

The Viability of Quick Service Restaurant (QSR) in the Township Market: A Fast Food Industry Case in South Africa (SA)



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ABSTRACT: This study aimed to explore the viability of a Quick Service Restaurant (QSR) model among leadership in selected township and township area markets of South Africa and the impact on the organisation's overall performance. In today's globalized world, businesses look to expand and set foot print across various markets to have a global presence. Quick Service Restaurants (QSR) businesses have expanded internationally and locally including townships markets using franchising business model to contribute to the social economy.

The study used a qualitative descriptive exploratory method.

The main finding of the study was that the QSR model in the township brought convenience, cost effectiveness, accessibility to value bulk buying of meals and Wi-Fi connection. The communities and the restaurants found opportunities to contribute to social development and job creation. High levels of criminal activities, customer interference with employees, limited consumer bulk meal of choices, power, and water shortages were the key challenges affecting the viability of the QSR model.

KEYWORDS: Quick Servicing Restaurants, Fast Food, Franchising, Township

1. INTRODUCTION

The Quick Service Restaurants (QSR) also referred to as 'fast foods', have become part of our daily lives and norms throughout societies of the world and especially within townships. The term 'Quick Serving Restaurants' is defined as a restaurant selling food in a store with pre-heated or pre-cooked ingredients served to customers in a packaged form for take-out or take away (Obeagu, 2018). From the onset, one would understand that the definition of a 'Quick Serving Restaurant' (QSR) would logically refer to a place where customers would purchase 'readymade meals' within a quick service time that they would do within a traditional restaurant.

Globally, franchising plays a significant role in the day-to-day business activities of many economics as indicated in Figure 1.1

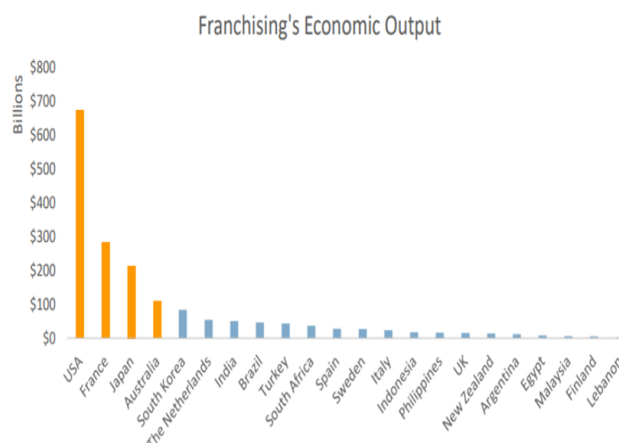


Figure 1.1: Franchising's economic output per country in 2017

Source: The Franchise Association of South Africa (2020)

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An exhaustive study measuring the economic impact of franchised businesses released by the International Franchise Association Educational Foundation (FAEF) identified that approximately one out of every 12 businesses in the U.S. is a franchise business Weissbord, J (2018). According to the Mazareneau, E, (2020), in 2019, there were 773 603 franchise establishments in the United States creating more than 8.5 million jobs in these businesses and continue to grow. In 2019, the economic output of franchise establishments in the United States was about USD787.5 billion Mazareneau, (2019).

Beere (2017), alluded that fast-food franchising in the developed economy had increased exponentially. In the U.S., in 2017, the 30 top fast-food franchising brands had over 140 000 outlets. According to Siddiqui (2016), the foreseeable future, most of the expected growth in the world's trade will come from emerging countries.

Meanwhile, development and growth of the South African economy, innovation and job creation are crucial as South Africa is one of the countries with the highest rates of unemployment. Over 29.1% of the population are jobless and the number increases to 40% when the people who have totally given up looking for employment are included (Lawrence, 2019; Statistics South Africa, 2019).

South Africa has approximately 17 franchise classifications categories. The National Development Plan National Planning Commission, (2012) stated that 90% of the anticipated new jobs would be created through small business by 2030.

According to Mazareneau (2019), McDonald's is one of the world's largest chains of quick serving restaurants, they operate thirty-two thousand restaurants serving more than sixty million customers daily, the key to rapid and successful international expansion of McDonald's is the franchise model pioneered by them. McDonald's emphasis on local management for better responsiveness to the external environment, this brings up the culture of innovation, accountability, and better customer responsiveness, however many QSR's such as McDonald's mainly open their shops in major cities targeting middle and upper class citizens as they can afford the prices however the township market is an economy on its own, with a high rate of informality and providing a range of goods and services to meet the needs of township communities.

These comprised informality, weak institutions, including ineffective law enforcement and compliance; the absence of an enabling environment for businesses; underdeveloped production systems; poor infrastructure and limited access to services, including education, finance, and healthcare, yet it is the growth markets for many QSR that continue to open new restaurants (Mazareneau, 2019). McDonald's started its operations in South Africa in 1995 and to date it has over 300 restaurants in all the nine provinces, serving an average of eight (8) million customers every month. The increasing growth of Quick Service Restaurant (QSR) industry in South Africa, has given rise to several managerial problems. Therefore, it was necessary to conduct the study to close the gaps to improve the current strategies and processed at McDonald's South Africa (SA). Therefore, the study was conducted at McDonald's SA within the township market.

2. LITERATURE REVIEW

Since the inception of the Quick Service Restaurants (QSR), it has been rising over the past several years globally and locally Madhan, Shagirbasha and Iqbal, (2022). Though there is not enough consensus on the origins of 'fast-food' or QSR, most researchers on the topic assert that 'fast foods' originated from the United States and were popularized between 1920 and 1940 within urban environments (Ghazzawi, 2019). From the onset, one would understand the reason causing QSRs to be popular in urban centers such as affordability, time saving and lifestyle convenience Ghazzawi I, (2019). In other words, within urban centers, QSR customers are likely to be exposed to time consuming activities (for example, long commutes) and to higher purchasing powers justifying their choice of ordering from fast food restaurants Marx Pienaar, Du Rand, Fisher and Viljoen (2020). In South Africa, the fast-food industry (inclusive of international franchises) has been present for decades and has surged in popularity after 1994 with the advent of McDonald in 1995 Marx-Pienaar, Du Rand, Fisher and Viljoen, (2020).

The current South African QSR market registered \$2.7 billion of revenue sales in 2018 and is estimated to reach \$4.9 billion of revenue by 2026 Correa, D (2020). According to the Franchising Association of South Africa [FASA] (2017), the franchise sector has performed positively during tough trading conditions.

The sector's contribution to the country's GDP from 9.7% and an estimated turnover from R465 billion in 2014 grew to 13.3% and R587 billion in 2017 and has played an important role in the economy.

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The QSR restaurant model, also defined as fast food, includes national franchise chains, regional franchise chains, unit franchises, and independent operators. QSR franchises contains the most recognised brands in the world like McDonald's, Subway, KFC, Pizza Hut and Burger King have the way showed growth in the franchise industry (Habib et al, 2011).

Statistics clearly show that the top 15 fast foods brands dominate 80% of the South African Quick Serving Restaurant market. Such a grim picture of dominance only leaves the remaining 20% of the South African market to unknown, informal or lesser-known brands.

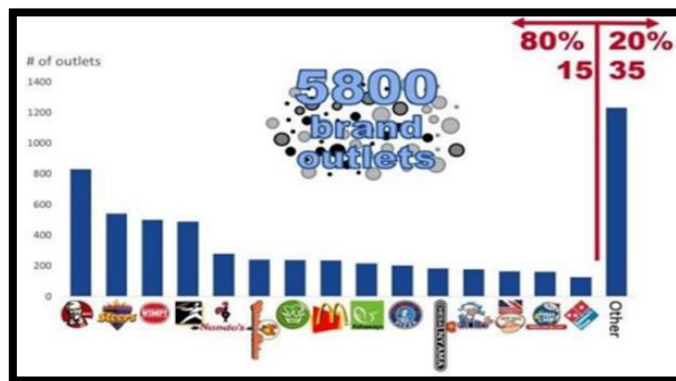


Figure 2. 2: The dominance of the top 15 brands on the South African Fast food market

Source: BusinessTech, 2020

The overall franchising model for restaurants decentralizes the development paradigm, facilitates fast unit expansion through construction, equipment, staffing and operations Haflick, G (2016). According to Haflick G (2016), a highly competitive environment exists when: Similar types of products are available in one market; competitors maintain similar strategies; the products have identical features, offering similar benefits; industrial growth is slow and low barriers exist for the new entry.

Considering that the South African township fast food industry is estimated to be worth R 10 billion, one may assert that the variety in food offered within informal QSR may be deemed as a worthy competitor to traditional outlets such as McDonalds. Although they may not always be classified as traditional restaurants, QSRs serving readily cooked options are abundant and there is a rich culture of South African township fast-food classics. As a good example, Delft, a Cape Town township, has around 200,000 residents and nearly 150 fast-food outlets (of which many are informal), almost as many as there are spaza shops, thus proving that the demand is definitely available (BusinessTech,2020).

2.3. Viability of QSR Franchising Models

In a study conducted on Quick Serving Restaurants in South Africa, McKay (2017), discovered that the main drivers of fast-food purchases in order of importance were: food quality and taste, convenience and accessibility, cleanliness (of the store), customer service and speed of service, affordability, and healthy eating options. It is possible that various QSR outlets, operating within townships, may lack some of the drivers mentioned by McKay and Subamoney (2017) and it is also possible that a few additional external factors needed to attract clientele may be missing in those QSRs operating within townships. The absence of such drivers could be justified by a lack of education or a lack of proper business training.

Mhlanga, O (2018) asserts that effective training, prior to opening a QSR within a township environment, may increase the likelihood of survival of a township QSR. Obeagu and Ngozika (2018) emphasise the fact that QSR entrepreneurs ought to remain sensitive towards the customer's preferences. Understanding the customer's preferences also implies the understanding of what attracts them to a specific QSR Obeagu and Ngozika,(2018). Those customer's preferences (for example, hygiene, food quality) form parts of key drivers that influence QSR sales. An effective suggestion aimed at circumventing such challenges would consist in learning from a successful competitor.

When it comes to assessing the impact of challenges on township QSRs, research on the fast-food industry profitability by Mhlanga, O (2018) asserts that the ability of restaurants to succeed will not be determined by their size but by their type, location, and revenue per available seat. The fast-food industry is becoming increasingly multifaceted and extremely competitive. In such an environment, restaurant managers are finding themselves hard to face a two-faced problem (Mhlanga, 2018). On one hand, sales are slowing down (at store levels but not within the industry overall) and operating costs are increasing Mhlanga, O (2018).

On the other hand, there is an increase of substitute products, new entrants, cut-throat competition, and customers are becoming more demanding and increasingly selective of the types of services they receive Bhasin, H (2018). While the study finds

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various factors impacting operational efficiency, the survival of restaurants in South Africa seems to be determined by cost efficiency, which brings in better market performance through lowering cost of sales Mhlanga, O, (2018). The researcher focuses on the management of QSRs, their revenue flows and Corporate Social Responsibility (CSR) activities as contributory factors to the viability and in the longer term, probably sustainability of the QSR franchising models in township environments.

The South African fast-food preferences mainly include chicken, pizza, burgers and fish and this takes precedence when looking at the viability of QSRs. Though the national picture on the 'fast food activities' displays brilliant numbers, one should deepen his/her analysis to split the geographical QSR activities between 'township or township fast foods' and 'urban fast foods'. The figure below indicates the preference that most fast-food customers in South Africa have when purchasing meals within Quick Serving Restaurants.

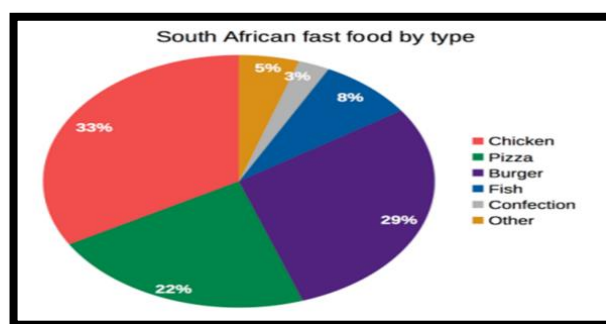


Figure 2. 3: South African food choice in fast food
Source: BusinessTech, 2020

2.4. Advantages of using a QSR model

There are cost efficiencies associated with using the QSR franchising models. Using QSRs translate to adoption of an already working business concept which is associated with minimal risks with increased opportunities for doing business at a reduced cost. As a result, the franchise can gain competitive advantages thus contributing to effective organisational performance (Sun and Lee, 2019). Additionally, using QSRs franchise proved to be more marketable since it is a long term and firm contractual agreement between franchisor, franchisee, and different stakeholders with all the necessary information to uphold brand name (Simin and Živkucin, 2018).

Moreover, new franchisees benefit parent company advertising, established supply chains, a proven business model and franchisor training programs Legendre, Nitani and Riding, (2021). The ability for Quick service restaurants to installed Wi-Fi equipment around their premises is seen as a strategy to get new customers, increases sales and gaining a competitive advantage (Mohamed O, Mohamed MA and Amer, 2019).

In the case of the proposed study, the South African fast-food industry has generated strong profits and has consequently attracted new entrants. South Africa's informal fast-food market within the townships is estimated to be worth ZAR 10 billion Taunyane, H (2016) and such an estimate implies that non-registered new entrants stand a chance to gain customers in the vast pool of competition. It is important to set up an economically intelligence system, to prevent loss of customers and to enhance a permanent innovation. The greater the value offered by a substitute product, the more likely customers will buy it, and consequently an existing business runs higher risks. Hole, Pawar and Bhaskar, (2019). Faced with such a threat, it becomes imperative that fast food develop food products adding useful value to customers. As mentioned in Figure 2.4, above, chicken is the favorite choice among fast food customers, and it comes to no surprise that the product is served under many variations in many fast foods available throughout Johannesburg Township.

The QSRs are known to be involved in Corporate Social Responsibility (CSR) activities to mitigate criticism of unhealthy diet at the same time upholding brand image and gain public and consumer trust Lee, K (2020). Kozmal and El-Monem (2018) further emphasised Corporate Social Responsibility (CSR) an integral part of the business strategy and corporate identity that enhances the global and local integrity of the QSRs, at the same time achieving the societal and environmental service that benefits the communities. Gone are the days when an organisation could do business for the sole purpose of making a profit. If the organisation does not take the environment into account in doing business, or if the community where this organisation is situated or does business, feel "abused" or that their needs are not being addressed, the organisation will not survive, and its future sustainability cannot be assured or guaranteed.

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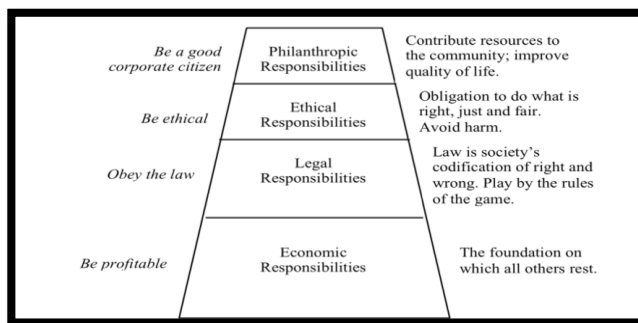


Figure 2. 4: Africa's CSR Pyramid

Source: Annual Trialogue Business in Society Handbook (2020)

According to CSI consultancy Trialogue's findings in its 24th edition of the Annual Trialogue Business in Society Handbook (2020), South African companies spent an estimated R10.3 billion on (CSI) in the 2021 financial year, down from R10.7 billion in 2020. Education was still the most popular cause, accounting for an average of 39% of CSI spend, but this is significantly less than the average of 50% spend last year, due to increased support for food security and agriculture, which increased to 10% from 7% last year and disaster relief which increased to 9% from 4% last year (<https://www.citizen.co.za>)

But how does South African organisations trading in the township markets fare when it comes to corporate social responsibility, and more specifically, what socially responsible initiatives are taken, Currently, the trend among big business is to move away from various small initiatives and to concentrate their contributions in a few larger, business-related projects. This ensures marketing possibilities and better brand recognition for the companies, while still contributing to the improvement and upliftment of the broader society (Kozmal and El-Monem, 2018). There are also many benefits to large QSR firms wanting to support the strategy of township new openings as these firms continue with the growth strategy across South Africa, but this must be done with an open mind and detailed insights. When the business is positioned in line with the consumer needs and the business model and adjusted to the needs of the township consumer, the business model will be easy to understand and easy to duplicate without suffering a loss until it's too late.

Gone are the days when an organisation could do business for the sole purpose of making a profit. If the organisation does not take the environment into account in doing business, or if the community where this organisation is situated or does business, feel "abused" or that their needs are not being addressed, the organisation will not survive and its future sustainability cannot be assured or guaranteed. But how does South African organisations trading in the township markets fare when it comes to corporate social responsibility, and more specifically, what social responsible initiatives are taken. Currently, the trend among big business is to move away from various small initiatives and to concentrate their contributions in a few larger, business related projects. This ensures marketing possibilities and better brand recognition for the companies, while still contributing to the improvement and upliftment of the broader society.

2.5.Challenges Experienced by QSRs

The QSRs remains one of the most tedious and challenging business to operate as it functions in a competitive environment (Lee 2020). This is compounded by difficulties in creating customer relationships, consumer brand loyalty and a standardized product as attested by Swimberghe and Wooldridge (2014). Moreover, QSRs are expected to operate under respective franchising models hence becomes a challenge in sourcing raw materials. The QSRs need to operate according to currency exchange rate, global economic crises, inflation and global food crises in the current environment which is mostly defined by the unending emergency of diseases, global warming and natural disasters Ghazali, Guericolas, Thys, Sarasin, Gonzalez and Casalino, (2018).

In a competitive environment with continuous growth of the population, customers of today are always busy to meet their current needs hence preference of fast foods in inevitable and speed is crucial. Yet QSR presents with long waiting lines contradicting the values of the current customer base (Adiele and Kenneth-Adiele, 2017) thus affecting efficiency of services, consequently customer satisfaction. Whilst customers are on the lookout for healthy eating which comprises of vegetarian and low fat diet, it is a challenge for QSRs to adjust their diets as they are supposed to operate according to the franchise model to remain competitive (MarketLine, 2018). Meanwhile, Nwulu and Ateke (2018) advocated for improving the competencies of staff working the QSRs through mentoring, training, and coaching so that they match the current needs of the consumers.

Working towards the Industry Revolution 4.0 (IR4.0) to modernise capability and increase competitiveness is paramount especially after the disruptive effects of Covid 19 pandemic for QSRs. The supporters of innovative technology even advocated for

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quick-service restaurants (QSRs) to adopt facial recognition systems (FRSs) to improve interactions between employees and customers, thus addressing speedy service Ciftci, Choi and Berezima, (2021). However, insufficient number of employees and limited restaurant space, limited customer acceptances and technology restrictions are some of the barriers experienced in achieving the technology innovation within the QSRs (Ishak, Lah, Samengon, Mohamad and Bakar, 2021). In the context of townships, the challenge faced by township QSRs and documented by the literature relates to the market dominance that township QSRs do not possess.

According to a study conducted by Light Stone Explore, the city of Johannesburg concentrates some of the biggest fast food spenders with families spending around ZAR 1400 to ZAR 1500 per month (Bizcommunity, 2017). The same study also asserts that the purchasing power across South African regions remains unequal between larger metro centers and township centers. Consequently, fast food stores (formal or informal) operating within township or township areas are less likely to enjoy the same amount of financial success that their urban counterparts experience. Except for the major operating franchises, one also asserts the fact that many township QSRs cannot afford the same type of marketing power enjoyed by well-known QSRs (Marx-Pienaar et al., 2020). To offer clarity on the research topic, the researcher will extend his exploration on the following types of QSRs:

- Formal and well-known brands that operate formally within townships and urban areas and which are household names such as KFC, Wimpy, Steers, etc. Formal known brands possess vast financial and reputational capital that allow them to reach a wide market.
- Lesser known or unknown formal brands which are officially registered, and which mostly operate within townships and with considerably less reputational capital than formal known brands.
- Informal brands that operate without any form of official registrations and which are sometimes labeled as 'Kasi Kos' or 'Kota shops'.

2.6. Models Related to QSRs Franchising

The researcher visits the following three theories: 'the scientific management theory, the Kano model theory and the Porter's five force models. The models are described as follows:

2.6.1. The Scientific Management Theory

Scientific management, also often known as Taylorism, is a management theory first advocated by Federick W. Taylor. It uses scientific methods to analyse the most efficient production process to increase productivity. In the context of this study, the scientific management theory can assist a QSR manager or owner in implementing decisions that could positively influence his/her organisation in the face of challenges (Hussain, Haque and Balock, 2019). The use of the theory can assist in reaching this presented research objective related to the organisational dynamic of township QSRs. The researcher contends that most, except for franchise stores, township QSRs may not have the same structural levels and corporate stability that well-known brands have.

The scientific management method has four core principles namely:

- Selection of methods based on science and not on assumption: In other words, it is expected that QSR managers would implement decisions based on the right information. This principle relates to the collection of micro and macro-economic information needed to successfully run a QSR.
- Assignment of work based on aptitudes: this principle relates to the fact that QSR have to allocate tasks among employees based on merits.
- Monitoring of work performance: In this principle, QSR owners or managers have to assess and evaluate the performance of their fast food amid the various identified challenges.
- Proper division of workload between employees: In this principle, QSRs have to ensure that the proper work division is allocated between employees.
- The scientific management method matters due to its capacity in organising a township QSR. The lack of organisational coherence has often caused QSRs to fail at an early stage Mhlanga, O (2018).

2.6.2. The Kano Model Theory

The Kano Model is an approach to prioritizing features on a product roadmap based on the degree to which they are likely to satisfy customers Wang, Xuan and Zhou, (2021). In other words, in the Kano model theory, QSR owners are expected to prioritize food products and service features (promotion, hygiene, quality, et cetera) that will enhance customer satisfaction. Within the context of this study, the researcher asserts that the Kano model theory can assist township QSR owners in tackling the challenges related to: customer service, customer acquisition and customer retention. Eventually, the application of the Kano model will positively impact township QSR owners' financial bottom lines through the following Kano model principles: The threshold attributes, the excitement attribute and the performance attribute Holicki,R (2021).

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The threshold attribute refers to the standard dedicated to products and customer services, the excitement attribute refers to the positive impression given to the customer and the performance attribute refers to the measurement done on the service delivered. By following the Kano model, QSR owners will be able to structure their organisational model in a way that can face challenges and positively impact their fast food financially.

2.7. Customer Care at a Quick Service Restaurant

Despite the proven positive effects of service quality on customer satisfaction, the benefits of implementing quality standard systems are difficult to quantify and many organisations do not allocate sufficient resources to their measurement (Djofack and Camacho, 2017). Service quality is difficult to assess because it is not only based on a delivered product, but also on the service itself.

Recent studies on QSR restaurants, such as Oh and Slack, (2020), did not develop specific service quality scales, although they did assess three dimensions of service quality within more complex structural models. These studies considered the employee service quality dimension rather than the interaction quality dimension, as recommended by Jogaratnam, G (2017). Consequently, given the features of existing scales and the particularities of this industry, there is a clear need for a practical and consistent assessment scale that continuously provides customer data and monitors compliance with the service quality standards of all owned and franchised business units.

Due to the high number of new entrants into the restaurant industry, this industry is faced with complex, dynamic environment wherein fierce competition exists Jogaratnam, G (2017). According to Di and Ramanathan R (2016), hyper-competition in the restaurant industry has prompted an increase in the need for restaurant establishments to improve their quality of service as well as advance plans on how to entice new customers and to hold onto the already present loyal customers. Even though this reality of an ample supply of restaurant services puts pressure on restaurant managers to deliver the best possible service, it allows the customer to have a wider choice and variety of restaurant establishments to select from when planning to dine out Sudhagar and Rajendran, (2017).

Looking for ways to enrich the quality of service has been a major focus in academic research and it has been identified as a key strategy towards the success of an establishment Kuhn, Benetti, Anjos and Limberger, (2018). In previous research, it has been established that when a customer is satisfied with a restaurant's service, they will exhibit loyalty towards the establishment (Al-daihani and Ali, 2018). For that reason, to understand the elements which have an influence on the loyalty of the customer, restaurant managers need to identify service quality constructs which are linked to consumer loyalty Keshavarz, Jamshidi and Bakhtazma, (2016).

By understanding service quality, restaurants can improve the quality of their service, attracting new customers as well as maintaining their loyal customers and allowing higher profits margins Mensah and Dei Mensah, (2018).

2.7.1. Changing the Corporate Mindset

When companies think about customer retention, they often frame the issue as "How do we keep customers from going to someone else?" By approaching the issue as a negative something they must keep from happening companies may lose focus on the ultimate goal loyalty. Customer care may start to seem like a distraction from the core agenda. Be wary of equating customer loyalty with customer satisfaction. Satisfaction can be an easy thing to measure, but is seldom a reliable predictor of loyalty. For example, while more than half (58 percent) of consumers in our recent customer satisfaction survey described the quality of customer service overall as good or excellent, more than half (55 percent) also said their expectations were met only sometimes or rarely or even.

These challenges are already familiar to many organisations and many initiatives have been launched to address them. What has changed is the degree of urgency: current economic conditions, COVID and the resulting potential for increased price-based competition and customer churn make maintaining profitable relationships and expanding the value of these relationships imperatives for sustaining high performance during these uncertain times.

It is also possible to miscalculate when striving to "delight customers." Building loyalty and improving retention does not demand doing everything for everyone all the time the customer experience must serve specific business goals, as well as customer interests. Some companies will survive the current cycle; others will thrive because they made this an opportunity to renew customer focus. By making smart near-term decisions based on strong analysis and a long-term perspective, they will optimize investment in marketing and sales; preserve trust in relationships with valued customers; and benefit from the clear opportunities for growth available even now.

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3. RESEARCH METHOD

The objective of the study was to determine the viability of quick service restaurant (QSR) model among managers in township markets. Therefore, based on the discussion above, the qualitative phenomenological approach was selected and employed to obtain information and derive conclusions. The qualitative method was selected as the most appropriate methodology for this study as the opinions and individual experiences of the participants were assessed. Lastly the descriptive exploratory nature of the research and the small sample size supported the qualitative method being the method of choice. The qualitative method displayed a great deal of flexibility and thus allowed for a less formal interaction between the researcher and the participant. The researcher was thus in a favourable position to obtain adequate data as participants were able to respond more elaborately and in greater detail. According to Saunders et al. (2016) exploratory research, as the name implies, intends merely to explore the research questions, and does not intend to offer final and conclusive solutions to existing problems. This type of research is usually conducted to study a problem that has not been clearly defined yet.

3.1 Target Population

Population refers to the set or group of all the units on which the findings of the research are to be applied. In other words, population is a set of all the units which possess variable characteristic under study and for which findings of research can be generalised (Shukla, S *2020).

The target population is the total group of individuals from which the sample might be drawn. A sample is the group of people who take part in the investigation. Generalisability refers to the extent to which we can apply the findings of our research to the target population we are interested in (Satisprakash, 2020).

In research studies, it is often not appropriate or feasible to recruit the entire population of interest. Instead, investigators will recruit a sample from the population of interest to include in their study. In such cases, the objective of the research study is to generalise the study findings from the sample to the population of interest Majid U, (2017). For this study, the population were the QSR managers or owners within the South Africa township areas.

3.2 Sampling

Sampling is a technique of selecting individual members or a subset of the population to make statistical inferences from them and estimate characteristics of the whole population. Different sampling methods are widely used by researchers in market research so that they do not need to research the entire population to collect actionable insights Majid, (2017).

It is also a time-convenient and a cost-effective method and hence forms the basis of any research design. Sampling techniques can be used in a research survey software for optimum derivation Sekaran and Bougie, (2016).

Prior to examining the various types of sampling method, it is worth noting what is meant by sampling, along with reasons why researchers are likely to select a sample. Taking a subset from chosen sampling frame or entire population is called sampling. Sampling can be used to make inference about a population or to make generalisation in relation to existing theory. In essence, this depends on choice of sampling technique. In general, sampling techniques can be divided into two types: (Sekaran and Bougie, 2016).

- a) Probability or random sampling
- b) Non- probability or non- random sampling

The two major types of sampling, namely probability sampling which is further divided into simple random sampling, clustered sampling method and stratified random sampling. Non-probability sampling comprises of convenience sampling method, quota sampling, purposive or judgmental sampling and lastly what is commonly known as snowball sampling (Sekaran and Bougie, 2016).

4. DATA ANALYSIS AND DISCUSSION

The researcher studied the literature and the data, building on the data findings discussed in previous chapters as well as the literature review. During the data analysis, the study provided Quick serving restaurants, also referred to as 'fast foods', have become part of our daily lives and norms throughout societies of the world and especially within urban and township regions of South Africa. The study aimed at exploring the viability of the QSR model among managers in selected township markets of Johannesburg. A qualitative descriptive exploratory design was used. A convenience sample size of 16 was selected. A semi structured interview schedule with probing questions was used to collect data that answered the research questions.

The viability of Quick Service Restaurants in township become successful depending on the approach of the market. Based on literature, the challenges differs depending on the market.

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When it comes to assessing the impact of challenges on township QSRs, research on the fast-food industry profitability by Mhlanga (2018) asserts that the ability of restaurants to succeed will not be determined by their size but by their type, location, and revenue per available seat. The fast-food industry is becoming increasingly multifaceted and extremely competitive. In such an environment, restaurant managers are finding themselves hard to face a two-faced problem (Mhlanga, 2018).

From the consulted literature and collected data, the participants indicated both viability and non-viability of QSR model. The main highlighted competitors were KFC, Chicken Licken, Pedros, Roman pizza, Steers and Debonairs. Customers ranged from young children to adults, which includes school children, family members, workers from hospital, taxi workers and other communities

There are cost efficiencies associated with using the QSR franchising models. Using QSRs translate to adoption of an already working business concept which is associated with minimal risks with increased opportunities for doing business at a reduced cost.

The QSRs are known to be involved in Corporate Social Responsibility (CSR) activities to mitigate criticism of unhealthy diet at the same time upholding brand image and gain public and consumer trust Lee, K (2020). Kozmal and El-Monem (2018) further emphasised Corporate Social Responsibility (CSR) an integral part of the business strategy and corporate identity that enhances the global and local integrity of the QSRs, at the same time achieving the societal and environmental service that benefits the communities.

The study revealed that, the identified advantages of using QSR business models were Convenience and cost-effectiveness, accessibility to food services, employment creation and community development.

The QSRs remains one of the most tedious and challenging business to operate as it functions in a competitive environment Lee, k (2020). This is compounded by difficulties in creating customer relationships, consumer brand loyalty and a standardized product as attested by Swimberghe and Wooldridge (2014). When it comes to assessing the impact of challenges on township QSRs, research on the fast-food industry profitability by Mhlanga (2018) asserts that the ability of restaurants to succeed will not be determined by their size but by their type, location, and revenue per available seat. The fast-food industry is becoming increasingly multifaceted and extremely competitive. In such an environment, restaurant managers are finding themselves hard to face a two-faced problem (Mhlanga, 2018).

In this study, the data was collected and the identified challenges facing QSR included high levels of criminal mischiefs, limited safety, security and maintenance of equipment and staff, Customer interference on staff, limited customer preference as well as power and environmental challenges such as water outages which can negatively impacted

Business.

5. CONCLUSION AND RECOMMENDATIONS

In this study the findings recommend to improve the viability of using the QSR model in selected township market includes change of marketing strategies, availing, maintenance, and servicing of equipments, upgrading of safety and security measures, enhancing the training and development of the managers and a change of operational business operations to improve overall performance. They are described as follows:

5.1.1 Change of Marketing Strategies

The township marketing has a degree of price sensitivity so the marketing strategies needs to be specific to the area, whilst national marketing will always drive an umbrella strategy, the township markets need a local marketing strategy. Implementing bundles as a 4-piece meal including a dessert will drive the consumer fill and it's a great effort opportunity to increase the items per order. The use of coupon is still a great tool to improve frequency to the restaurant with deals such a buy five times and get a free meal. Chicken is still a strong protein for the township community so keeping the focus on beef to a minimal and enhancing the chicken offerings will be an advantage. Local newspapers and radio adverts are a great tool as the township consumers still pay particular interest in these media options.

5.1.2 Equipment Repairs and Maintenance

The frequency of repairs and maintenance must be done often, and the restaurant managers should not wait until the full breakdown takes place. The search for potential hazards which could include:

- Exposure to body fluids or syringes
- Exposure to chemicals
- Slippery surfaces/wet floors
- Use of sharp tools
- Contact with hot surfaces or hot oil which could cause burns

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- Use of ladders to reach high places endangering customers
- When using equipment make sure that all visible parts and electrical fittings are in good condition.

General cleanliness is a big job and an important one, but a schedule will help plan what to do, when to do it, and how much time to allow. Control and management of pests in the township restaurants is imperative for good hygiene and on-going food safety. The restaurant manager plays a key role in effective control and management of pest activity.

Precautionary checks prior to a breakdown especially for high-risk equipment's such as a generator is important because the restaurants staying open whilst everyone else is closed can lead to increased revenue. The precautionary checks also assist with reduced emergency call out fees and stopping of the trade.

5.1.3 Upgrading of Safety and Security Measures

All restaurants are subject to some form of crime in the township market so all methods of prevention must be considered from a properly working camera system to give the consumers' confidence whilst in the restaurants. The restaurants such as a drive through or standalone restaurant, having property fitted fences will assist during civil unrest. The use of proper lights for restaurants with strong dinner trade will help at night and ensuring that you constantly bank your taking leaving minimal cash in the registers will deter potential armed robberies.

5.1.4 Change of Operational Business Operations

It is not viable to every restaurant opening for breakfast, selling coffee, or operating for dinner. A detailed analysis must be done on products sold and review performance by day part together with restaurant trading hours and which delivery service to offer customers. This detailed analysis of restaurants in area clusters (the entire Soweto cluster) would need to be reviewed.

5.1.5 Training of Restaurant Managers

The restaurants managers need further training for the township markets, the topics should include:

- How to deal with safety and security concerns.
- How to connect with the local community including the ward counsellors.
- Advanced financial skills to under the product mix, gross profit and breakeven of a township restaurant model.
- Local restaurant marketing and type of product promotions that should be offered.

This training should be extended to the entire leadership teams in the restaurants especially considering that the Restaurant Managers are not always on duty.

Based on the responses of some managers, financial literacy seems to be lacking and therefore the training to Restaurants Managers should include basic financial skills such as:

- The understanding of a Restaurant profit and loss statement down to the net income.
- The Restaurants breakeven projections including the sales and expenses

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