

GLOBAL TRENDS OF FOOD SUPPLY: PROSPECTS AND PROBLEMS OF ONLINE FAST FOOD MARKETING

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ABSTRACT

This paper is concerned with the possible problems and prospects of online fast food marketing. Online fast food marketing is the practice of leveraging internet-based channels to broadcast information about a fast food company's brand, products or services to potential customers. Associated terms for online marketing include; digital marketing, internet marketing, e-marketing, e-commerce and virtual marketing. New internet-based communication technologies have helped to restructure economic sectors; pre-COVID-19, during the pandemic and post-COVID-19 including, marketing. Food manufacturers are taking advantage of these technologies to carry out business-to-consumer online sales activities. Online fast food marketing witnessed a rise in the number of people opting for online shopping due to a wide availability of products and a convenient option of feeding as the meals or snacks are delivered at doorstep within a stipulated timeframe. Online fast food marketing, like other e-marketing platforms is subject to issues such as timely delivery of products, privacy of consumer, security of credit cards and consumer satisfaction. The quality of the services of the vendors are important. About 11% of the world's population has access to food delivery platforms. It is projected that online food marketing will expand aggressively and innovate to grab more "bellies and wallets" by the end of the next decade.

Keywords: Post-COVID-19, Online Marketing, Fast Food

INTRODUCTION

Food marketing is the series of marketing activities that transpire between a food company and a consumer. Online fast food marketing is the practice of leveraging internet-based channels to broadcast information about a fast food company's brand, products or services to potential customers (Kasambu and Sritharan, 2020). Associated terms for online marketing include; digital marketing, internet marketing, electronic or e-marketing, e-commerce and virtual marketing (Sigala, 2018). New internet-based communication technologies have helped to restructure economic sectors; pre-COVID-19, during the pandemic and post-COVID-19 including, marketing (Phau and Poon, 2020).

Kotler & Armstrong, (2014) view Internet marketing as a series of activities to promote products and services and build relationships with customers over the Internet. Bostanshirin, (2014) views it as intentionally targeting users and getting them to interact with you. A more

comprehensive definition was given by Chaffey, (2000) who defines online marketing as the application of digital technologies which form online channels such as web, e-mail, databases, plus mobile/wireless and digital TV to contribute to marketing activities aimed at achieving profitable acquisition and retention of customers (within a multi-channel buying process and customer life cycle) through improving customer knowledge (of their profiles, behaviour, value and loyalty drivers), then delivering integrated targeted communications and online services that match their individual needs. This, invariably means that marketing fast food online can be designed to revolve around interaction and building relationship with customers, a point which may distinguish it from the traditional, physical marketing (Phau and Poon, 2020).

Several studies have addressed the way in which the introduction of internet has reshaped the structure and performance of different sectors such as; hospitality, travel and tourism, (Li *et al.* 2021; Kah, *et al.* 2006), health and medicine (Gadish, 2007; Datta, *et al.*, 2008), including marketing and education (Bostanshirin, 2014). A prominent point regarding the emergence of the internet in the centre of commerce and marketing however, is that the internet is not only considered a new channel of publicity, an evolution among other regular, pre-internet types of marketing of goods and services, but on the contrary, it has brought about a new swivel, a complete shift to a new business model, which results in an inevitable re-exploration of the very nature of marketing (Wind and Rangaswamy, 2001). For marketers, one of the most significant impacts has been the emergence of virtual stores that sell products and services online. Consumers can now purchase goods and services virtually anywhere, 24 hours a day, 7 days a week, without geographical and temporal boundaries. This understanding is inevitable as new communication technologies have fostered an improved and dynamic environment in which marketer oriented, top-to-down, unilateral approach gives its place to a customer-oriented, bottom-to-up, reciprocal process of feedback (Li *et al.*, 2021).

The fast digitalization of media and communication technologies has also fundamentally changed the dynamics of advertising food (Kasambu and Sritharan, 2020). With the current wave of social media addiction, social media channels have been adopted as marketing avenues for fast food as it is fast becoming the most common means of interaction through content marketing (Anukam and Iweka, 2016). By the consistent use of relevant and meaningful messages, fast food companies pursue a rise of the level of customer engagement, which is not only a single interaction, but a line of communication over a period of time (Sigala, 2018). Digital marketing has indeed, brought about a change in the approach of vendors and consumers towards buying and selling of goods and services in such a way that the survival of establishments whether profit or non-profit driven will to a great extent depend on its utilization, from different indications (Kenneth, 2019).

The food and beverage industries are continually devising new ways of marketing their products (Drumwright, 2013). Electronic marketing approach just like physical marketing has witnessed massive progress over the past few decades (Phau and Poon, 2020). E-marketing became prominent in the 19th century with the development of the telegraph machine. Subsequently, other electronic media such as radio, television, cable network and now recently social media and the internet have proved invaluable in real-time dissemination of relevant information to prospective consumers (Anukam and Iweka, 2016).

One challenge online marketers face is the need to remain competitive, amidst intense competition (Gascon, *et al.*, 2017). Escalation in the number of retail online shops made accessible via internet presents consumers with a range of opportunities for virtual shopping

(Ennew, *et al.*, 2015). In such circumstances, internet retailing managers face the challenge of developing strategies to drive visitors also referred to as “traffic” to their own website with a view to increasing sales and revenue (Ennew, *et al.*, 2015). Awukam and Iweka, 2016 posits that the speed of digitalized media and communication technology has fundamentally influenced means of advertisements which is a means of attracting potential consumers to the websites. Food manufacturing companies key into the use of social media as advertisement and marketing tools, literally putting their goods in consumer's faces and social media content is the most common way of interaction through content marketing (Gascon, *et al.*, 2015).

It is becoming glaring that the internet has reformed the structure and level of productivity of different sectors of the economy as can be observed in the hospitality, travel and tourism sectors. The food industry is not left out of this recent development (Theuvsen, 2015). The last several years have seen an absolute explosion of diversity in both fast food/dining concepts and menu choices. This evolution reflects an industry that has been responsive to changing consumer tastes, global trends as well as entrepreneurs finding niche opportunities to profit (Phau and Poon, 2020) and rest assured - those opportunities still exist in abundance.

The operation of the internet has altered the rules of doing business significantly. Fast food marketing firms and vendors are therefore leveraging on the internet technology. Marketing fast food online is not without its challenges, but there is a propensity to make profit. It is in the light of these and in an effort to review this global trend that this paper will discuss prospects and problems of online fast food marketing.

Necessary Infrastructure and Tools Required for Online Marketing

Just as would be applicable with a physical store, provision for certain facilities should be set up as noted by Olayiwola *et. al.* (2013), which is in congruence with Anukam and Iweka, (2018). The following are the basic considerations for setting up an online market:

- i. Choosing a Demographic: While everyone certainly needs food to survive, there are many physical supermarkets, convenience stores and luxury food shops for consumers to choose from. Choosing the most appropriate demographic for a particular food product, is one of the challenges a fast food marketer is likely to face. Selling low-priced or low budget brand fast food product would appeal to lower-income or cost-conscious consumers. On the flip side, selling higher-priced food products would appeal more to an affluent community. The real problem is ensuring that the online advertising matches consumer demand. If the majority of consumers are looking for moderately-priced products, it would not be reasonable to advertise the most expensive foods.
- ii. A device like a computer, smart phone or tablet with good configurations that is internet ready and has current facilities to operate.
- iii. Internet network configuration that is fast and reliable for easy access to internet.
- iv. Source of regular power supply such as a power bank, inverter, a UPS or generator to ensure that the devices never go off so customers' orders can be seen promptly.
- v. A website package which should be provided by a web designer to perform audio, graphic, video and text function.
- vi. Establishment of a payment system that is convenient for customers.

- vii. Qualified and experienced I.T Personnel to run the e-marketing facility and attend promptly to customers.
- viii. Security arrangement - The installation and continued update of a program or software that protect customers' identities and their various transactions from fraud.
- ix. Customer Service System- Adequate arrangement and attention should be given to customer care to ensure customer satisfaction and minimize delays or waiting time after orders have been made and taken.

PROSPECTS OF ONLINE FAST FOOD MARKETING

Food delivery has become a highly competitive sector in the last decade. Several food delivery brands all over the world have captured a huge share in the industry (Phau and Poon, 2020). The key aspect that drives this huge market is the busy and fast life of people worldwide. Online sales of fast food is projected to grow driven by urbanization and the increasingly rapid lifestyles of Nigerians, which encourages them to choose a quick fix for their meal requirements. This is especially so, given that the average age of Nigerian consumers is below 30 years (Kenneth, 2019). And the recent COVID-19 pandemic has made more people reliant on online meal ordering. BusinessWire's independent market researchers project that global food delivery market is expected to hit the \$154.34 billion mark in 2023 (Li, *et al.*, 2021).

For fast food, eat-in and physical purchase of food locally referred to "take-away" remained the preferred option up till in 2017 (Awukam and Iweka, 2018). Generally, Nigerian consumers prefer to go out to eat rather than order a takeaway or delivery (Li, *et al.*, 2021). With the advent of COVID-19 in the later part of 2019, business operations and other human activities have been reshaped to embrace digitalization. Dealing with the after effect of the lock-down in 2020 has not been easy for any industry. The pandemic's impact was such that many industries are still trying to recover from economic losses. The dining/catering section of the hospitality industry was hit as physical presence in the outdoor scene was restricted. Many restaurants and fast food outlets adopted online advertisements, marketing and sales to stay afloat (Kenneth, 2019). This strategy saw a lot of fast food vendors make massive sales and post COVID-19, the online shopping for fast food is still experiencing massive patronage. The online community has thus continued to expand, as the majority of businesses strive for an online presence and customer reach. Online food delivery market witnessed a boom in the heat of lockdown and social restrictions, a trend which appears to be gaining more traction by the day (Okoro, 2020).

The entrance of internet technology giants in the market like Google, Amazon, and Uber shows the industry's growth prospects. Even though their entrance has increased the competition to a certain level, it also provides opportunities to small vendors. Since many fast food production companies present a platform for delivery, many sellers now have more options to deliver food online than before (Okoro, 2020).

How Are Multinational And Local Operators Competing And Expanding In Nigeria?

Google announced that it is launching the ability to order food delivery directly from Google Search, Maps and Google Assistant (Lardinos, 2019). Google itself is not getting into the delivery business but is partnering with companies like DoorDash, Postmates, Delivery.com, Slice and ChowNow. The ordering experience, though, is deeply integrated into Google's tools and payments can be made with Google Pay. For restaurants that participate, you would see an

“Order Online” button in Search and Maps when you search for a specific restaurant or cuisine (Lardinos, 2019).

The Role of New Age Media

Drumwright, (2013) has opined that, the focus on consumers and on relationship marketing has paved the way for the emergence of integrated marketing communications.

The use of social media has become a core strategy for reaching and engaging potential customers. Facebook now has more than a billion monthly active users worldwide (Li, *et al.*, 2021), and as of June 2012, more than 85 percent of people that use the internet in the United States used social media. Kenneth, (2019) projected the same scenario in Nigeria. For an average person, having a Facebook profile is a required entry card into a social life that is increasingly played out in the virtual realm.

Social media is currently woven into daily interactions and social relationships as a vehicle for marketing (Okoro, 2021). They orchestrate influence, foster fans, create “brand advocates,” and encourage young people to influence each other. Facebook has created the notion of social advertisements, which turn user behaviors such as “fanning” a product into opportunities that can be orchestrated to go viral.

Lardinos, (2019) opined that some of the largest food and beverage companies are clearly targeting adolescents through social media. To celebrate the 100th-year anniversary of Oreo cookies, for example, Kraft created a social media campaign that encouraged people to send photos, videos, and stories featuring Oreo cookies so they could be “shared with the world.” A hundred-day campaign offered whimsical and eye-catching advertisements each day to the approximately 30 million people who “like” Oreo on Facebook. Between June and August, likes, comments, and shares increased by 110 percent for the brand.

Automation in Fast Food

With the advancement in technology, several food service providers have started automating their processes to reduce the risk of order errors. This has resulted in the use of self-order kiosks in outlets and minimizing the wait time for customers (Sigala, 2018). Moreover, automation will help fast food industry players to increase productivity, enhance quality, and improve brand awareness by maintaining a healthy relationship with end consumers while also providing income for the automation service providers (Phau and Poon, 2020).

Time Efficiency

Consumers of today are much busier than they were before. They want to be served at the earliest. This makes it vital for fast food industry players to work on their speed and consumer convenience. Restaurants lacking in fast customer service won’t be preferred by consumers in the long run. Therefore, fast food industry players need to ensure timely and easy access to food items.

Apparently, a lot of prospects are inherent with the practice of online marketing. Shokan (2006), Kotler and Keller (2006) and Kenneth, (2019) summarized some of the benefits or prospects of e-marketing to include:-

- i. Disintermediation: eliminating middle-men with their associated cost and involve one-on-one marketing where sellers sell to buyers directly.

- ii. Transaction Speed: transaction takes place within seconds and minutes through telephone or other telecoms and electronic media.
- iii. Immediate Feedback: Sellers get immediate feedback about their products which would enable them redesign or improve the quality of products to suit customers taste.
- iv. Low Cost of Selling and Distribution: The e-marketer does not need pay for warehouse/shop as products can be prepared at a desired or convenient location. Hiring sales agents or persons would be optional. This makes products sold through this means relatively cheap. Also for the buyer, there is an elimination of hazards of road accidents for vulnerable persons while sourcing for products and services.
- v. Provision of a Possibility for Large Transactions: E-marketing platforms connects millions of buyers worldwide via the world-wide-web. Hence, millions of buyers entails greater sales and by extension profitability.
- vi. Wider Scope of Market: Unlike the traditional physical fast-food outlets, that markets products and services to people in a specific geographic area, the reach of e-marketing is wide as it links up buyers and sellers who are in various locations in a city.
- vii. Closer and direct relationship exist between the buyer and the seller. This guarantees customer retention as it entails exchange of information.
- viii. Customization of Products and Services: Since information pertaining to customers is at the disposal of the e-marketer as a sort of "data bank", the seller is better equipped to provide the numerous customers with bespoke products and services which is different from the standard products available in the market.
- ix. 24/7/365 Services: Online marketing avails the sellers the opportunity to sell their products and services 24 hours a day, 7 days a week and 365 days in a year without observing weekend breaks or not selling in the night time as they so decide. It provides round the clock access to products and services.

Problems of online fast food marketing

While pure technology driven service delivery may yield efficient results for brands, service managers may need to retain some level of human contact, particularly for customers that would prefer non technology-driven interaction. Persons with disabilities, low digital literacy skills the elderly and the vulnerable would most like prefer non-technology interactions (Fisk, *et al.*, 2018).

Legislative Issues

There are no set worldwide marketing laws or legislation, therefore different countries have the option of adopting their own legislation with regards to fast food marketing standards (Chandon, 2012). These standards are usually based on the values, culture and ethics of a particular country (Kaynak, 2019). Many countries worldwide have created laws in order to limit food marketing towards children with the goal of reducing obesity levels (Wansink, 2012) because obesity has been proven to have an increased significantly with a link to the increase of food marketing and advertising in the society.

Food Fraud

Aside from the fairly obvious supply and logistics issues the pandemic has presented, the conditions brewed by COVID-19 gave (and still is giving) ample opportunity for food criminals. A surge in demand coupled with economic downturn for some meant the priority was getting food on shelves and tables as cheaply as possible, opening the door for disingenuous operators to move in. Some consumers are not able to ask about quality of food or ask for any specialized diet foods (Phau and Poon, 2021). It is more difficult to ask for gluten free or allergy free foods with online ordering. Also, it is more possible for a customer to place an order, but never pick up the order which can lead to waste of food and possibly a loss of profits.

In another vein, some fast food vendors display heavily edited images of their food and snacks with exaggerated garnishes. Upon order and purchase, what is eventually delivered is not what was advertised.

Disadvantage of Electronic Ordering App

Drumwright, (2013) opined that about 27 percent of the customers admit that while ordering food online, the site is slow; followed by 26 percent complaining of the delivery time being longer than expected. Whereas 24 percent complain that the site does not open on time and the least being 19 percent say the follow-up service is poor.

Some of the common problems that have been deduced to be responsible for the slow pace of online marketing application in Nigeria include the following: Kenneth, (2019) which is congruent with Onuoha, (2010).

- i. Scale of Operation: many individuals are not capable of raising funds to establish and run digital marketing platforms which is obviously expensive to install and maintain.
- ii. Security Concerns: There is the challenge of a determined mode and security of payment. Internet fraud or cyber-crimes are increasing at an alarming rate, as a result eroding the confidence of potential and intending online marketing shoppers and sellers.
- iii. Irregular power supply or total absence of power supply in some locations continues to impede online marketing application in countries like Nigeria as online marketing facilities depends on a reasonable supply of electricity to operate.
- iv. Poor internet Service: No doubt, poor network service has been blamed for the low rate of digital marketing applications. Most internet service providers in developing countries like, Nigeria experience fluctuations in their network. This affects smooth digital marketing operation.
- v. High installation Cost: The cost of facilities required to effectively run a full digital marketing is daunting. This is not unconnected with the high inflation and exchange rates prevalent in the recent times, post COVID-19. The installation cost includes the cost of computers, generators, web designs and fees of ICT experts.

Recommendations

1. Fast food service providers offering online orders options should analyse and improve the performance of their website, periodically review and take necessary measures to help the consumers by providing friendly access to websites.
2. Take adequate measures in improving the quality of service and access to portals.
3. Digital service providers should constantly review their structures according to customer preference segments; that is, to accommodate online shoppers and on-site guests to maintain relevance.
4. Adequate security measures should be put in place to protect online buyers and to allay their fears.
5. Efforts should be made by the government at all level to improve power supply.
6. Computer literacy should be given attention in schools.
7. Online buyers should be given incentives, for instance, free small snacks or chops for large orders or discounts for opting to pay before delivery of order. This is to promote online buying culture.
8. Products advertised online should be a replica of what they represent in reality. Editing pictures to make products appear more attractive and appealing than they naturally would be is misleading and should be avoided.

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