

## **Socio-Economic Effects of Fast Food industries on Urban Residents in Anambra State, Nigeria: A Study of Awka Urban.**

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**ABSTRACT:** *Fast food industries in Nigeria are growing at a very high rate. The industry is currently worth about two hundred and fifty billion naira (N250bn), employing over five hundred thousand (500,000) personnel. The growth in the industry is influenced by several factors including increase in average disposal income of families, close gap between the cost of dining out and eating at home and hectic and tight schedules in lifestyle. This paper investigated the socio-economic, effects of fast food industries on urban residents in Awka. The study is based on a random sample of 100 customers of four fast food industries in Awka. The instruments for data collection were structured questionnaire and in-depth interview. The findings show that there is an increase in the desire for out door relaxation by urban residents in Awka. It was recommended that fast food industries should maintain sustainable good hygiene environment and balanced nutrition.*

**Key words:** *Balanced nutrition, Fast Food Industries, High calories, Urban Residents*

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### **I. INTRODUCTION**

The fundamental needs of man which include food, clothing, energy and shelter are in huge demand and the competition is quite high. Food which is most basic rates highest in the competition. The National Bureau of statistics (2010) stated that Agriculture (the origin of food) contributed 41.84% to the Gross Domestic Product (GDP) of Nigeria in the year 2009, while crude petroleum that constitutes 95% of the nations export and largest part of her federal earnings contributed only 16.05% in the same period.

The fast food Industry in Nigeria started from a very humble beginning in the 1970s. Mr. Biggs was the first major entrant and it started out as an in-house office kitchen service to organization whose work schedule gives little or no time to go out for lunch. But the demand for its products soon sent it into the open market where it remain a strong player among many others (Bose 2011)

The need to provide fast, on-the-go meals for those in hectic, busy and fast-paced work and lifestyle soon made the sector an attractive one to many entrepreneurs, investors and business people as a result; small food canteen owners got inspired and pursued funding to expand to larger multi-branch players in the industry. Fast food is usually high in calories and typically comes in large portions, thus, it has been blamed for causing obesity. But research has shown that fast food is not the cause of obesity in today's society (Shoenstard, 2008). However, because fast food is typically high in calories and the portions are large, it does promote eating too many calories, which can lead to weight gain and obesity. Research has also shown that people who eat fast food consume more calories than people who do not eat fast food. Those who eat fast food also consume more fat, saturated fat and sodium (salt), while consuming fewer fruits vegetables and milk (Arthur 2005). Studies have also shown that fast food from major chains still has unacceptable levels of trans fat. Trans fats have a significant effect on the body and may contribute to weight gain, abdominal obesity, type 2 diabetes, and heart disease (Shoenstard 2008). However, when compared to ten years ago, the portion of customers seen at major fast food chains are in the increase. This study attempts to examine the Socio-economic effects of fast food Industry on the consumers, using Awka urban as a case study.

### **Objectives of the Study**

The objectives of this study are:

1. To identify the reason for increase patronage of fast food industries by residents of Awka urban.
2. To highlight the socio-economic effects of these fast food industries on residents of Awka urban.

### **Significance of the Study**

One of the fastest growing businesses in the country today is the fast food industry. This is evident in various types and categories springing up at every street corner in the urban and semi-urban centers in the country. Thus, this paper seeks to examine the socio-economic effects of these fast food restaurants on urban residents. It will also highlight the advantages and disadvantages of these fast food restaurants. It is therefore hoped that the result from this study will help people to select the proper type of food at anytime they are eating out in a restaurant.

### **Literature Review**

#### **The History of Fast Food Industry**

Mr. Biggs is Nigerians first chain of fast food restaurants (UAC Nigeria 2007) Owned by conglomerate United African Company of Nigeria (UAC) PLC. There are currently around 170 locations in Nigeria. The restaurant is style after Mc Donald and is known for its red and yellow colour scheme Mr. Bigg's history begins with the coffee shops inside Kingsway Departmental stores in the 1960s. In 1973 these shops were rebranded as Kingsway Rendezvous which became Mr. Bigg's in 1986. The chain saw rapid expansion after becoming one of the first Nigerian companies to sell franchises to investors (UAC Nigeria 2008)

Presently, there are several fast food industries all over the country. In the late 1990s and early 2000s, the fast food industries started to grow organically. Three factors were primarily responsible for this. They include:-

- ❖ Increase in average disposal income
- ❖ International travel and exposure
- ❖ Busier city and work life coupled with the desire for convenience and comfort in eating out. The last was also encouraged by the fact that there was a decrease in the gap between the cost of eating out and preparing ones home made meals (Adebayo 2009).

#### **The Boom and Marketing Strategy**

A few of the fast food restaurants that have cropped up in the past ten years across the country include: Tantalizers, Tasty Fried Chicken, Chicken Republic, Nados, Mama Class, Tetraddin, Munchies, Crunchies, chicken Licken, Sweet sensation, Ken Chitis, Chukies Fries, Mac Dons, Master bugger etc. Positioning, branding and quality of services are a few of what they are using as marketing strategies to elevate their position in the market and in the minds of their customers. An example is the family attraction strategy of Mr. Bigg's and the couples's attraction strategy of tantalizer which is largely reflected in the architectural design and arrangement of their outlets. (Edukugho 2009). Also included in their marketing strategy is the targeting of their promotions and advertisements.

#### **Expansion and Franchising**

Opening new outlet close to competitors has been a major warfare. On the other hand, franchising has been one of the major tools for expansion especially for Mr. Bigg's. But it has also been a problem creating a gap in the market due to non-uniformity inequality of meal across all branches, outlets and franchise. For instance, Tantalizers started as a single outlet restaurant with great quality food and amazing patronage soon it expanded its shop and currently operates over fifty (50) branches all over the country (Adebayo 2011). In short the Editorial comment in This Day News paper (2009) noted that one of the fastest growing businesses in the country today is the fast food industry. It springs up at every street corner in high, low and down town areas of urban and semi urban areas. This is no doubt an indication of business boom in this sector of the economy, with its unquantifiable multiplier effects on the socio-economic development of the country. No matter how infinitesimal, the employment generated by these outfits is hard to overlook.

#### **Socio Economic Effects**

The Association of fast food confectioners of Nigeria has revealed that the Nigerian organized fast food industries is currently worth about two hundred and fifty billion naira (N250bn) with a growth potential that is next only to the petroleum industry (Adebayo 2011).

The restaurant industry has been growing since the 70s and as a result, the industry is healthy. The industry was identified as the leading overall employer of labour, looking at food supply chain from farm to the table (Edukugho 2009). Virtually all major professional-scientists engineers, marketers, accountants etc. are involved. According to Edukugho (2009) the processing and retailing levels of the fast food industry employs a lot of workers because it is highly labour intensive.

The management of quick service Restaurants requires the services of thousands of people starting from outside suppliers and various service providers (architects, refrigeration and A/C engineers, food scientists and engineers, advertisers, caterers, environmental scientists, computer scientists and IT professionals) who derive their wealth through business transactions in the fast food sector.

Adebayo (2011) noted that the industry employs over five hundred thousand personnel's, spread across different professional and casual workers. The industry also pays in excess one billion naira (N1bn) to the various tiers of government in taxes and levies. In addition, the industry contributes over one hundred and fifty million Naira (N150m) to the nation's security Trust fund.

### **Theoretical Perspective**

In order to theoretically and conceptually locate the socio-economic effects of the fast food industry, it is necessary to adopt the functionalist perspective.

Talcott Parsons (1902 - 1979), a Harvard University Sociologist, was a key figure in the development of functionalist theory. Parsons has been greatly influenced by the work of Emile Durkheim, Max Weber and other European sociologists. For over four decades, Parsons dominated sociology in the United States with his advocacy of functionalism.

He saw society as a vast network of connected parts each of which helps to maintain the system as a whole. The functionalist approach holds that if an aspect of social life does not contribute to a society's stability or survival- if it does not serve some identifiable useful function or promote values consensus among members of a society – it will not be passed on from one generation to the next (Schaefer, 2008). According to Okeibunor and Anugwom (2005) the organismic analogy is a basic analytical tool of the functionalists. It is argued that society maintains its existence through the functional dependence (interdependence) of the various parts, that is, human beings have certain primary needs for survival; for example the need for food, shelter, clothing and security. Also, human populations live and work together in social organization to satisfy these needs. The notion of social structure goes *pari passu* with the notion of social function. It is derived from the idea that society is a system and that there is functional unity between the parts.

From the functionalist perspective, the fast food industry appeared in the society to fill the gap created by the busy lifestyle of people in the twenty first century. The hectic and tight schedule in lifestyle made it absolutely inconvenient for most workers to cook meals at home. Bachelors, spinsters and even parents stop at fast food chains to get breakfast or lunch for their children in school. Not only that at the end of a very busy day, instead of making a trip to the market to get ingredients and cooking a meal, fast food provides a better alternative. Thus; the fast food industry functions for the maintenance of society as a whole. It helps to keep the society in equilibrium and try to prevent any change that is likely to disrupt the society.

### **Methodology**

**Study location and sampling technique:** The site of this research is Awka urban in Anambra state. Awka is the state capital of Anambra State as well as the administrative headquarter of Awka South Local Government Area. It has a population currently projected at about 86,593 (NPC 2006). It is made up of six (6) autonomous communities namely Umunaga, Umudioka, Amikwo, Amaenyi, Umuokpu and Umubele. Occupationally the people are blacksmith ([http://group.msn.com/awka city Africa](http://group.msn.com/awka%20city%20Africa)).

There are many fast food restaurants in Awka, they include: Mr. Bigg's Chukies Fries, Crunches, Mc Dons, Chities, Master Bugger, Uncle Morgan and Chicken Republic. Four fast food restaurants were randomly selected from the list above. Namely; Crunches, Mac Dons, Mr Bigg's and Chukies Fries.

A sample size of one hundred respondents (100) were selected from the customers that visit the fast food within a period of six months. Twenty (20) staff of these restaurants were equally selected. The 20 fast food staff was used for in-depth interview while the questionnaires were administered to the customers.

In analyzing the data, simple statistical computations were used. Thus, simple percentage was used to determine the trend of responses while the presentation of the report is descriptive. The instruments for data collection are the questionnaire and oral interview.

### **Discussion of Findings**

**Socio-Demographic Characteristic of Respondents:** All the respondents are resident in Awka. A greater percentage of the respondents are salaried workers 40.5%, followed by students 27.3%, then children who came with their parents 22.0% and business men 10.2%. Educationally 50.2% of the respondents has completed one level of tertiary education or the other, 25.3% of the respondents are either under graduate in the university or just have an O'level qualification, while 24.5% percent are in primary and nursery schools.

Most of the respondent did not want to disclose their income due to security reasons, while other could not calculate their income due to the fact that they come in bits. However, from the data collected, close to three quarter of the respondents 73.9% have no fixed income. This is by the people who earn between N40,000 to N50,000 (19.5%). Very few (0.9%) have above N50,000 per annum.

### **Advantages of Fast food**

The obvious advantages of fast food are its speed and cost. Up to 80% of the respondents noted that fast food saves time. According to the respondents, "there is nothing better than ready meal. No matter how much the chefs praise the benefits of fresh food, at the end of a hard working day, when one returns home very tired and hungry, fast food can be the only source of food supply. Besides, the time an individual spends in going to the market, washing and getting the ingredients ready washing the dishes and pots and cooking the meal is all taken care of by fast food. Besides time, cost saving also gives fast food an edge over the meal prepared in the home. Majority of the respondents, 63.3% accepted that if one lives alone, it is cheaper to buy a meal at the fast food restaurants than cooking it at home. Almost all the respondents agree that fast food raise health concern. However, 80.7% of the respondents noted that one can find some options on the menu of a fast food restaurant that could be healthier. Salads, bread products made from wheat, lean meat and boiled preparations are healthier options instead of fried preparations. Also when one is thirsty people should avoid carbonic drinks, rather they should go for fruit juices low fat milk, diet soda and plain water.

One of the reasons why families go for fast food is the desire to relax and enjoy relative peace outside the home and office environment. 63% of the respondents accepted that they came out for relaxation.

### **Disadvantages of Fast Food**

The greatest disadvantage of fast food is the adverse effect that it has on ones health. It is a fact that fast food is unhealthier than home cooked meals as they contain higher amount of salts, fats and calories (Jathar, 2010 and Bose, 2011). Up to 13% of the respondents agreed that fast food is an important contributor to obesity and other health related cases. The respondents also noted that eating at fast food outlets is economical only for a single person. Majority of the respondents 72% noted that the greater the number of persons at a meal in a fast food restaurant, the larger is the bill.

### **The Socio-economic Effects of Fast Food Restaurants**

Going out to a fast food eating joint once in a while gives the family opportunity to relax outside the very busy office and school environments. Most of the respondents 63%, accepts that fast food joints is a good place for relaxation. It is also a place to make new friends, especially people of the same class. Fast food saves time because the customers don't need to do the clean up. Economically, respondents noted that they spend less money and time in fast food joints, than cooking the meal at home.

### **Challenges of Fast Food Industries**

The fast food industries according to the respondents are facing a lot of challenges, which include inadequate finance to meet the customers' taste, multiple taxation from different government agencies and difficulty in finding adequate fast food processing machines and equipment. Others include inadequate food processing industries for values added chicken, meat and fish products, frozen and canned vegetables, seasonings, condiments, sauces and spices.

### **Conclusion**

Fast food is an invention of the modern times. Ready made food being served fast and right in front of an individual is like a blessing after a hectic day's work. However, like every other thing, it has its own pros and cons. Advantages and disadvantages of fast food still exist.

This study showed that the fast food industry have come to stay since it plays vital role in maintaining stability of the society. This is evidence on the rate at which the industry is growing.

Fast food joints are also being seen as a factor that is making a number of families spend less and less time together. Economically, the study showed that fast food is more beneficial to individuals than families. It was also revealed that a careful selection of the type of food to eat in a fast food restaurant will help customers to eat healthy meal.

## **Recommendations**

Based on the findings of this study, the paper recommends that:

1. Customers of fast food restaurants should be careful in selecting food options in menu of fast food restaurants. This will help customers to eat healthy meals and reduce the intake of saturated fats.
2. Fast food industries should maintain good and balanced nutrition by reducing the amount of salt, fats and calories in their meals. This will lead to increase in the patronage of fast food industries since the customers are sure of eating healthy meals.
3. Fast food industries should also maintain a sustainable clean hygiene and severe environment. This will also lead to increase in patronage.
4. Fast food industries should endeavour to prepare more of the traditional Nigeria dishes with native and indigenous ingredients.  
This will help in promoting the rich and diverse nutritional culture of the nation since the restaurants had become the major eateries for Nigerians – young and old.
5. The government at federal and state levels should provide energy at a much reduced price since the operation of these fast food industries depends more on the supply of energy.

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