

## **Major Research Project**

# **“A comparative study on consumer satisfaction towards leading food chains- Domino’s and Pizza Hut”**

Submitted By  
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## **CERTIFICATE**

This is to certify that Ms. Arushi Gupta has completed the project titled “A comparative study on consumer satisfaction towards leading food chain- Domino’s and Pizza Hut” under the guidance of **Dr. Archana Singh, Associate Professor**, as a part of Master of Business Administration (MBA) curriculum of Delhi School of Management, New Delhi. To the best of my knowledge, this is an original piece of work & has not been submitted elsewhere.

**Dr. Archana Singh**

**Associate Professor**

Delhi school of Management

Delhi Technological University

## **DECLARATION**

I, Arushi Gupta student of Delhi School of Management, Delhi Technological University hereby declare that the **Major Research Report** on “A comparative study on consumer satisfaction towards leading food chain- Domino’s and Pizza Hut” submitted in partial fulfillment of the requirements for the award of the degree of Master of Business Administration (MBA) is the original work conducted by me. I also confirm that neither I nor any other person has submitted this project report to any other institution or university for any other degree or diploma. I further declare that the information collected from various sources has been duly acknowledged in this project.

**Arushi Gupta**

**2K22/DMBA/28**

## **Acknowledgement**

The satisfaction that I have completed my **Major Research Project** successfully gives me immense pleasure and happiness. This project would have been incomplete without mentioning the names of the people who have rightly guided. I consider it my privilege to express my gratitude and to all who have helped me in the success of the project.

I express my deep and sincere gratitude to **Dr. Archana Singh, Associate Professor, Delhi School of Management, DTU, Delhi**, a kind-hearted person who is a Role Model for all the youngsters, for providing the support and guidance for the successful completion of the **Major Research Project**.

I am grateful for her valuable guidance, suggestions, regular source of encouragement and assistance throughout my project work.

**Arushi Gupta**

**(2K22/DMBA/28)**

## **Executive Summary**

This comparative study examines consumer satisfaction towards two leading food chains, Domino's and Pizza Hut, within the context of the fast-food industry. The research analyzes various factors influencing consumer satisfaction, including product quality, service efficiency, pricing, and overall experience. Through quantitative surveys, data was collected from customers. Key findings reveal nuanced differences in consumer perceptions and preferences between Domino's and Pizza Hut. Overall, both brands received positive feedback for their food quality, with Domino's being praised for its innovative menu offerings and Pizza Hut for its traditional flavors. However, service efficiency emerged as a significant factor influencing consumer satisfaction, with Domino's outperforming Pizza Hut in terms of delivery speed and order accuracy. Furthermore, pricing was identified as a crucial determinant of consumer choice, with Domino's perceived as more affordable by budget-conscious customers. However, Pizza Hut was favored for its dine-in experience and ambiance, catering to consumers seeking a more relaxed dining atmosphere. In conclusion, while both Domino's and Pizza Hut excel in certain areas, understanding consumer preferences and adapting strategies accordingly is essential for maintaining and improving market competitiveness. By leveraging strengths and addressing areas for improvement, both brands can enhance consumer satisfaction and loyalty in the highly competitive fast-food industry. This study provides valuable insights for marketing executives, decision-makers, and stakeholders within the food industry to formulate targeted strategies that resonate with consumer preferences and drive business growth.

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# *Chapter 1*

## INTRODUCTION

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### **1.1** Company overview

The fast food industry in India has experienced significant growth and evolution over the past few decades. With the changing lifestyles, urbanization, and increasing disposable income, fast food has become a popular choice for many Indians, especially among the younger demographic. The fast food industry in India, including pizza, has witnessed robust growth. Factors such as rapid urbanization, changing consumer preferences, and the influence of Western culture have contributed to the expansion of this sector. According to various reports, the Indian fast food market is projected to grow at a CAGR of around 18-20% over the coming years. Indian consumers, particularly the younger population, are increasingly opting for convenience and variety offered by fast food chains. Pizza, in particular, has gained immense popularity due to its customization options, convenience, and diverse flavors. The Indian fast food market comprises both international giants and domestic players. International chains like Domino's Pizza, Pizza Hut, and McDonald's have established a strong presence in India. Additionally, there are several homegrown brands like Pizza Corner, Ovenstory Pizza, and Mojo Pizza competing in the market. International fast food chains have adapted their menus to suit Indian tastes and preferences. For instance, pizza toppings may include ingredients like paneer (Indian cottage cheese), chicken tikka, and a variety of vegetarian options to cater to the diverse palate of Indian consumers. The fast food industry in India has embraced technology to enhance customer experience and streamline operations. Online ordering platforms, mobile apps, and digital payment options have become increasingly common, allowing customers to conveniently order their favorite pizzas from the comfort of their homes. With growing health consciousness among consumers, there's a rising demand for healthier fast food options. Fast food chains are responding by introducing low-calorie alternatives, gluten-free crusts, and healthier toppings to cater to health-conscious consumers.

The pizza segment within the fast food industry is highly competitive, with players vying for market share through aggressive marketing strategies, product innovation, and competitive pricing. Domino's Pizza and Pizza Hut are the two dominant players in the organized pizza segment, constantly innovating and expanding their menu offerings to stay ahead in the market. Many fast food chains, including pizza brands, are leveraging the franchise model to expand their presence across India rapidly. Franchising allows brands to penetrate new markets efficiently while also enabling local entrepreneurs to invest in established brands with proven success.

### **Market Share And Major Players**

The organized pizza market in India is worth Rs.600 Crore. The major players in the market are pizza hut and dominos whose market share are around 45% and 35% respectively. Other players form the rest 20%. Branded Pizza Market Share-

- Pizza hut
- Dominos
- Others

Other players mainly are-

- Oven Story
- La Pino's
- Chicago Pizza
- Papa Jones

These players mainly give competition to pizza hut and dominos.





### *About Domino's*

Domino's Pizza, Inc., incorporated on July 30, 2002 is a pizza retail chain. The Company operates pizza stores at 11,900 locations in over 80 markets. The Company operates in three business segments: domestic stores, international franchise and supply chain. The Company's Domestic Stores segment consists primarily of its franchise operations, through which the Company operates network of 4,722 franchised stores located in the United States. The Company's International Franchise segment is comprised of a network of franchised stores in more than 80 international markets. The Company supply chain segment operates 16 regional dough manufacturing and food supply chain centers in the contiguous United States. Its basic menu features pizza products in various sizes and crust types. Its store also offers oven-baked sandwiches, pasta, boneless chicken and wings, bread side items, desserts and Coca-Cola soft drink products.

## Domino's pizza India

Jubilant Food Works Limited (the Company) is a Jubilant Bhartia Group Company, The Company was incorporated in 1995 and initiated operations in 1996, The Company got listed on the Indian bourses in February 2010, Mr., Shyam S, Bhartia, Mr., Hari S, Bhartia and Jubilant Enpro Private Ltd, are the Promoters of the Company. The Company & its subsidiary operates Domino's Pizza brand with the exclusive rights for India, Nepal, Bangladesh and Sri Lanka, The Company is India's largest and fastest growing food service company, with a network of 500+ Domino's Pizza restaurants.

Domino's vision is focused on "Exceptional people on a mission to be the best pizza delivery company in the world!" We are committed to bringing fun, happiness and convenience to lives of our consumers by delivering delicious pizzas to their doorstep and our efforts are aimed at fulfilling this commitment towards a large and ever-growing guest base.

Over the period since 1996, Domino's Pizza India has remained focused on delivering great tasting Pizzas and sides, superior quality, exceptional guest care and value for money offerings. We have endeavored to establish a reputation for being a home delivery specialist capable of delivering pizzas within 30 minutes or else FREE to a community of loyal consumers from all our restaurants around the country.

Domino's constantly strives to develop products that suit the tastes of our consumers and hence delighting them. Domino's believes strongly in the strategy of 'Think global and act local'. Thus, time and again we have been innovating with delicious new products such as crusts, toppings and flavors suitable to the taste buds of Indian Consumers. Further providing value for money and affordable products to our consumers has been an important part of our efforts. Our initiatives such as Fun Meal and Pizza Mania have been extremely popular with consumers looking for an affordable and value for money meal option.

Domino's believes that when a box of pizza is opened, family and friends come together to share the pizza. Hence, our brand positioning: '**Yeh Hai Rishton Ka Time**'. That's why, all our efforts, whether it is a new innovative and delicious product, offering consumers value for money deals, great service, countrywide presence or the promise to deliver in 30 minutes or free are all directed

towards making relationships stronger, warmer and more fun by giving consumers an opportunity to get together, catch up, reunite and spend more time together Consumers can order their pizzas by calling the single Happiness Hotline number 68886888 OR order online at Pizza Online.

## Vision & Mission @ DOMINO'S

### VISION

*"Exceptional people on a mission to be the best pizza delivery company in the world"*

### MISSION

*"Domino's Pizza is the Pizza specialist who consistently delights the customer with great taste and choices in pizza with friendly, courteous team members providing prompt, safe delivery service"*



SWOT analysis

Strengths:

- Efficient delivery system: Domino's is known for its efficient delivery system, which ensures that pizzas reach customers hot and fresh.
- Strong brand recognition: Domino's has built a strong brand image globally, which helps in attracting customers and maintaining loyalty.
- Innovation in technology: Domino's has invested in technology, such as mobile apps and online ordering systems, making it convenient for customers to order.
- Wide range of menu options: Besides pizzas, Domino's offers a variety of sides, desserts, and beverages, providing customers with more choices.
- International presence: Domino's operates in numerous countries, allowing it to leverage economies of scale and expand its customer base.

#### Weaknesses:

- Dependence on franchise model: Domino's relies heavily on franchisees to operate its stores, which can sometimes lead to inconsistencies in service quality across locations.
- Vulnerability to food quality issues: Any decline in food quality, whether due to ingredient sourcing or preparation methods, can significantly impact Domino's reputation and customer satisfaction.
- Pricing pressure: In highly competitive markets, Domino's may face challenges in maintaining profitability due to pricing pressure from rivals.

#### Opportunities:

- Expansion into emerging markets: Domino's has the opportunity to further expand into emerging markets where there is growing demand for quick-service restaurants.
- Health-conscious menu options: With increasing consumer awareness about health, Domino's can introduce healthier menu options to cater to this segment of the market.

#### Threats:

- Intense competition: Domino's faces stiff competition from other pizza chains, fast-food restaurants, and local pizzerias, which could affect its market share and profitability.
- Changing consumer preferences: Shifts in consumer preferences towards healthier or alternative food options may pose a threat to Domino's traditional pizza-focused menu.

#### Product line of Domino's

Simple veg pizza, simple veg pizza, beverages, dessert, garlic bread, medium pizza, large pizza, chicken wings, pasta.

## Target market of Domino's

- **Younger Demographics:** Domino's targets younger demographics, including millennials and Gen Z, who are more likely to embrace technology, prioritize convenience, and have a preference for quick-service restaurants.
- **Families and Students:** Domino's also targets families and students due to its affordability, family-friendly menu options, and accessibility near college campuses.
- **Urban Dwellers:** Urban dwellers, particularly those living in densely populated areas or urban centers, are a significant target market for Domino's due to the convenience of delivery and proximity of Domino's outlets.
- **Tech-Savvy Consumers:** Domino's appeals to consumers who are comfortable with technology and prefer ordering online or through mobile apps. The brand's focus on digital innovation and seamless ordering experiences caters to this segment.
- **Value-Conscious Consumers:** Domino's attracts value-conscious consumers who prioritize affordability without compromising on taste and quality. The brand often offers deals, discounts, and value meal bundles to appeal to this market segment.
- **Late-Night Eaters and Snackers:** Domino's targets late-night eaters, snackers, and individuals seeking quick meals during odd hours. Its extended hours of operation and focus on delivery and takeout cater to this consumer behavior.
- **Busy Professionals:** Busy professionals who seek convenient meal options due to their hectic lifestyles are also part of Domino's target market. The brand's emphasis on fast delivery and easy ordering processes resonates with this demographic.

## Marketing strategies adopted by Domino's

- "Delivery Expert" Positioning: Domino's positions itself as a "delivery expert," focusing on efficient and timely delivery services. Their marketing campaigns highlight the speed and reliability of their delivery network, appealing to customers looking for quick meal solutions.
- Digital Innovation: Domino's invests heavily in digital innovation, offering online ordering platforms, mobile apps, and voice-activated ordering systems to streamline the ordering process. They leverage technology to enhance customer convenience and provide a seamless user experience.
- Social Media Engagement: Domino's engages with customers on social media platforms through interactive campaigns, promotions, and user-generated content. They encourage customer feedback and use social media channels to address inquiries, resolve issues, and build brand loyalty.
- Value-Based Pricing Strategies: Domino's utilizes value-based pricing strategies to attract price-sensitive consumers. They offer various deals, discounts, and value meal bundles to provide affordable options without compromising on quality.

## About Pizza Hut



Pizza Hut Inc. is the largest pizza restaurant company in the world in terms of both the number of outlets and the percentage of market share that it holds. A subsidiary of PepsiCo, Inc., the company overseas more than 11,000 pizza restaurants and delivery outlets in 90 countries worldwide. In October 1997, the company expected to become a subsidiary of Tricon Global Restaurants, Inc., formed from the spin-off of PepsiCo's restaurant holding. Pizza Hut Express" and "The Hut" locations are fast food restaurants. They offer a limited menu with many products not found at traditional Pizza Huts. These types of stores are often paired in collocated location with a sibling brand such as Wing Street, KFC or Taco Bell, and are also found on college campuses, food courts, theme parks, and in stores such as Target.

### Pizza Hut in India:

The Pizza Hut franchisee stepped into the Indian fast food market by opening a dine-in restaurant at Bangalore in 1996. The pizza franchise soon expanded itself in India and now has the KFC brand beneath its umbrella. The fast food franchise was the first international fast food firm to

make an entry into the Indian scene and has thus pioneered the Indian pizza market. there are 146 restaurants across 36 cities in India.

The menu provided at the Pizza Hut franchise is that of a complete meal. Customers are considered as honored guests at the fast food franchise and are treated accordingly. The fast food franchise also ensures that it adds an Indian touch to all the varieties of pizzas that it makes available to Indian customers. Various delicious combinations are tested at the Indian Pizza Hut franchisee outlets by blending the original menu with Indian favorites to make fresh salads, garlic-based breads, soups, yummy pastas and delicious desserts.

The employees of the restaurant support center of the Pizza Hut fast food franchise which functions in New Delhi works hard to place Pizza Hut at the top of Indian market. The support center takes care of finance, legal and marketing sides of the Indian operations of Pizza Hut franchisees.

Pizza Hut Vision Statement:

To be the most trusted & loved brand of PIZZA

Pizza Hut's Mission Statement:

Pizza hut takes pride in making a perfect pizza and providing courteous and helpful service on time all the time. Every customer says, "I'll be back!"

P.E.A.R.L.S

- PASSION for excellence in Doing everything
- EXECUTE with positive energy and urgency.
- ACCOUNTABLE for growth in customer satisfaction and Profitability
- RECOGNIZE the achievement of others and have fun doing it.
- LISTEN and more importantly, respond to the voice of the Customer.



Product Line of Pizza

Hut.

- Pastas
- Sandwiches
- Thin crispy pizza
- Stuffed crust pizza
- Soups and Salad
- Deserts
- Beverage
- Garlic breads



## SWOT Analysis

Strengths:

- Strong brand heritage: Pizza Hut has a long-standing presence in the pizza industry and is widely recognized globally.
- Diverse menu offerings: Pizza Hut offers a wide range of menu items beyond pizzas, including pasta, wings, and desserts, catering to varied customer preferences.
- Extensive global presence: Pizza Hut operates in numerous countries, allowing it to capitalize on diverse consumer markets and international expansion opportunities.
- Innovation in product development: Pizza Hut has a history of introducing innovative pizza concepts and menu items, keeping its offerings fresh and appealing to customers.
- Delivery and dine-in options: Pizza Hut provides both delivery and dine-in services, giving customers flexibility in how they access their food.

Weaknesses:

- Slower delivery times: Pizza Hut may face challenges in maintaining fast delivery times compared to competitors like Domino's, potentially affecting customer satisfaction.
- Pricing competitiveness: In some markets, Pizza Hut's prices may be perceived as higher compared to other pizza chains, which could deter price-sensitive consumers.
- Brand perception: Pizza Hut's brand image may be seen as outdated or less trendy compared to some of its competitors, especially among younger demographics.

- Franchisee-related issues: Similar to Domino's, Pizza Hut's reliance on franchisees can lead to inconsistencies in service quality and operational standards across locations.

#### Opportunities:

- Expansion into emerging markets: Pizza Hut has opportunities for further expansion into emerging markets where there is growing demand for international food chains.
- Health-conscious menu options: Introducing healthier menu items or partnering with health-focused brands can attract health-conscious consumers and differentiate Pizza Hut from competitors.
- Digital innovation: Investing in technology and improving online ordering systems can enhance convenience for customers and drive sales growth.
- Customization options: Offering more customization options for pizzas and other menu items can appeal to consumers seeking personalized dining experiences.

#### Threats:

- Intense competition: Pizza Hut faces fierce competition from other pizza chains, fast-food restaurants, and local eateries, which could impact its market share and profitability.
- Changing consumer preferences: Shifts in consumer preferences towards healthier or alternative food options may challenge Pizza Hut's traditional menu offerings.

#### Marketing Strategies adopted by Pizza Hut

- Product Innovation: Pizza Hut focuses on continuous menu innovation to keep its offerings fresh and appealing to customers. They frequently introduce new pizza flavors, crust options, and side dishes to cater to changing consumer preferences.
- Global Brand Campaigns: Pizza Hut launches global marketing campaigns to reinforce its brand image and promote its products across different markets. These campaigns often feature celebrities, catchy slogans, and creative advertisements to capture audience attention.
- Local Marketing Initiatives: Despite being a global brand, Pizza Hut invests in local marketing initiatives to connect with customers on a community level. It includes sponsoring local events, partnering with local organizations, and customizing menu offerings to suit regional taste.

- Digital Engagement: Pizza Hut leverages digital channels such as social media, email marketing, and mobile apps to engage with customers and drive online orders. They use targeted advertising and personalized promotions to enhance customer loyalty and increase sales..

#### Target market of Pizza Hut

- Families: Pizza Hut often targets families, offering a variety of meal options suitable for both children and adults. Family meal deals and kid-friendly menu items cater to this demographic.
- Young Adults: Pizza Hut appeals to young adults, including college students and young professionals, who enjoy socializing with friends and seeking affordable dining options. The brand's casual dining atmosphere and diverse menu offerings are attractive to this segment.
- Pizza Enthusiasts: Pizza Hut targets individuals who have a strong affinity for pizza and are willing to pay for high-quality, indulgent pizza experiences. The brand's emphasis on pizza customization, premium ingredients, and specialty pizzas caters to this market segment.
- Tech-Savvy Consumers: Similar to Domino's, Pizza Hut also targets tech-savvy consumers who prefer ordering online or through mobile apps. The brand's digital platforms and loyalty programs offer convenience and incentives for repeat purchases.
- Celebratory Occasions: Pizza Hut positions itself as a go-to choice for celebratory occasions such as birthdays, family gatherings, and casual parties. Large pizza sizes, party deals, and customizable options make Pizza Hut a convenient option for group dining events.

## **1.2** Problem statement

The aim of this research is to explore consumers' overall behavior towards fast-food chains. More specifically, the purpose here is to identify the key factors that influence these consumers' preference of Domino's and Pizza Hut brands of fast-food restaurants.. This study finds the comparison between Domino's and Pizza Hut consumers towards their preference, liking of services, and affordability. This study is useful to entice further strategies for improving customer satisfaction towards the particular pizza outlet. Moreover, it will enable pizza manufactures also to improve their products based upon the preference of the customers.

## **1.3** Objectives of the study

- To assess and compare the level of consumer satisfaction towards Pizza Hut and Domino's.
- To identify the key determinants of consumer satisfaction in the food chain segment, including food quality, taste, service, ambience, price, and value for money.
- To provide valuable insights and recommendations to food chains for enhancing customer satisfaction and loyalty .

## **1.4** Scope of the study

This study will compare how satisfied customers are with Domino's and Pizza Hut. It will focus on what people think about the pizza itself (taste, variety, value), and the restaurant atmosphere. Surveys will be given to recent customers of both chains to gather information on these areas. The goal is to understand which brand offers a better product and service, and how important the restaurant environment is to customers. While limitations exist, this study can provide valuable insights for both Domino's and Pizza Hut to improve their offerings and win over customers.

## *Chapter 2*

### LITERATURE REVIEW

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Several studies have explored factors influencing customer satisfaction in the battle between pizza giants Domino's and Pizza Hut.

#### **Price, value, and perception**

"Customer satisfaction towards Domino's Pizza" by **Kolapkar and Vernekar (2007)** suggests a slight edge for Domino's in perceived value for money. This could be due to several factors, such as Domino's frequent promotions and deals, or the perception that their pizzas offer a good quality for the price. However, the gap in satisfaction for taste (around 20% for both chains) indicates that other factors come into play for repeat business. "An Exploration of Value Perception in the Fast-Food Industry" by **Julie A. Baker et al. (2009)** explores the concept of value perception in the fast-food industry, going beyond just price. This research suggests that value perception is a complex construct influenced by factors like taste, quality, portion size, and brand image. Studies could explore how Domino's and Pizza Hut fare in these aspects, considering their pricing strategies and customer perceptions.

"The Impact of Price Bundling on Consumer Purchase Decisions" by **S. Inman et al. (1999)** examines how price bundling (e.g., combo meals) influences customer purchase decisions. Research suggests that well-designed bundles can lead to higher perceived value and increased customer satisfaction. Further studies could examine how effectively Domino's and Pizza Hut utilize price bundling strategies and how these strategies impact customer satisfaction and purchase behavior.

#### **Convenience and service quality**

Research by **Chen et al. (2018)** in "Online Pizza Ordering: A Review of the Literature" explores the growing trend of online pizza ordering and delivery, an area where Domino's excels with their user-friendly platform and efficient system, frequently praised by customers. This focus on

convenience caters to a growing desire for fast and hassle-free dining experiences.

"Measuring Service Quality in Indian Fast Food Restaurants" (2011) by **A. Nirmala et al.** emphasizes aspects like order accuracy, courteous staff, and cleanliness, all contributing to a positive dining experience that can influence customer loyalty. This highlights a need for research comparing service quality between Domino's focus on speed and efficiency in delivery and Pizza Hut's service quality across dine-in and delivery options. **P. Kaur et al.**'s "Impact of Restaurant Ambiance on Customer Satisfaction" (2014) explores how ambiance can influence satisfaction. Further studies could explore how Pizza Hut's dine-in experience, often featuring a casual and family-friendly atmosphere, compares to Domino's delivery-focused approach. "The Importance of Speed and Accuracy in Fast Food Service" by **Mary Jo Bitner (1990)** emphasizes the critical role of speed and accuracy in fast-food service for customer satisfaction. This research aligns with the preference for Domino's reported in the IJRPR study, potentially due to their focus on efficient delivery. Further research could explore customer perceptions of speed and accuracy across delivery and dine-in experiences at both Domino's and Pizza Hut. "Delivering on Service Quality in Online Food Ordering" by **Parasuraman et al. (2000)** focuses on service quality in the online food ordering context. This research is particularly relevant as online ordering becomes increasingly dominant. It highlights aspects like a user-friendly interface, order tracking capabilities, and efficient delivery communication as crucial for customer satisfaction. Studies could explore how Domino's and Pizza Hut's online ordering platforms measure up in these areas.

### **Marketing and brand image**

"Building Brand Loyalty Through Effective Social Media Marketing" by **G. Phelps and V. Lewis (2009)** explores how social media marketing can build brand loyalty. In today's digital age, social media presence can significantly impact customer perception. Research suggests how Domino's and Pizza Hut utilize social media platforms to engage with customers, address concerns, and promote their brand, ultimately influencing customer satisfaction and loyalty. "The Role of Nostalgia in Fast-Food Restaurant Branding" by **J. L. Beverland et al. (2007)** explores the concept of nostalgia in fast-food restaurant branding. This research suggests that leveraging nostalgia can be a powerful marketing tool, particularly for established brands like Pizza Hut. Studies could explore how Pizza Hut utilizes nostalgia in their branding strategies compared to Domino's focus on innovation and how these approaches influence customer satisfaction.

**Eunice Mbogore's study (2019)** delves into the concept of brand image in the fast-food pizza industry, providing valuable insights. Research is needed to explore how Pizza Hut leverages its established brand image, often associated with tradition and familiarity, in marketing strategies to compete with Domino's focus on innovation.

### **Loyalty programs and customer engagement:**

A study by **Payne et al. (2010)** explores the link between loyalty programs and customer satisfaction in the restaurant industry. Their key takeaway is that programs need to be well-designed and offer genuine value (e.g., points that translate to free pizzas or discounts) to be effective. Further research is needed to compare the design, reward structures, and ease of use of Domino's and Pizza Hut's loyalty programs to see how effectively they drive customer satisfaction and repeat business.

"Enhancing Customer Loyalty through Effective Loyalty Programs: A Conceptual Framework" by **X. Li et al. (2011)** emphasizes program clarity, suggesting a need for research on how clearly each chain communicates their loyalty program benefits and terms of use. Easy program understanding can enhance customer engagement and satisfaction with the program. "The Effects of Loyalty Programs on Customer Satisfaction and Repurchase Intention" by **K. Eggert and M. Ulaga (2002)** examines the link between loyalty programs, customer satisfaction, and repurchase intention. This research suggests that loyalty programs can be an effective tool for driving repeat business, but only if they are well-designed and offer genuine value to customers. Further research is needed to compare the effectiveness of Domino's and Pizza Hut's loyalty programs in driving customer satisfaction and repeat business. "Gamification in Loyalty Programs: Enhancing Customer Engagement" by **Y. Hu et al. (2016)** explores the concept of gamification in loyalty programs, where game-like elements are incorporated to increase customer engagement. Research suggests that gamification can make loyalty programs more fun and rewarding, leading to higher customer satisfaction and program participation. Studies could explore if Domino's or Pizza Hut utilize gamification elements in their loyalty programs and how these elements influence customer engagement and satisfaction.

While these studies touch on value perception, a deeper understanding of comparison of how Domino's and Pizza Hut fare in aspects like taste, quality of ingredients, pricing and overall satisfaction related to both the food chains is lacking. A comparative analysis of Domino's focus on overall satisfaction versus Pizza Hut's level of satisfaction is missing. Additionally, how Pizza Hut's dine-in ambience compares to Domino's delivery-focused approach isn't fully explored. **To Bridging this Gap "A comparative study on consumer satisfaction towards leading food chains - Domino's and Pizza Hut,"** directly addresses the gaps identified in previous researches. The study comprises of a more comprehensive understanding of how various factors (price, taste, quality of ingredients, dining experience) influence customer satisfaction when choosing between Domino's and Pizza Hut. By comparing and contrasting these factors, your research can offer valuable insights for both chains to refine their strategies and gain a competitive edge.



## *Chapter 3*

### RESEARCH METHODOLOGY

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This chapter outlines the methodological approach adopted to investigate and compare comprehensive consumer preferences towards Domino's and Pizza Hut. The following section details the data collection and analysis strategies employed to achieve the objectives.

#### **Sample size**

The sample size used for this study is 200 respondents who have experienced the services of Domino's and Pizza Hut.

#### **Methodology and data collection**

For this study descriptive research is used, where the data is collected by using both primary and secondary sources. This study will help the pizza manufactures to learn about customer satisfaction levels in terms of price, quality, taste and other factors.

#### **Data collection**

**Primary Data:** : For this research study data has been collected through questionnaire from approximately 200 respondents.

**Secondary Data:** The Secondary data used includes Company records, past data records, internet

**Sampling method:** The method used for collecting the data is Convenience sampling which is a form of non- probability sampling. Convenience sampling is a non-probability sampling technique where subjects are selected because of their convenient accessibility and proximity to the researcher.

## Data Analysis

### Independent Samples t-test

The independent samples t-test is a statistical test employed to assess the existence of a significant difference between the means of two independent groups. This test is suitable when the following conditions are met:

- **Independent groups:** The observations in each group (e.g., customers of Domino's and Pizza Hut in your research) are independent of each other. There's no influence or connection between the groups, and the same individual isn't included in both groups (unlike paired samples t-tests).
- **Normality:** The data for both groups (typically continuous variables like satisfaction ratings) is assumed to be normally distributed (bell-shaped curve). Normality tests can be conducted to verify this assumption before proceeding with the t-test.

#### Interpreting the results:

- **Low p-value (e.g., less than 0.05):** If the p-value is lower than your chosen significance level (often 0.05), you can reject the null hypothesis. This suggests a statistically significant difference exists between the means of the two independent groups.
- **High p-value (e.g., greater than 0.05):** When the p-value is higher than your significance level, you fail to reject the null hypothesis. In simpler terms, the evidence from your sample isn't strong enough to claim a statistically significant difference between the means based on your chosen significance level.

## Chapter 4

### ANALYSIS AND RECOMMENDATIONS

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Preference

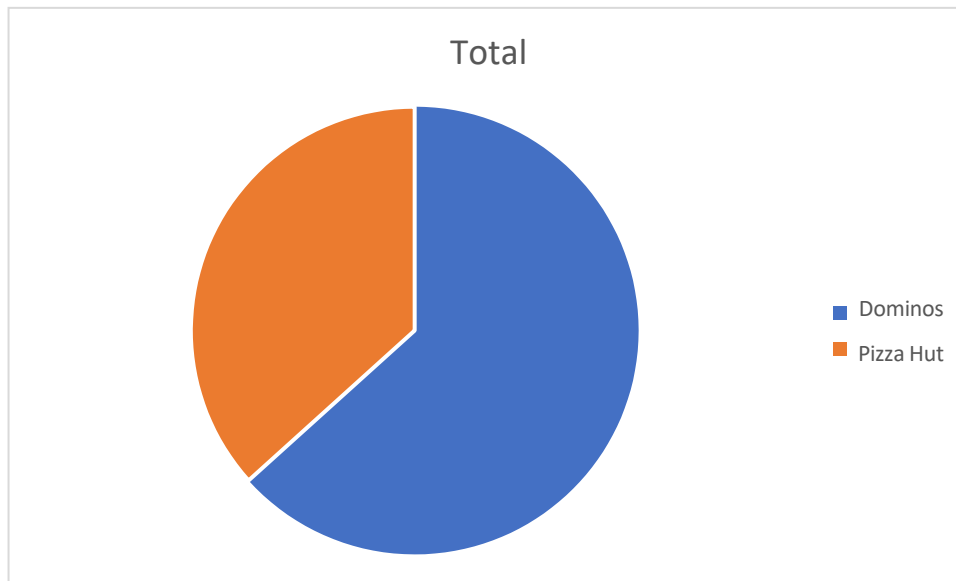


Fig. 1

The above chart indicates that 63% of the sample present Dominos over pizza hut

<b>RESPONSE</b>	<b>NO. OF RESPONSES</b>	<b>PERCENTAGE</b>
Dominos	126	63%
Pizza Hut	74	37%

Age

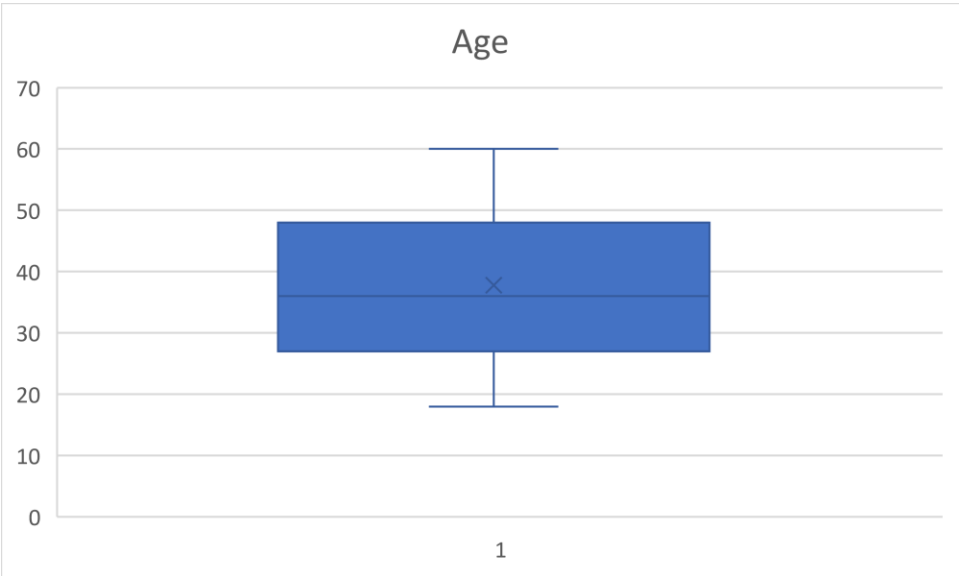


Fig. 2

The above boxplot indicates that the age of the respondents lie majorly between 25 to 50 with highest being 60 and lowest being 18

Criteria 1 – How satisfied are you with the overall experience

H0 : There is no difference between the overall satisfaction of the two chains

H1 : There is a difference between the overall satisfaction of the two chains

t-Test: Two-Sample Assuming Equal Variances

	<i>Variable 1</i>	<i>Variable 2</i>
Mean	3.119047619	3.178082192
Variance	2.121714286	2.398401826
Observations	126	73
Pooled Variance	2.222838666	
Hypothesized Mean Difference	0	
df	197	
	-	
t Stat	0.269198489	
P(T<=t) one-tail	0.394029339	
t Critical one-tail	1.652625219	
P(T<=t) two-tail	0.788058679	
t Critical two-tail	1.972079034	

Fig. 3

The above T-test calculated values shows us the p value to be 0.78 more than 0.05 (our critical) value. Hence we accept the null hypothesis

There for it can be said that there is no difference between the overall satisfaction of the two chains

## Criteria 2 – How satisfied are you with the taste of pizza

H0 : There is no difference between the taste of pizzas

H1 : There is a difference between the taste of pizzas

t-Test: Two-Sample Assuming Equal  
Variances

	<i>Variable 1</i>	<i>Variable 2</i>
Mean	2.976190476	2.90411
Variance	2.183428571	1.504566
Observations	126	73
Pooled Variance	1.935316439	
Hypothesized Mean Difference	0	
df	197	
t Stat	0.352260782	
P(T<=t) one-tail	0.362509625	
t Critical one-tail	1.652625219	
P(T<=t) two-tail	0.725019251	
t Critical two-tail	1.972079034	

Fig. 4

The above T-test calculated values shows us the p value to be 0.72 more than 0.05 (our critical) value. Hence we accept the null hypothesis

Therefore it can be said that there is no difference between the consumer acquired taste of the two

### Criteria 3 – How satisfied are you with the quality of the ingredients used

H0 : There is no difference between the quality of ingredients used between the two

H1 : There is a difference between the quality of ingredients used between the two

t-Test: Two-Sample Assuming Equal Variances

	<i>Variable 1</i>	<i>Variable 2</i>
Mean	2.920634921	3.082192
Variance	1.929650794	1.88204
Observations	126	73
Pooled Variance	1.912249739	
Hypothesized Mean Difference	0	
df	197	
t Stat	0.794279335	
P(T<=t) one-tail	0.2139943	
t Critical one-tail	1.652625219	
P(T<=t) two-tail	0.427988601	
t Critical two-tail	1.972079034	

Fig. 5

The above T-test calculated values shows us the p value to be 0.42 more than 0.05 (our critical) value. Hence we accept the null hypothesis

Therefore it can be said that there is no difference between the quality of ingredients between the two.

#### Criteria 4 – How satisfied are you with the value of money you received

H0 : There is no difference between the value of money received by the customers

H1 : There is a difference between the value of money received by the customers

t-Test: Two-Sample Assuming Equal  
Variances

	<i>Variable 1</i>	<i>Variable 2</i>
Mean	3.095238095	2.643836
Variance	1.958857143	1.982496
Observations	126	73
Pooled Variance	1.967496796	
Hypothesized Mean Difference	0	
df	197	
t Stat	2.18789808	
P(T<=t) one-tail	0.014926824	
t Critical one-tail	1.652625219	
P(T<=t) two-tail	0.029853649	
t Critical two-tail	1.972079034	

Fig. 6

The above T-test calculated values shows us the p value to be 0.029 which is less than 0.05 (our critical) value. Hence we accept the alternate hypothesis

Therefore it can be said that there is a difference between the value of money which customers feel is provided to them between the two

The mean of variable 1 which is dominos is 3.095, Whereas that of variable 2 which is pizza hut is 2.65

This indicates that the customers which opted for dominos feel they get better value for their money as compared to those who opted for Pizza Hut



Criteria 5 – How satisfied are you with the dining experience

H0 : There is no difference between the dining experience of the two

H1 : There is a difference between dining experience of the two

t-Test: Two-Sample Assuming Equal Variances

	Variable 1	Variable 2
Mean	2.484126984	3.054795
Variance	1.451746032	2.080289
Observations	126	73
Pooled Variance	1.68146739	
Hypothesized Mean Difference	0	
df	197	
t Stat	2.991982902	
P(T<=t) one-tail	0.001563009	
t Critical one-tail	1.652625219	
P(T<=t) two-tail	0.003126019	
t Critical two-tail	1.972079034	

Fig.7

The above T-test calculated values shows us the p value to be 0.003 which is less than 0.05 (our critical) value. Hence we accept the alternate hypothesis

Therefore it can be said that there is a difference between the dining experience of both the food chains

The mean of variable 1 which is dominos is 2.48, Whereas that of variable 2 which is Pizza hut is 3.05

This indicates that the customers feel that pizza hut provides a better dining experience than the customers who prefer dominos

## **Findings**

### **1. Overall satisfaction and taste:**

No Statistical Difference: The p-values for both overall satisfaction (0.78) and taste (0.72) are significantly higher than the 0.05 threshold for statistical significance. This means there's no strong evidence to suggest a clear winner in terms of overall customer satisfaction or perceived taste between Domino's and Pizza Hut. The data suggests both chains deliver a relatively similar experience in these areas.

### **2. Ingredient quality:**

Customers See No Difference: Similar to satisfaction and taste, the p-value for ingredient quality (0.42) is well above 0.05. This indicates that, on average, customers don't perceive a significant difference in the quality of ingredients used by either Domino's or Pizza Hut.

### **3. Value for money:**

Domino's Takes the Lead: Here's where things get interesting. The p-value for value for money (0.029) falls below the 0.05 threshold, suggesting a statistically significant difference. Looking closer, the mean score for Domino's (3.095) is higher than Pizza Hut's (2.644). This suggests that customers generally feel they get a better bang for their buck at Domino's. This could be due to factors like Domino's frequent deals, budget-friendly menu options, or perceived portion sizes.

### **4. Dining experience:**

Pizza Hut Edges Out Domino's: The p-value for dining experience (0.003) is much lower than 0.05, indicating a statistically significant difference. The mean score for Pizza Hut (3.055) is considerably higher than Domino's (2.484). This suggests customers perceive a better dining experience at Pizza Hut. This could be due to several factors like a more comfortable atmosphere, table service, or a wider variety of menu options beyond just pizza.

## **Limitations of the study**

- **Sample Bias:** The sample may not represent the entire consumer population, leading to biased results.
- **Regional Variations:** Consumer preferences and satisfaction levels may vary across different regions, impacting the generalizability of findings.
- **Subjectivity:** Consumer satisfaction is subjective and influenced by various factors such as personal preferences and experiences, making it challenging to accurately measure and compare.
- **Time Constraints:** The study may be conducted over a limited time frame, overlooking seasonal variations or long-term trends in consumer satisfaction.
- **Data Collection Methods:** Reliance on self-reported data through surveys or interviews may introduce response bias or inaccuracies.
- **Limited Scope:** The study may focus solely on consumer satisfaction without considering other factors like price, quality, or brand loyalty.
- **Competitor Actions:** Changes in marketing strategies or menu offerings by either Domino's or Pizza Hut during the study period could influence consumer perceptions and satisfaction levels.
- **External Factors:** Economic conditions, cultural shifts, or public health crises can impact consumer behavior and satisfaction independently of the food chains' performance.

## *Chapter 5*

### CONCLUSION

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This study compared customer satisfaction between Domino's and Pizza Hut across five criteria: overall experience, taste, ingredient quality, value for money, and dining experience.

- **Overall Experience, Taste, and Ingredient Quality:** There wasn't a statistically significant difference between Domino's and Pizza Hut in terms of overall satisfaction, taste of pizza, or perceived ingredient quality. In other words, customers reported similar levels of satisfaction on these aspects for both restaurants. However, it's important to consider that individual preferences can vary. Some might favor Domino's thinner crust, while others might prefer Pizza Hut's pan options.
- **Value for Money:** Customers felt they received better value for money at Domino's compared to Pizza Hut. This could be due to Domino's frequent deals and promotions. Budget-conscious customers who prioritize affordability might find Domino's pricing strategy more attractive.
- **Pizza Hut Edges Out in Dining Experience:** A higher satisfaction rating for Pizza Hut's dining experience suggests a more well-rounded dine-in atmosphere. This could be due to factors like comfortable seating, table service, or additional offerings like appetizers or desserts that enhance the overall dining experience.

Choosing Between Domino's and Pizza Hut:

- **Prioritize Value? Choose Domino's:** If you're primarily focused on getting the most pizza for your money and convenience is key, Domino's frequent deals and focus on delivery might be the better option.
- **Seek a Well-Rounded Dining Experience? Choose Pizza Hut:** If you're looking for a more enjoyable sit-down experience with a focus on ambience, service, and potentially more dining options, Pizza Hut might be the better choice.

## **Suggestions**

This analysis compared customer satisfaction between Domino's and Pizza Hut across five key areas: overall experience, taste, ingredient quality, value for money, and dining experience. After the analysis and conclusion here are some suggestions for both the food chains- Domino's and Pizza Hut.

### **Suggestions for Domino's:**

- **Maintain Focus on Value:** Since customers perceive Domino's as offering better value for money, they should continue to leverage frequent deals and promotions to maintain this edge.
- **Enhance Dining Experience:** While Domino's strength lies in convenience and value, consider exploring ways to improve the dine-in experience if attracting customers who prioritize a well-rounded dining atmosphere becomes a strategic goal. This could involve improving ambience, table service options, or offering additional menu items beyond just pizza.
- **Host Themed Events or Promotions:** Create special themed events or promotions to attract families or specific demographics. This could involve offering special party packages, or introducing limited-edition pizzas with unique flavors.

### **Suggestions for Pizza Hut:**

- **Highlight Dining Experience:** Customers rated Pizza Hut's dining experience more favorably. They should leverage this strength in marketing and promotions, emphasizing factors like comfortable seating, table service, or a family-friendly atmosphere.
- **Delivery Guarantee :** Consider offering a delivery guarantee, similar to Domino's 30-minute promise. This could incentivize customers to choose Pizza Hut for delivery by offering a free pizza or discount if the delivery exceeds a certain timeframe.
- **Maintain Taste and Quality:** There wasn't a significant difference in perceived taste or ingredient quality between the two chains. However, maintaining consistent taste and quality across all locations remains important to sustain customer satisfaction.
- **Invest in Digital Marketing:** Strengthen the brand's digital presence by investing in user-friendly online ordering platforms and engaging mobile apps to enhance the overall customer experience.

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## **Annexure**

Q1 Name

Q2 Age

- 18-24
- 25-34
- 35-44
- 44-60

Q3 Occupation

- Student
- Service Industry
- Self Employed
- Unemployed

Q4 Which pizza chain do you prefer more out of the two?

- Domino's
- Pizza Hut

Q5 How frequently do you order or visit your preferred pizza place?

- Weekly
- Monthly
- Occasionally
- Hardly Ever

Q6 Considering your choice of pizza place, how satisfied were you with your overall experience?

- Highly Satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly Dissatisfied



Q7 How satisfied were you with the taste of the pizza from your preferred place?

- Highly Satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly Dissatisfied

Q8 How satisfied were you with the quality of the ingredients used in the pizza from your preferred place?

- Highly Satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly Dissatisfied

Q9 How satisfied were you with the value for money you received when ordering the pizza from your preferred pizza place?

- Highly Satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly Dissatisfied

Q10 How satisfied were you with the overall dining experience for the same?

- Highly Satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly Dissatisfied

Q11 What will you suggest your preferred brand to improve?

- Taste & Quality
- Services
- Price
- Delivery
- Ambience
- Other

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