

NUTRIFYING THE FAST FOOD INDUSTRY: CASES STUDY AT
MCDONALDS, KFC AND PIZZA HUT IN MALAYSIA

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DECLARATION

“I hereby declare that this thesis entitle “Nutfying the Fast Food Industry: Cases Study at McDonalds, KFC and Pizza Hut in Malaysia” is my own work except for the quotations summaries that have been duty acknowledged”

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DEDICATION

I dedicated this research to my parents, friends and supervisor, who are always be there when I need help and motivation during the process of preparing this research. Thank you all for this motivation, inspiration and guidance for me to pass through the process of this research. Not forgetting, to those who indirectly contributed to this research, your effort means a lot to me. Thank you very much.

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ABSTRACT

In recent year, there are many fast food industry exist in over the world. So, there are many kinds of food that had been produce by the industry to fulfil the demand. In this study the researcher discover on of the method that can help the fast food industry in ways to transform the fast food industry in offering healthier alternatives. In this research, the researcher used five main factors, determinants of health issues, new business opportunity, and food health quality, the influence of media message and hectic lifestyles of people. Those factors that the researcher think will be main factor that will affects to nutrifying the fast food industry. This research will be use interview as the method to gain data and information from the respondents of fast food industry. This research will use the exploratory method because provided an efficient way for the researcher to gain the deeper understanding of the current issue by asked the question directly from the expertise or experienced people.

Keywords: nutrifying the fast food industry, healthier alternatives, factors.

ABSTRAK

Dalam kebelakangan tahun ini, terlalu banyak industri makanan segera yang wujud di seluruh dunia. Disebabkan itu, pelbagai jenis makanan yang dihasilkan oleh industri untuk memenuhi permintaan. Dalam kajian ini, pengkaji menggunakan lima faktor iaitu menentukan isu kesihatan, peluang perniagaan yang baru, kualiti kesihatan makanan, pengaruh pesanan media, dan kehidupan manusia yang sangat sibuk. Pengkaji memikirkan faktor tersebut merupakan faktor utama yang akan memberi pengaruh untuk 'nutrifying' industry makanan segera. Kajian ini akan menggunakan temuduga sebagai kaedah untuk memperoleh data dan informasi daripada responden industri makanan segera. Kajian ini akan menggunakan kaedah tinjauan kerana menyediakan jalan efisien kepada pengkaji untuk memperoleh pemahaman yang mendalam tentang isu semasa melalui pertanyaan soalan terus kepada pakar atau mereka yang berpengalaman.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

People tend to eat what grows or lives nearby. A nutrient-rich diet could assist apprentices to maintain a healthy body and mind. Nutrients are consumed through the food that we eat, and through metabolic processes in the digestive system these nutrients are absorbed at a cellular level in the body (Gibney et al, 2009). Optimum nutrition contributes to health, wellbeing, normal development, and high quality of life (Gibney et al, 2009).

Nutrification is defined as the addition of one or more nutrients to one or more commonly consumed food that can improve the dietary intake of a given population. Food and nutrition security exists when all people at all times have physical, social and economic access to food, which is consumed in sufficient quantity and quality to meet their dietary needs and food preferences, and is supported by an environment of adequate sanitation, health service and care, allowing for a health and active life (Marzella, W, 2013).

Fast food is food processed and prepared by using standard ingredients and production techniques (Freeman, 2007). Fast food is the name given to food that can be prepared and served quickly. Nowadays, fast food has become one of the most convenient food for the community as they can be easily obtained since most places are selling fast food. The types of food served by fast food restaurants are plenty. There are range from burgers, fries, pizza, fish and chips, kebabs and fried chicken (Dataminator, 2010).

Many companies are trying to make higher profit by fast food marketing in the communities, promotion by offering free toys and other products, and made fast food available everywhere to higher demand of the fast food (Business Insider, 2015). Thus, they have created so many types of fast food to meet the taste bud of the customers, and make aggressive marketing to promote the fast food. Due to the situation, this causes the trending of fast food because of variety of choices. Globally, fast food generates revenue of over \$570 billion that is bigger than the economic value of most countries (Franchise Help, 2016).

Parents are becoming more and more concerned with the foods that their children are eating. Fast food has a large social effect on the life of people. It is found to be one of the most important factor in the increasing obesity rate in the young generation (Bowman et al, 2004). When fast food frequently replaces nutritious foods in your diet, it can lead to poor nutrition, poor health, and weight gain. According to Robert Wood Johnson Foundation (2013), most people underestimate the number of calories they consume in a fast food restaurant.

The consumer are starting to realise the awareness campaign in promoting healthier diet. It has influence the consumers' buying behaviour in fast food industry. On order to cope with the changes in consumer needs and wants in fast food industry, some fast food restaurants start to offer something new on their menus (Healthy Fast Food, 2011). Therefore, the purpose of this study is to nutrify the fast food industry based on cases study. Moreover, consumers now prefer quality food intake and are

becoming more conscious in nutritional diet, health and food safety (Ruth and Yeung, 2011; Rimal et al., 2001). The fast food chain offers sandwiches, which contain only six grams of fat or less. These sandwiches become more famous after Jared S. Fogle lost weight of 240 pounds due to the Subway diet (Subway History 2009, Subway Studentguide).

This study aims on how to transform the fast food industry in offering healthier alternative to fast food industry due to consumers who start to realise the negative impacts of consuming too much unhealthy fast food. Increasing consumer awareness about healthy lifestyles has pressured many fast-food players to offer healthier selections within their menus (BBC, 2011). Environmental lobbyist and governments are pressuring the fast food firms to become more 'green' (Greenpeace, 2012).

1.2 Problem Statement/ Research Questions

Fast food does not have to be unhealthy, but most of the time it is, consumers often order foods with more fat, calories, sugar, sodium, and less nutrition and vitamins than is necessary (Skamulis and Smith, 2003). Fast food is often cited as a contribution to rising obesity. Recently, Malaysia Government is concerned about the rise and impact of obesity issue in Malaysia.

This happens due to the rapid increase of high blood pressure caused by obesity (Market Watch Malaysia, 2010). Fast food has a large social effect on the life of the people, it is found to be the most important factor in the increasing obesity rate in the young generation (Bowman et al., 2004). The World Health Organization (WHO) (2005) estimates that globally 1.6 billion adults were overweight and this will rise to 2.3 billion in 2015.

In April 2012, a survey by the Ministry of Health revealed that just over a quarter of Malaysian school children were obese or overweight. Furthermore, Malaysia has also been ranked the fattest country in South-East Asia, and the sixth in the Asia-Pacific region (The Star, 2014). Some criticize fast food as junk food and believe that fast food promotion is a significant cause of obesity epidemic in North America (Mohamed and Daud, 2012).

This research is to discuss on how to transform the fast food industry in offering healthier alternatives to fast food industry due to consumer who start to realise the negative impact of consuming too much unhealthy fast food. Nutrients are consumed through the food that we eat, and through metabolic processes in the digestive system these nutrients are absorbed at a cellular level in the body (Gibney et al, 2009).

The research question will guide the researcher to become clearer about the way to nutrify the fast food industry.

The research questions constructed as below:

- I. What are the factors that influence to nutrify the fast food industry?
- II. What are the strategies in nutrifying the fast food industry to produce healthier fast food?
- III. What are the innovative suggestions in transforming the fast food industry to be more nutritious concerned?

1.3 Research Objectives

There are three objectives that need to be achieved to complete this study which are:

- I. To identify the factors that influence to nutrify the fast food industry.
- II. To determine the strategies in nutrifying the fast food industry to produce healthier fast food.
- III. To propose the innovative suggestions in transforming the fast food industry to be more nutritious concerned.

1.4 Scope, Limitation, Key Assumption of the Study

The scope of this research will focus on the managers who are handling the fast food industry in Melaka. The industry is dominated by a number of international Quick Service Restaurant (QSR) chains, including McDonald's, KFC and Pizza Hut (Datamonitor, 2010). The manager level staff will be interviewed to answer questionnaires that given by the researcher in or order to get importance data and information. Furthermore, the whole process of fast food industry will be observed and data will be collected.

This research is limited in the several ways. First is limited in terms of honesty of the respondents. They will probably be not honest when they are answering the questions during the survey. Besides that, the respondents may lack of experience about the topic given.

The key assumption of this research is that the managers will respond with an honest answer when they are answering the questionnaires. Even though getting the permission of the fast food company is rather difficult, but it is assumed that with brief and clear explanations, they will be able to understand the purpose of this research and bring benefit to the fast food industry and also to themselves.

1.5 Importance of the Study

The aim of this research is to transform the fast food industry in offering healthier alternative to fast food industry. The importance of this research is to define the nutrifying that can contribute back to the fast food industry by transform the industry to become nutrifying fast food industry. By determining the factor and strategy, this research will be able to give innovative suggestion for the company to nutrify fast food industry.

1.6 Summary

This chapter gives an overview about the research background on nutrifying the fast food industry and highlights the problem statement which are the factors and strategies involved in nutrifying the fast food industry to produce healthier fast food. It is also to help the researcher to understand more about the fast food industry. This chapter also presents the research questions and objectives as the guideline for the study. This study aims on how to transform the fast food industry in offering healthier alternative to fast food industry due to consumers who start to realise the negative impacts of consuming too much unhealthy fast food. Other than that, it also explain the importance of nutrifying the fast food industry which is to contribute back to the fast food industry. This chapter also stated the scope, limitation and key assumption of this research.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This section discusses about the literature review used in the research. Several sources such as books, journals, articles and Internet are utilised. In section 2.2, theoretical concepts which is the fast food industry process; section 2.3 is about the application of theory of the factors that influences to nutrify the fast food industry; section 2.4 is the assessment of theoretical concepts of strategies in nutrifying the fast food industry; section 2.5 reviews about the conclusion of whole discussion in literature review; and section 2.6 is the review of theoretical framework.

2.2 Nutrifying the fast food industry process

This research is to discuss on how to transform the fast food industry in offering healthier alternative to fast food industry. Therefore, the stages of the fast food processes have to be listed out in order to reach the purpose of nutrifying the fast food industry. A food system is a system involving many different aspects, a central issue is to transport food from the place of production to where people can buy and eat the food and from there to disposal (Neff et al., 2009). Figure 1.1 shows the production of fast food process.

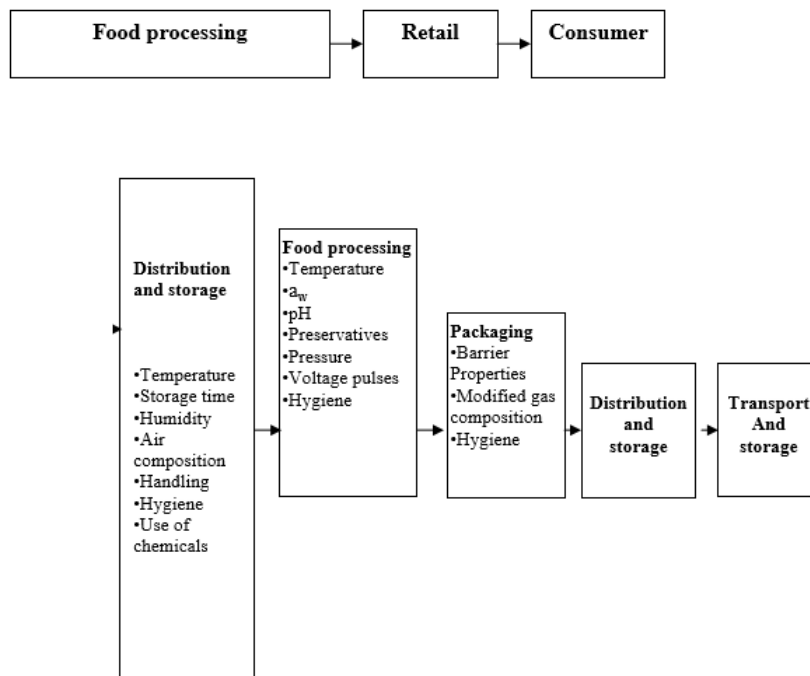


Figure 1.1: Production of Fast Food Process

Source: A manual of a Good Practices in Food Quality Management, 2005

2.2.1 Food Processing

The manufacturing of agrifood aims an extended shelf life by controlling the restricted factors and keeping the good quality. According to Bergatrom and Hellqvist, (2004) quality food is dependent on the production method, service, and place of origin and choice of package method. Food producing companies are responsible for the safety of their produced food. Food producers in all stages of the production, processing and distribution chain have a responsibility according to (EC) 178/2002 (Article 17, paragraph 1) to guarantee that the products they produce fulfil the requirements stated in the food legislation and they also have the responsibility to control that the requirements are fully achieved.

2.2.2 Preservatives

Physical properties of manufactured foods are determined by compositional characteristics of the ingredients or raw material composite, and by processing conditions. The function of the preservatives is to extend the shelf life of a product (BBC, 2014). When considering current food preservation technique, there are limitations to a relatively small set of parameters, including temperature and time, use of preservatives and modification of gas combinations and composition (A manual of a Good Practices in Food Quality Management, 2005).

Temperature time

Elevated temperatures are applied to reduce the number of micro-organism, to inactive enzyme activity and to increase chemical reactions. For all these processes not only the level of temperature, but also the time determines the degree at which the process occur. The temperature effect profiles differ for each specific reason.

Gas compositions

This is the headspace in packaged foods together with properties of packaging materials greatly influence shelf life and food safety. Lower oxygen concentrations