Report:

Survey on Food & Beverage Preference of Consumers in 2024

Create Consumer-centric Values

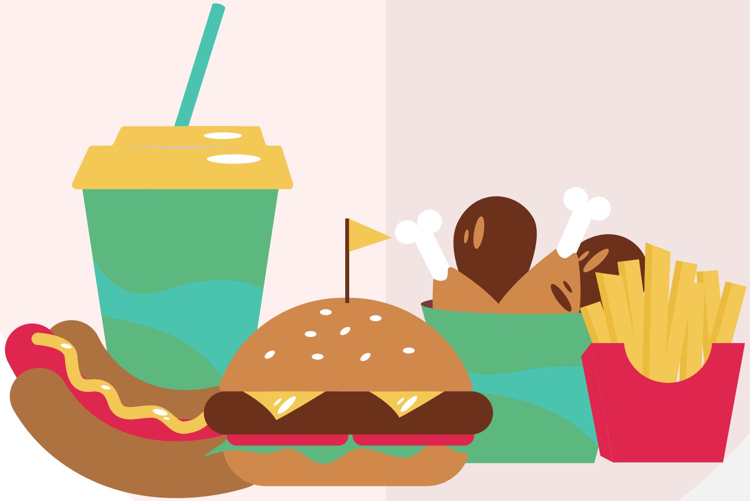
intage

October 2024

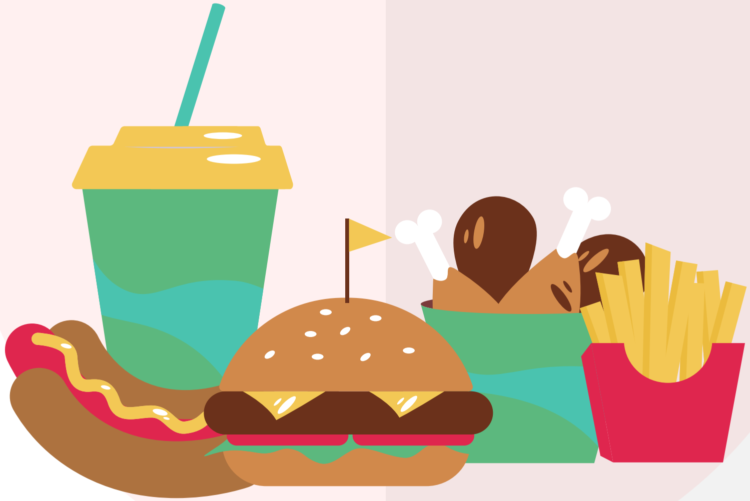
Scope of the Research

- ❑ India is a very diverse country with multiple States, Languages, Religions/ Faiths as well as Ethnicity. As a result, food preferences also vary significantly across various geographic and demographic cuts.
- ❑ This study enables you to understand the various trends/ innovations that are emerging in the market, the kind of white spaces that exists, the emergence of a unique India palate – especially in top 6-8 cities in India
- ❑ This is just a summary for an F&B brand trying to enter into this market – and for a detailed summary, would recommend you to contact us

Summary of Findings



Growth in Dine-in : Impact of Covid-19 receding



Growth of Dine-in & Decline in Take-Away

Sources of Food Consumed – food that is not prepared in-home

Formats		2022	2024
Eating-out		59%	70%
Food Delivery		70%	74%
Ready to Eat		80%	57%
Take-away		65%	43%

- **Food Delivery** continues to be the most common source of food consumption *("food that is prepared out-of-home")* – followed by Eating-out (Dine-in as well as QSR)
- Ready-to-Eat (RTE) & Take-away are much lower in terms of "not" home-food consumption

** Avg. Frequency of Consumption in a Month*

Formats		2022	2024
Eating-out		8	10
Food Delivery		7	7
Ready to Eat		8	7
Take-away		9	5

- **Eating Out** has shown an increase; with Take-Away declining in Consumption frequency vs. 2022
  - Impact of Covid-19 not visible anymore
- **Food Delivery** continues to hold on as consumers continue to order food twice a week

Preference of Dine-in oriented cuisines has shown growth vs 2022

Cuisines	Dine-in	Delivery
Base	*447*	*484*
Indian	88.6	86.4
Middle-eastern	38.0	30.2
Fast food	66.9	65.8
Continental	53.7	48.1
European	55.3	53.4
Pan Asian	72.9	61.6

2022*	2024
	447
NA	88.6
22.5	38.0
NA	66.9
27.5	53.7
47.2	63.3
87.4	72.9

2022: Eaten in the past 1 Month | 2024: Preferred cuisine

- ❑ Indian cuisine is ubiquitous, while Fast-food is very delivery friendly – thereby, format preference is high & relatively similar in both dine-in & delivery
  - ❑ Cuisines like European, Middle-eastern which requires some level of consumer evolution are more preferred in the dine-in format
  - ❑ Moreover, these cuisines also show increased preference when compared vs. 2022

"Revenge" Dine-in aids the growth of QSR & CDR Brands

Revenge dining at vaccinated restaurants on the upswing: Dineout report

Delhi and Kolkata show maximum recovery after the devastating second COVID-19 wave. Twenty percent increase in average transaction value across India.

Dipti D • 437 Stories

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Revenge-spending Indians drank and dined after being cooped up in covid years

Suneera Tandon | 2 min read | 29 Feb 2024, 09:34 PM IST

Demand for alcoholic beverages jumped significantly in FY23 following a slump in the year prior.

SUMMARY

Latest government data show households spent more on alcohol and hotels than on clothing, packaged consumer goods and routine household maintenance in FY23

- ❑ Covid saw a major blip in the Dine-out part of the F&B business
  - ✓ The industry shrunk by nearly 75% during FY'21
- ❑ The bounce-back is largely owing to the phenomenon of "revenge" dining that the industry is witnessing currently
  - ✓ The growth is largely witnessed among Casual Dine-in & QSR – aided by overall Income growth
  - ✓ Even weekly freq. of visit drops with lower MHI

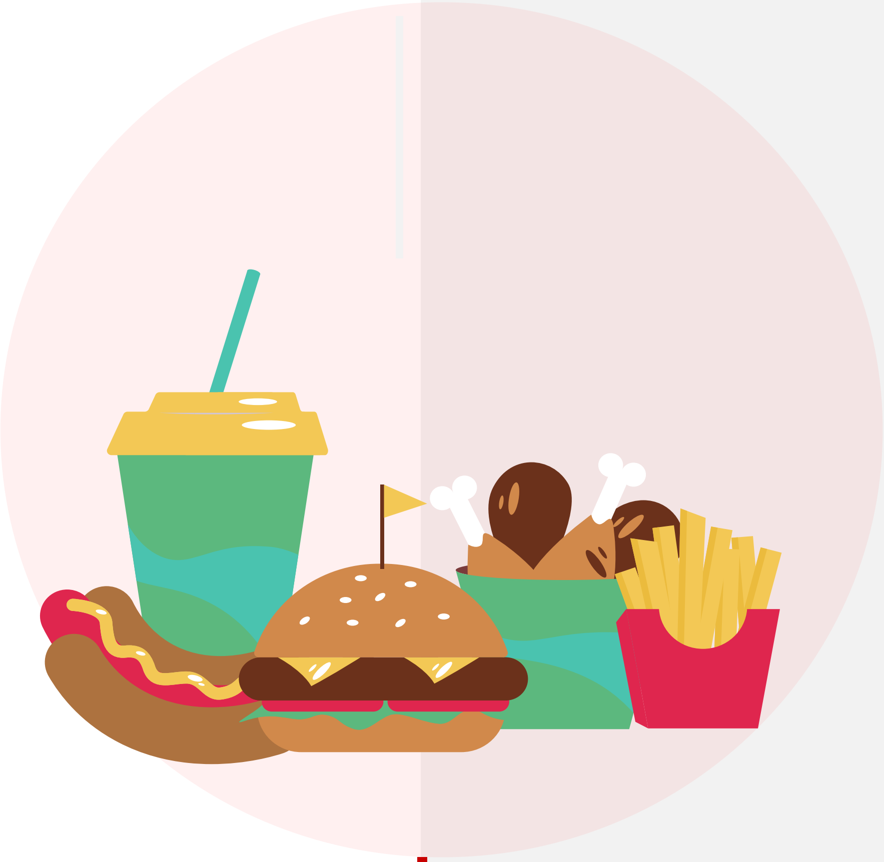
Formats (Values in INR Cr)	**FY' 2022**	**FY'2024**	**Growth%**
Fine-Dine	4,466	4,500	0.8%
Casual Dine-in	1,08,645	1,21,555	11.9%
QSR	56,259	67,560	20.1%

Source: *NRAI F&B Report 2024*

Frequency of Visit/ Week	**High Income (> 2.5L/ Mth)**	**Mid Income (1-2.5L/ Mth)**	**Low Income (< 1L/ Mth)**
	NA	NA	NA
	2.7	2.2	2.0
	2.5	2.3	2.1

Source: *F&B Report*

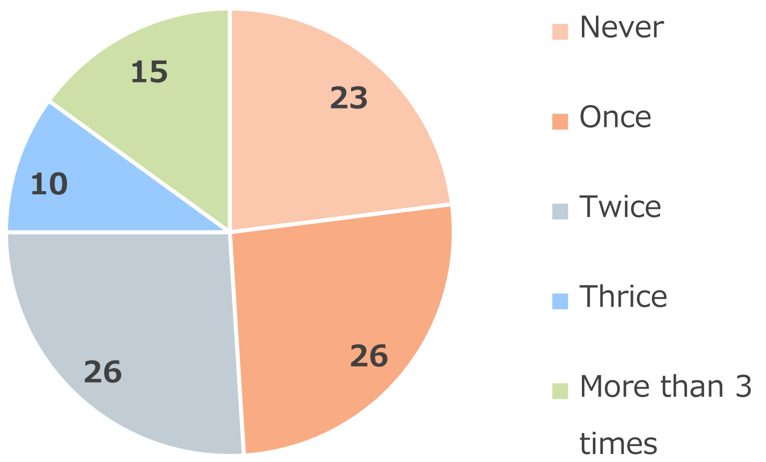
Travel Leads to Food Palette Evolution



Experimentation with Cuisines directly correlates with Travel

Cuisine Preference	Never	Once/ Year	More than Once/ Year
Avg # of Cuisines	5.4	6.7	7.5
Indian	85.3	87.5	88.1
Middle-eastern	21.3	35.0	44.4
Fast food	54.7	76.7	65.9
Continental	33.3	54.2	59.5
European	54.7	60.8	67.1
Pan Asian	58.7	80.8	73.4

Frequency of Abroad Travel in a Year



- ❑ Interaction with various cuisines is much higher for customers who have travelled abroad
  - ✓ Never travelled abroad interacts with 2-3 cuisines vs. someone who has travelled more than once shows interaction with 6-7 cuisines
- ❑ Moreover, customers who have travelled abroad more than Once – shows more affinity towards trying out global cuisines (European, Pan-Asian, etc)

Wider Formats & Increased Brand Awareness among Foreign Travellers

Frequency of Travel Abroad

Format Frequency	Never	Once/ Year	More than Once/ Year
Casual Dine	5.0	7.2	12.8
QSR	5.4	7.6	12.2
Food Delivery	4.2	5.8	8.7
Ready to Eat	5.1	6.4	7.9
Take-away	3.1	3.9	6.3

Awareness of QSR Brands	Never	Once/ Year	More than Once/ Year
1-5 Brands	1.4%	2.9%	6.7%
6-8 Brands	4.9%	8.6%	16.3%
9-12 Brands	6.3%	11.6%	22.8%
More than 12 Brands	0.9%	4.9%	12.8%

- ❑ Travel leads to an overall increase in consumer engagement with F&B category
  - ✓ Across formats – as consumers travel more, they also consume more frequently food "prepared out-of-home"
- ❑ Also, brand interaction increases with the frequency of Travel abroad
  - ✓ Awareness of Brand goes up as consumers travel more – thereby leading to more palate evolution

Travel, Culture & Music directly impacts Food Preference

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Global · 5 Min Read

How is the Indian food market evolving as more people travel to different parts of the world?

Arvin Tucker shares that as more Indians travel to Asian countries, they tend to gravitate toward trying their food, even when they return to India. He further underscores how the Indian food market is taking into consideration the cuisines available in different parts of the world and evolving those to suit the Indian palate.

ETTravelWorld
Updated On Jul 3, 2022 at 11:32 AM IST

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Food and Drinks *Lifestyle / Food & Drink*

How Indians' love of K-pop and K-dramas gives them appetite for Korean food, from kimchi and barbecues to bibimbap and bulgogi

Experts say the influence of Korean culture through entertainment, fashion and skincare is also helping to promote traditional dishes and food products

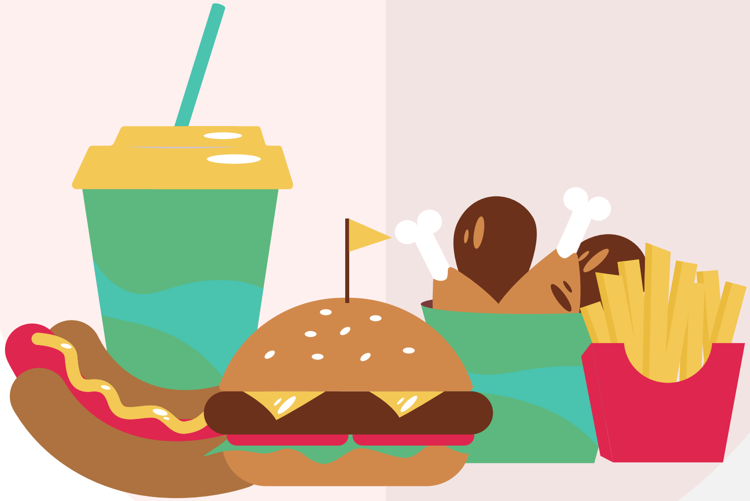
A dramatic rise in consumption of Korean food in India after the 2020 lockdown saw Korean noodles alone enjoy sales growth of 178 per cent in 2021

Reading Time: **4 minutes** Why you can trust SCMP

Listen

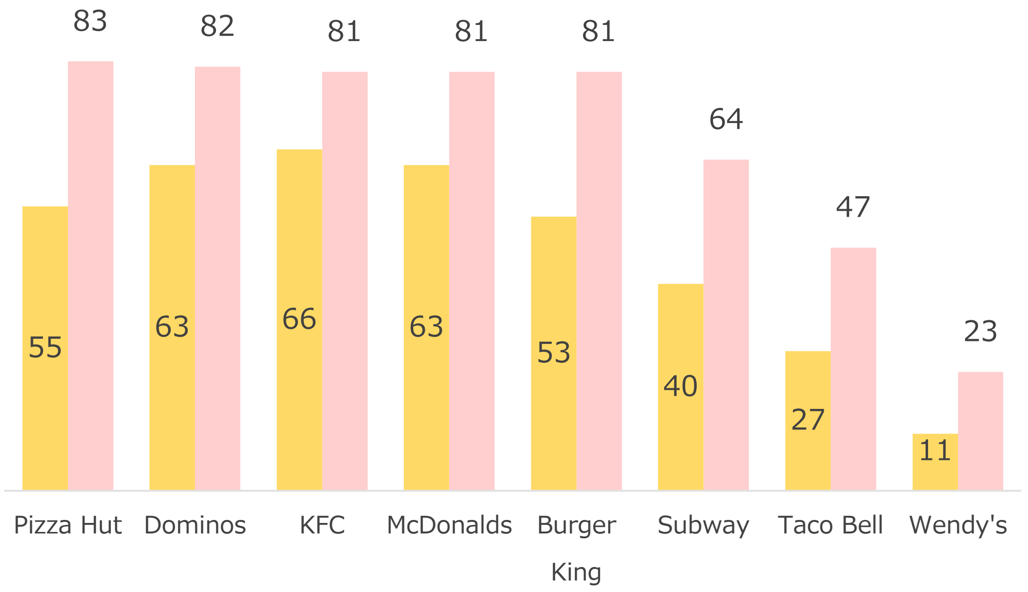
- Food & Travel are intrinsic aspects of Culture. Therefore, traveling abroad aids consumers with a more holistic cultural immersion leading to more experimentation with cuisine and taste palate
- Travel boom began 10-15 years back when consumers travelled to Thailand, Great Britain & USA. Therefore, the acceptance of QSR, Chinese-Thai was much earlier. With travel now extending to more exotic locales – the palate evolution will continue for Metros, slowly penetrating to Tier-1 towns as well

Global QSR's are strong; but some Local Brands are giving Competition

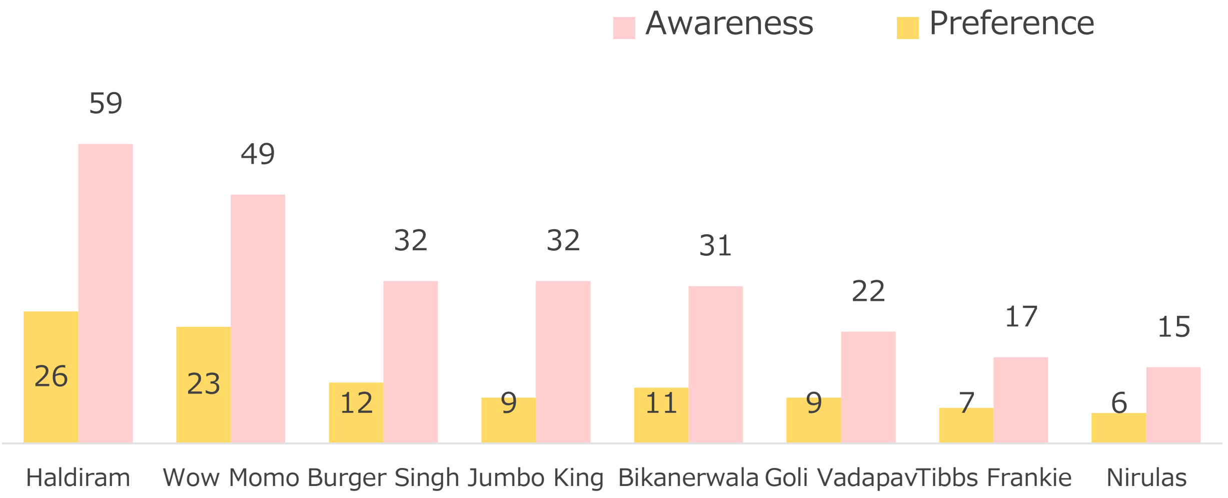


Awareness & Preference : Global vs. Local Brands

INTERNATIONAL/ GLOBAL



DOMESTIC/ INDIA-BORN



Gap	28	19	15	18	28	24	20	12	33	26	20	23	20	13	10	9

- International QSR brands have a significantly higher awareness vs. Domestic Brands. This drives a higher absolute preference as well
  - ✓ International Brands : Dominos, MacD & KFC have stronger brand pref. Whereas, despite high awareness for Pizza Hut & Burger King – Preference is relatively weaker.
  - ✓ Domestic brands : The gap between Awareness & Pref (a measure of equity) is in similar lines that of International brands.

What is driving Preference in the Category

Preference Driver Analysis

To understand what drives Preference in the category – we ran a Logistic Regression with Goodness of Fit ($R2$) : 0.66

Visibility	Imp%
Social Media	*3.4%*
Easily Available	*2.6%*
TV/ Newspaper	*1.5%*

Price Related	Imp%
Premium Experience	*2.5%*
Expensive	*2.7%*

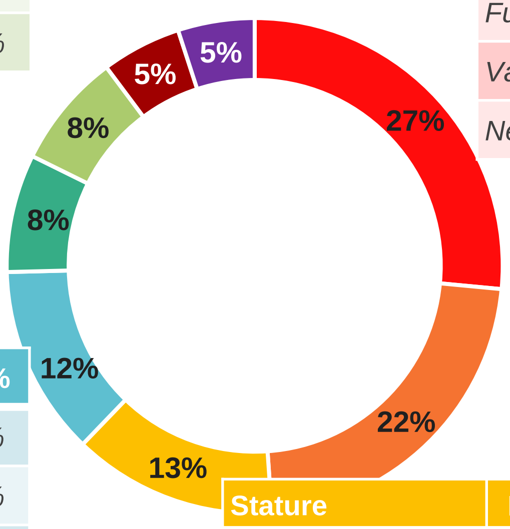
Brand Related	Imp%
Unique/ Distinctive	*14.8%*
Fun/ Attractive	*8.2%*
Variety of Food	*2.6%*
New/ Innovative	*1.0%*

Service	Imp%
Quick Home-delivery	*5.0%*
Excellent & Prompt	*2.7%*

Food Related	Imp%
Superior Quality	*9.7%*
Authentic Taste	*5.2%*
Healthy/ Hygienic	*4.9%*
Consistent Food	*2.7%*

User Imagery	Imp%
For Children	*6.2%*
For Me/ Myself	*4.0%*
Young People	*2.2%*

Stature	Imp%
Legendary Brand	*10.7%*
Global Brand	*2.6%*



- ❑ Cues around "Value for Money", "Family Friendly" & "Popularity" are either generic/ not important to the category – hence they don't seem to pop-out as significant attributes
- ❑ Brand & Food related aspects are 2 of the critical buckets – contributing close to 50% of Brand Preference
  - ✓ Other aspects like Stature, User Imagery, Service & Visibility also help to drive Preference but to a lesser extent

Popular Brand | Value for Money | Family Friendly

Generic to the Category

Imagery Associations : Global QSR Brands

	QSR Brands	McDonald's	KFC	Burger King	Domino's	Pizza Hut	Subway	Taco Bell
	Base	*136*	*144*	*141*	*124*	*136*	*92*	*47*
Generic	Popular	10	-4	1	-1	-5	-6	3
	Value for money	4	-9	1	0	1	3	-2
	Family-friendly	-4	1	-2	3	4	-1	3
Brand Imagery	Unique / distinctive	-1	-3	-3	-1	-6	11	2
	Fun/ Attractive	1	0	1	-4	4	-2	-3
	Offers Variety (food)	9	2	-5	0	3	4	-10
	New & innovative	-7	-4	2	2	-2	0	9
Food Related	Superior Food Quality	-4	3	-2	2	2	-1	-5
	Authentic taste	5	7	-4	1	-7	1	-5
	Healthy/ Hygienic	-2	2	5	0	2	0	-4
	Consistent Food	-2	-2	6	-2	-2	8	-5
Stature	Legendary Brand	3	5	-5	-1	3	-2	-1
	Global brand	3	6	5	8	-5	-4	1
Brand Imagery	For Me/ Myself	-3	-4	12	-1	0	-1	-6
	For Children	2	-5	0	-1	7	-5	1
	For Young People	-1	3	4	-3	1	-1	-3
Service	Quick home delivery	-2	3	3	6	1	-4	4
	Excellent/ Prompt Service	-1	-4	-1	-1	-1	4	-2
Visibility	Social media presence	1	-1	-8	3	-1	-2	5
	Easily available	-3	0	6	-2	2	-8	3
	Visible Newspaper/ TV	-3	-2	1	-2	-1	3	1
Price	Expensive	-4	7	2	-5	-7	-1	7
	Premium Experience	0	1	-5	1	-3	4	6
	Offers promos & disc.	-1	-2	-1	2	6	2	-6

- MacD surely stands strongly on Popularity cues
- Pizza Brands are positioned more around Discounts & Home-delivery;
  - ✓ While Burger brands around Global, Popularity cues as well as Food Taste & Hygiene
- The other differentiated international brands viz, Taco Bell & Subway are positioned on Unique & Premium cues

Imagery Associations : Local QSR Brands

	QSR Brands	BIKANERVALA	Haldiram's	WOW! momo	Burger Singh	Goli	JK Jumboking
	Base	*42*	*77*	*78*	*46*	*37*	*50*
Generic	Popular	2	8	4	-6	-4	-5
Generic	Value for money	-5	7	3	0	-7	-3
Generic	Family-friendly	8	-4	-3	-4	-6	-1
Brand Imagery	Unique / distinctive	-1	-7	4	-2	-1	-8
Brand Imagery	Fun/ Attractive	-1	-11	5	8	10	2
Brand Imagery	Offers Variety (food)	2	6	4	0	-2	-3
Brand Imagery	New & innovative	-3	-9	7	2	2	-3
Food Related	Superior Food Quality	3	8	-1	-1	5	-3
Food Related	Authentic taste	2	7	7	-2	-2	-4
Food Related	Healthy/ Hygienic	4	9	3	-3	-5	5
Food Related	Consistent Food	-2	0	-3	4	-1	3
Stature	Legendary Brand	7	5	-8	-4	4	-6
Stature	Global brand	5	5	-8	-2	4	-6
Brand Imagery	For Me/ Myself	-4	2	1	-1	-6	4
Brand Imagery	For Children	4	-4	2	2	-4	0
Brand Imagery	For Young People	-6	-12	3	7	4	4
Service	Quick home delivery	-1	-3	10	7	-12	1
Service	Excellent/ Prompt Service	-3	5	-1	-4	7	1
Visibility	Social media presence	2	-5	-2	7	-7	-8
Visibility	Easily available	-1	0	5	4	-1	-5
Visibility	Visible Newspaper/ TV	-4	9	-7	-7	3	-3
Price	Expensive	-8	1	-5	3	6	2
Price	Premium Experience	4	3	-9	0	4	-7
	Offers promos & disc.	5	1	-3	6	-5	-3

- On generic category codes of Popularity & VFM – Haldirams is strongly positioned while, Bikanerwala on Family-friendly cues
  - ✓ The legacy brands are also strong on Food related perceptions (Taste, Quality, etc)
- New-age brands Wow Momos & Burger Singh have strong cues on being Fun/ Attractive, New Innovative, for Young-people & Home-delivery
  - ✓ While the Vada pao brands Goli & Jumbo King do not have any clear positioning

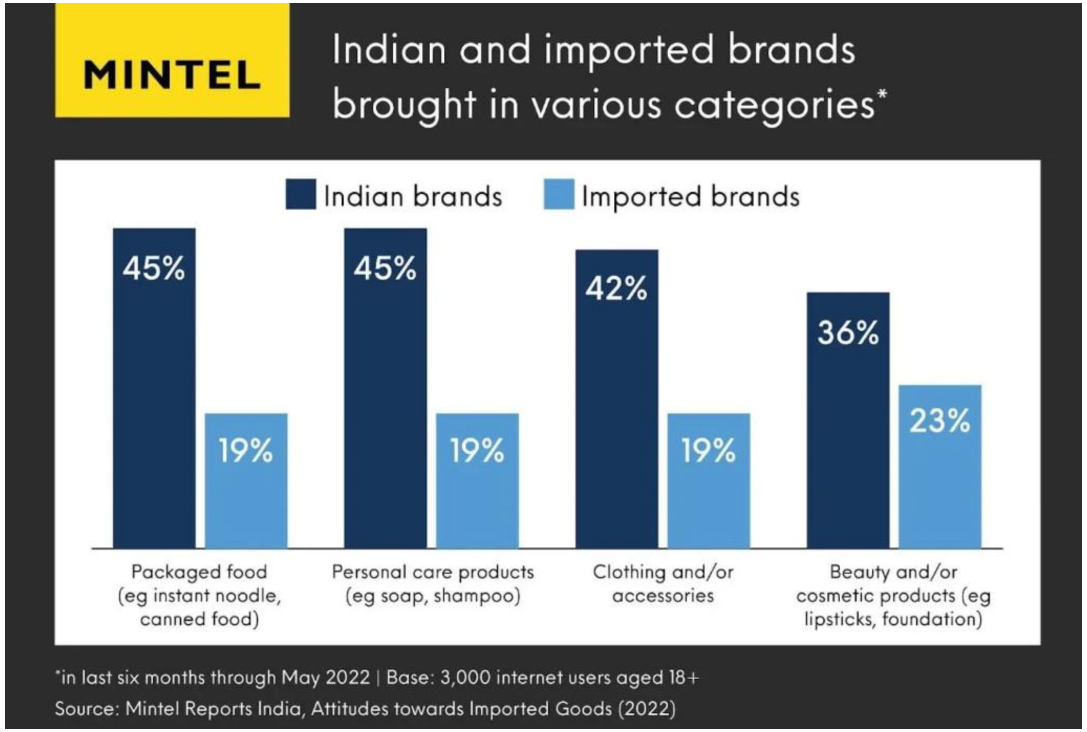
“Make-in-India” mantra gaining traction even for local QSR Brands

Growth

India's QSR Giants Adapt Amidst Local Competition

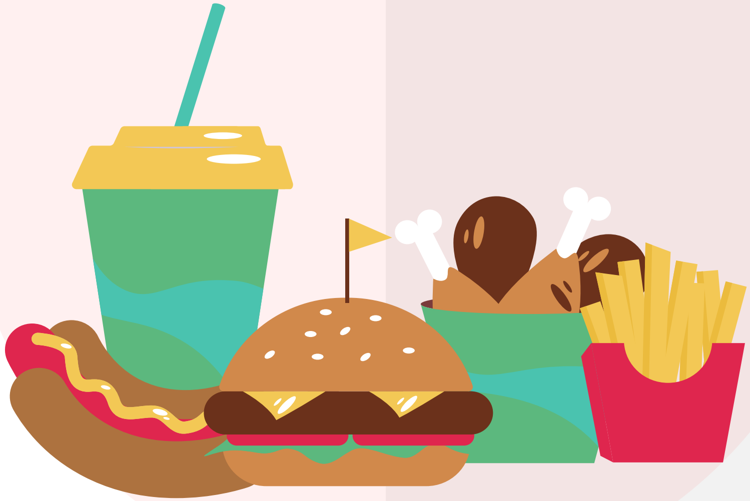
BY - Sakshi Singh
Sep 19, 2023 / 9 MIN READ

In the fast-paced and ever-changing landscape of India's food industry, a notable shift is underway. This



- ❑ Local brands are giving stiff competition to global giants – across categories including F&B. With the growth in QSR category being led largely by Indian home-grown brands
  - ✓ Brands like WoW Momos have created a chain of 600+ outlets providing fresh steam Momos – emulating the Pizza revolution by Dominos
  - ✓ Similarly, indigenisation of the Burger by “Burger Singh” through local flavours & Indian mascots has led to significant brand growth.

Delivery format driving Consumer Food Consumption Patterns



Cuisines preferred in delivery format are more mass-market

Sources of Food Consumed – food that is not prepared in-home

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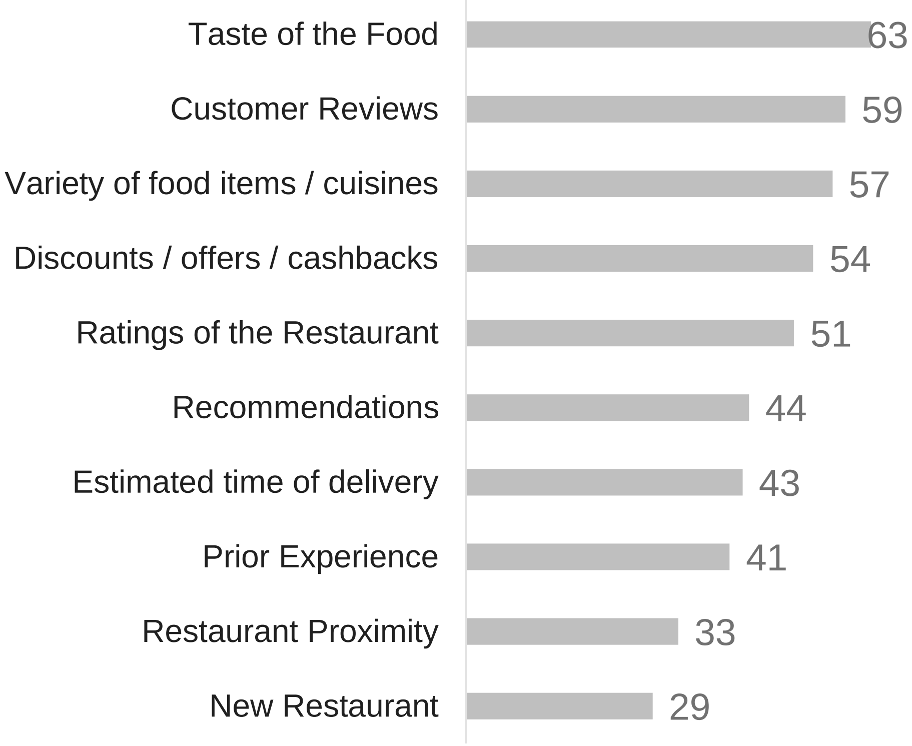


Cuisine Preference	Dine-in	Delivery
Indian	87	86
Fast food	67	66
Middle-eastern	38	30
Continental	54	48
European	55	53
Pan Asian	73	62

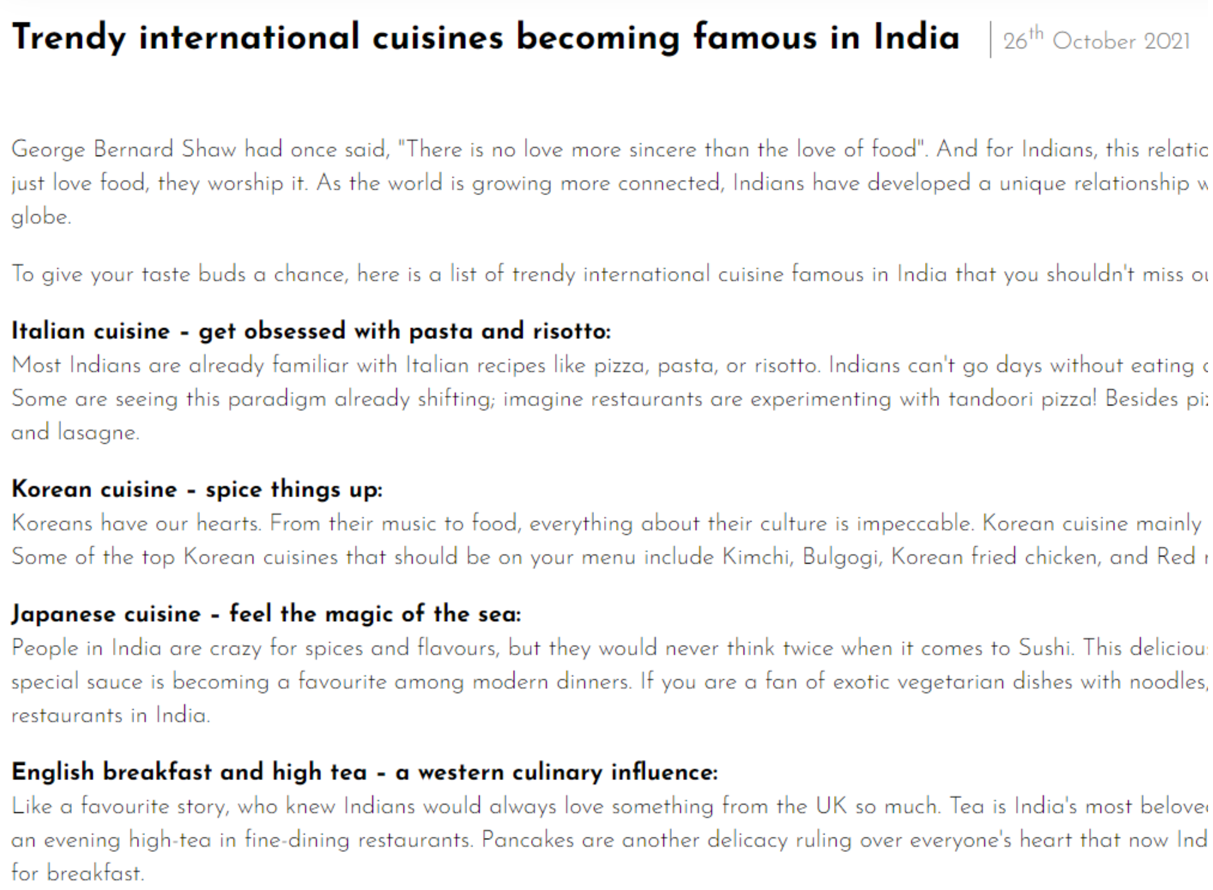
- More evolved cuisines (Continental, Pan –Asian, Middle-eastern) are preferred more in the dine-in format. While, the more known cuisines show similar preference across both formats.
- Discount & Ratings/ Reviews are critical factors in the choice of delivery restaurant

Opportunity for Premium International cuisines in Delivery??

Demand vs Supply Gap

Cuisine	Orders	Restau-rants
North Indian	100	100
South Indian	36	40
Chinese	36	33
Pizza	35	42
Burger	30	36
Italian	6	2
Mexican	3	1
Japanese	0.5	0.2

https://www.zomato.com/trends



Trendy international cuisines becoming famous in India | 26th October 2021

George Bernard Shaw had once said, "There is no love more sincere than the love of food". And for Indians, this relatic just love food, they worship it. As the world is growing more connected, Indians have developed a unique relationship w globe.

To give your taste buds a chance, here is a list of trendy international cuisine famous in India that you shouldn't miss ou

Italian cuisine - get obsessed with pasta and risotto:
Most Indians are already familiar with Italian recipes like pizza, pasta, or risotto. Indians can't go days without eating c Some are seeing this paradigm already shifting; imagine restaurants are experimenting with tandoori pizza! Besides pi: and lasagne.

Korean cuisine - spice things up:
Koreans have our hearts. From their music to food, everything about their culture is impeccable. Korean cuisine mainly Some of the top Korean cuisines that should be on your menu include Kimchi, Bulgogi, Korean fried chicken, and Red r

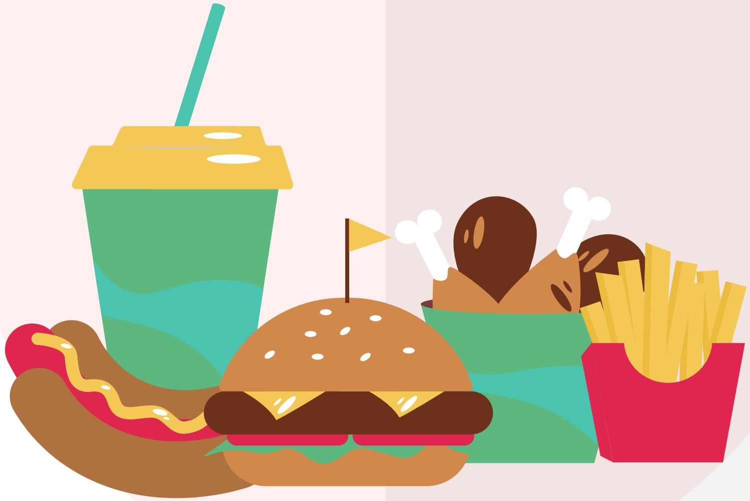
Japanese cuisine - feel the magic of the sea:
People in India are crazy for spices and flavours, but they would never think twice when it comes to Sushi. This deliciou special sauce is becoming a favourite among modern dinners. If you are a fan of exotic vegetarian dishes with noodles, restaurants in India.

English breakfast and high tea - a western culinary influence:
Like a favourite story, who knew Indians would always love something from the UK so much. Tea is India's most belove an evening high-tea in fine-dining restaurants. Pancakes are another delicacy ruling over everyone's heart that now Ind for breakfast.

- ❑ The most sold items in delivery format are Biriyani – Pizza – Noodle bowl. So, North Indian, followed by South Indian, Chinese, etc → the premium international cuisines are way down the ladder in terms of demand
- ❑ However, what is interesting is that the supply of premium international cuisines in the delivery format are also quite low

INDICATING A POTENTIAL OPPORTUNITY

About the Survey



Scope of the Research

Objective	To understand food & beverage consumption habits in India
Methodology	Online survey (INTAGE's Online Research Panel)
Period of survey	August 2024
Criteria	Male & Females aged between 18-49 years
Sample size	600 covered across 4 Metros (Mumbai, Delhi, Bangalore & Kolkata) & 4 Tier 1 cities (Lucknow, Indore, Kochi & Guwahati)
Segmentation Variables	**Consumer Demographics** **Age Groups:** We found significant differences between different age groups – 18-29-, 30-39- & 40–49-year-olds **Marital Status :** We observed significant differences in brand preference, perception & usage as well between singles, vs newly married (no kids) as well as older married people with ½ kids **Food Preference & Consumer Evolution** **Evolution :** Respondents who have hardly travelled/ not travelled abroad showed a distinct difference in food habits vs. those who frequently travelled abroad (more than once in a year) **Food preference :** Limited palette (choosing mostly Indian food cuisines when they consumed food prepared out-of-home) consumers show a different pattern in food consumption vs. those who have a slightly more differentiated palette (choosing other cuisines apart from Indian cuisine)

Thank You

For any queries, please contact
Satrajit Das
M: 98710-97752
E: satrajit.d@intage.com