering business mostly due to the death of husband or separated/divorce and they have family responsibility.
2. More than 73% of respondents are married and most of the respondents are in the age category of 36-50 years and older.
3. Researcher found that majority of caterers are under-graduate and they are self employed. Their annual income from catering business and total annual income of family is in the range of Rs. 0-500000.
4. Majority of caterers start catering business due to unemployment, responsibility of family and they have interest in catering.
5. In study area, majority of caterers are not providing any supplementary services like music/DJ, Flower/Stage decoration, tent/pandal, lighting etc. other than food. They only provide the address of that person who provides these supplementary services or connect the customer to respective service provider person. Also they do not have their own equipments/utensils. At the time of function, they arranged all necessary equipments/utensils to rent basis from suppliers.
6. They do not have permanent staff/employees. They arranged staff as per the season or function on contract basis. In that male staff is more as compared to females. Females are only for cleaning utensils, making chapattis. Only some caterers are having women waitress.

7. The internet/website is still not a very significant distribution channel for catering business. They do not have the computer knowledge and awareness of website to run the business.
8. A majority of caterers do not have their own delivery vehicles for transporting their material, equipments/utensils, food etc. The caterers are transported their material, equipments/utensils, food by procuring vehicles on rental basis.
9. Most of the caterers believe that Personal/Word of mouth, Friends and Relatives are the effective media for advertisement and it is an effective promotional technique.
10. Half of the respondents obtained loan from Institutional and Non-Institutional sources like Co-operative Banks, Commercial Banks, Nationalized Bank and friends/relatives without any difficulties for short term. But they are not getting any concession or subsidy from Government for promoting catering business. All caterers repaid their loan on time.

#### **11. Problems Faced by Caterers:**

The objective of the study is not only to assess the progress and prospects of catering service, but also to identify the factors which hinder its development. The following are the problems plaguing catering business that were noticed by the researcher while conducting the study. They can be classified into two types viz., **General Problems and Specific Problems.**

##### **I. General problems**

- **Marketing Problems:** 1) Competitive Price, 2) Poor Marketing Design, 3) Competition from Hotels and Restaurants, 4) Lack of Storage Facilities, 5) Lack of Advertisement, 6) Sudden Changes of Price of Raw Material.

Majority of caterers are facing the problem of sudden changes of price of raw material, due to shortage of raw material, recession, climate, environmental changes etc. To attract customers, the competing players like hotels and Restaurants are adopting all means to provide products and services at the lowest prices. This has resulted in making the customer's choice-spoilt, who in turn various competitors to spot the lowest price for the product and services. Thus, although the number of transactions is increasing, the value of the products and

services sold is continuously falling owing to high competition and leaner margins. There is a lack of advertisement. Caterers believe that giving the advertisement in television, Daily newspapers, and internet is wastage of money. Word-of-mouth, friend/relatives are the easiest way for advertisement and it does not required any charges.

- **Financial Problems:** 1) Lack of credit facilities, 2) Problems of Capital

33% caterers have the problem of capital. Most of the caterers do not want to take any loan, as they are arranged their own fund, because initially for catering business, they do not need that much finance. They only need the high investment for equipments/utensils.

- **Administrative Problem:** 1) Non-Cooperation among Staff, 2) Lack of Manpower Planning, 3) Lack of Training, 4) Lack of Motivation, 5) Lack of Professionalism

Majority of caterers have facing the problem of non-cooperation among staff because they are not satisfied with the management as they are not provided adequate welfare facilities, monetary-non monetary incentives, job security, advance training regarding work, lack of motivation etc.

- **Labor Problem:** 1) Scarcity of Labors, 2) Lack of Skill

Majority of caterers are facing labor problem in study area. Catering is a labor intensive industry, but there is a lack of skilled labor due to the increasing urbanization process and lack of education.

- **Technical Problem:** 1) Lack of Dissemination of Information, 2) Lack of Modern Equipments

- **Natural Problems:** 1) Weather Conditions, 2) No Season for Functions

Catering is a seasonal business like subh muhurat, festivals, good months etc. Sometimes caterers are seated ideal for many days or month as there is no season or no subh muhurat for doing good work or function.

**Political Problems:** 1) Lack of System of Subsidy, 2) Low State Participation, 3) Lack of Co-operative Societies Majority of caterers

are not satisfied with the Government's attitude as they are not providing subsidy, there is no any provision for enhancement of the qualities of caterers.

- **Other Problems:** 1) Lack of research and Innovations, 2) Lack of Quality Production

Maximum caterers now also used the traditional way to arrange the function. They are not using any innovative ideas regarding menu and services. They are not provided any variety of dishes.

## **II. SPECIFIC PROBLEMS**

- **Illiteracy:** Most of the caterers and staff of caterers are illiterates or under graduate. They are not capable of understanding modern techniques used in the catering services, latest menus, decorations etc.
- **Lack of Economic Holdings:** The product and services provided by the caterers is subdivided and fragmented. As a result, the application of advanced technology is difficult.
- **Seasonal Activity:** Catering services market is faced by seasonal fluctuations. During the peak season, occasions that drive the business are Diwali, Marriage season, Shubh Muhurta's etc. On these occasions, the customers prefer the functions.
- **Lack of Transportation Facilities:** Due to the lack of transportation facilities, there is delay in supply of raw materials.
- **Poor Quality Equipments/Utensils:** Majority of Caterers are now also using poor quality equipments/utensils, as there is a lots of modern equipments are in the market to save the money.
- **Women Labor:** In Catering women labor is a primary need, but caterers are only given the work like making chapattis, cleaning utensils etc. So women are not ready to do this type of work and therefore there is shortage of women labors.

### **6.1.2 Observations and Findings as per Interview schedule for caterers of Sangli City, regarding 7p's of catering services marketing**

1. **Product:** Product is a bundle of utilities which satisfies the human wants. The product may be either tangible or intangible one. During the interview, it is found that the maximum caterers offer various kinds of products and services to their valued customers. They are always used nutritional and healthy ingredients while preparing food and Silver Foils, Tissue Papers etc. for presenting the food. Caterers are always taken care of validity of raw material like Trade Mark, Expiry Date etc. and cleanliness/hygiene of equipments and utensils by following 4Cs i.e. Cleaning, Chilling, Cooking, and Cross-Contamination as per the demand of customer.
2. **Price:** Majority of respondents are considering quality, variety, exclusivity and geographical area while deciding the price of menu and services. They also charge separately for services like Tent, DJ, Floral arrangement and specific food like Ice-cream, Juice etc. They never charge the price of menu and services as per competitors and never give the credit facilities to customers.
3. **Place:** The customers always prefer to available the goods and services in places that are easily available and convenient to them or can consumption may be easiest one. Therefore by considering this element the majority of caterers always give the attention to the quality of equipments/utensils and proper disposal of waste. But most of the caterers do not offer convenience facilities like Mobile catering, Tea-Coffee, Cold-drink vendor machines to the customers and they do not have tie up with other caterer or Mangalkaryalya for getting them more business.
4. **Promotion:** The promotion decision always includes what message to use? Which media? What timing for advertising campaign? And what is the budget. During the interview it is observed that the caterers has been adopted only word-of-mouth and friends/relatives as a promotional techniques. Their promotional strategy is very poor due to budget.
5. **Process:** There is a systematic process in offering the products or services to the customers. In catering, it is reviewed that the majority of caterer is strictly

follow the time in processing of order of food and services. But very less respondents are used the modern equipments for catering in the study area.

6. **People:** The marketing effectiveness is always depends upon the quality of people who are act as a valued asset for the organization. The skill, knowledge, people handling techniques etc also influence the service offering. But data reveals that there is a lot's of employee turnover due to the lack of welfare facilities. They are also not educated and knowledge is not updated by giving proper training by caterer. They are working by using their past experience.
7. **Physical Evidence:** During the study, the physical evidence in caterer's premises, it is observed that the majority of caterers are provided hand wash basins, proper seating arrangement, adequate water supply and washing facilities, decoration, appropriate lighting ,sufficient and comfortable parking and display the menu stalls and banner very attractively.

### **6.1.3 Findings on Customers Opinion Survey**

1. The maximum customers are Graduate/Post-graduate segment which means they are well educated. They know very well what type of services they required from caterer for their functions at affordable price.
2. Most of the customers are self employed and professional who have the monthly salary in the range between Rs. 10000-50000.
3. Majority of customers has got the information about caterers and catering services from friends and relatives followed by Mangalkaryalya and any function
4. Majority of customers feel satisfied with the overall quality of caterer considering all of their experience with them but they are not associated with the current trends.
5. Majority of customers are satisfied with employees prompt service, their personal hygiene and their helpful and attentive behavior. But they are not handled the problems of customers promptly as they are not well trained.
6. Majority of customers are satisfied the services provided by the caterers.
7. Majority of customers are satisfied with catering management because managements approach is Customer oriented.



## 6.2 CONCLUSION

In the present business scenario, identification of consumer preferences has become a crucial element. In this study, researcher found that consumers prefer those caterers that provide the maximum degree of satisfaction. By this study, it has been concluded that various factors are responsible for affecting the choice of consumers regarding catering services. The catering management can increase their sale and market share by taking into account these underlying factors. The various factors are payment options, behavior of staff, presentation, price, hygiene, quality of food, quality of beverages, ambience and experience, behavior and loyalty, comfort and promptness, packaging and supplementary services, use of good advertising media. They should developed and maintain the healthy relation with customers so that customers can give them maximum business and it will help them for future development.

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### 6.3 SUGGESTIONS

1. **Support from Government:** There is a need for establishment of catering quality clubs and cluster development centers. The State Government should take initiatives to make catering business successful and support to caterers by giving loan without much formality. There should be provision of subsidy to the targeted caterers on a sustainable basis for their development. Government should provide the special training cell for caterers so that they will get the latest information regarding food and other services. Effective sources of micro finance and mobilization of plan funds under various schemes should be emphasized.
2. **Develop Managerial and Technical Skills of Employees:** Caterers should provide managerial and technical training to the required staff and to make them accountable and responsible for executing the task entrusted to them. Deploying the extension managers and other required staff in order to disseminate technical knowledge based on the concentration of the activity.
3. **Provide Employee Training, Motivation and Welfare facilities:** Careful selection of cook/chef and staff to promote new clusters in the potential catering zone is very essential, therefore is a need for good cook/chef, staff and their timely and continuous support regarding recent trends in market including frequent monitoring and appropriate evaluation. More trained and permanent employees are needed for that caterers should be provide adequate and in depth training to the staff. Retention of the workforce through training and development in the catering industry is a problem and attrition levels are too high. One of the reasons for this is unattractive wage packages. Though there is boom in the service sector, most of the catering management graduates are joining other sectors like retail and aviation. For that Catering Management should motivate the staff by providing welfare measures, monetary/non-monetary incentives, and job security to retain them.

4. **Create, Maintain and Retain Customers:** Caterers should take efforts to create new customers and also maintain and retain them by providing good and prompt services as well as keep follow up to take care and solve their problems patiently. There must be various payment options in catering like credit card, cheque etc. The management must focus on customer comfort, promptness of service.
  
5. **Proper Use of Advertisement and Promotional Techniques:** There should be Sales promotion activities and advertisement like local cable television, daily newspapers, and internet is necessary for giving information to customers in domestic as well as national markets. They should attend the trade fairs/Exhibitions for updating the knowledge and associated with current trends.
  
6. **Adopt Professionalism and Common Business Courtesy:** The caterers who are not professional in their business practices will never reach the pinnacle of success in the field. The researcher has suggested the following guideline-
  - A good reputation is more valuable than money. Become known for doing what you say you are going to do.
  - Give price quotes and commitments only when you know everything about the event.
  - Treat clients and staff members with respect.
  - Build relationships with clients. Do not look at them as accounts or projects.
  - Be on time, or a bit early, for appointments. Be prepared for an appointment.
  - Stand behind your work. If it is wrong, make it right.
  - In the face of abuse from others, do not respond by becoming abusive. Try to detach yourself from it emotionally and handle it logically.
  - Dress professionally
  - Enjoy your work as caterer. When work ceases to be enjoyable, it is time to quit and find a new career.

7. **Keeping Up with Current Trends:** It's not just a matter of food and presentation and theme trends. Caterers who are not wired to do business online through the internet and e-mail are missing out on huge opportunities. Caterers need to get in the habit of website and responding to e-mail correspondence as soon as possible, as well as providing e-mailed proposals to those clients who prefer to do business via their computers. If you are not in the habit of working online, you are behind the times.
8. Efficient and effective communication and transportation facilities should be provided in rural areas.
9. There should be active participation of women in catering activities. More governmental schemes and adequate programme on management skills to be provided to women caterers
10. There should be effective and efficient primary co-operative societies to popularize the support programmes.
11. The ambience should be good in order to provide a good and healthy experience.
12. The behavior of the staff should be polite so as to gain loyalty of consumer.
13. Catering management must put its attention on hygiene factors.

#### 6.4 Prospects of Catering Services

Its substance, besides the economic viability, rests more on the systematic research and adoption of latest technologies, creation of required infrastructure at caterer's level and assured marketing facilities. But, often, it is experienced that many developmental schemes, despite of all the good intentions, design and implementation suffers from isolation and lack of sustainable backward and forward linkages and hence, falls short of their original ideas. Apart from these problems, today there is a positive signs in catering industry, which can be sustained on a continuous basis.

**National Association of Catering Executives (NACE)** had celebrated its 50<sup>th</sup> anniversary from 3<sup>rd</sup> to 6<sup>th</sup> November 2009. A good number of caterers from different cities from catering industry took part in this event including Sangli city. Thanks to them, they can now earn a certification called **Certified Professional Catering Executive (CPCE)**. The NACE has also made much headway funding programs tailored at caterers-in-training in universities and culinary schools.

Catering industry plays a major role in the overall economic growth of the country. Along with the rapid industrial growth and promotion of tourism, the catering and hotel sector is booming and offering huge job prospects to Indians. Phoenix HRD is a placement agency which helps you to find the perfect jobs in the Catering and Hotel industry that range from restaurants to hotels. With this era of globalization and growth in the Hospitality industry, the demand for qualified and experienced professionals in India and overseas is increasing. So all you who are in the hospitality industry and are looking for a dream job just log into this site and find a perfect job.

India catering industry has maintained the growth rate of 15 to 20 per cent and *the Rs. 15,000 crore industries has not seen any negative impact of slowdown.* "Catering has now become an important factor for the success of any event like social gathering or marriage. In the wake of the nature of this business, the catering industry has largely remained unaffected by economic slowdown. It

has also maintained 15-20 percent growth year-on-year”, said Narendra Somani, president, All Gujarat Caterers Association.

### **Technology Oriented Approach**

The Hotel and Catering Institute has demonstrated the latest technology packages relating to caterers and catering facilities for catering appliances, hygiene factors, variety of dishes, online business etc. to caterers.

### **Market Oriented Approach**

The catering industry is working towards the development of rich market both in domestic and international fronts in the areas of market research, sales promotion activities, design development and product diversification.

You need to know one thing that is the people, thousands of years back, have been passionate about food. Today, they are passionate about food, and many, several years in the long run, they will continue to be passionate about food. Therefore it comes as no surprise that catering services will always be in demand, the same will be said for food home delivery services. If caterers are passionate toward to cooking food or if they are passionate about eating food, then a career in catering would possibly be a very bright future. Food is always a vital part of any celebration – be it a marriage or a christening, a celebration or an anniversary, or even a casual party at home. Whatever be the occasion, caterer should build it additional special by obtaining some very nice catering services. So catering is very necessary, one among the most important elements of a party these days.

Future lifestyle and demographic trends indicate an optimistic outlook for the catering industry. A return to traditional family celebrations or reunions and the increasing numbers of two-income families with their hurried lifestyles are also positive indications of the need for catering services. Prospective caterers should consider the long-term market when evaluating their position, and should always be prepared to adapt to changing trends.