



The Impact of COVID-19 on the Fast-Food Industry in Malaysia

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ABSTRACT

Many businesses worldwide are badly affected due to the COVID-19 outbreak. As the Covid-19 pandemic spreads around the world, business person should create new business methods during this socio-economic, cultural, and health crisis. How to address the future is another critical question for businesses. Although the pandemic has affected businesses in different profound ways due to the various social, cultural, economic, and environmental factors, experience sharing and learning from successful businesses can help policymakers and business leaders to come up with innovative and effective strategies to minimize the adverse impact of the pandemic on the business operation. The study aims to determine how Covid-19 affected the fast food industry in Malaysia. Due to the Movement Control Order (MCO), all Malaysians are required to stay at home. The data of this study was collected through primary data and secondary data. The surveys using online Google form was conducted as primary data to gain more information regarding the topic. There are as many as 100 customers were surveyed. The results showed the fast food industry sustained operations and they adopted digitalization technologies. Digital technologies have influenced fast food restaurant strategies during the global pandemic, while technology may enable digital transformation, fast food restaurants are rapid to match the changes. Digitization opens new possibilities for fast food restaurants to sustain their business. With digital infrastructures in place like mobile devices, Wi-Fi networks, and online payment systems, it brings convenience to both business and customers. Deepening digitization has helped fast food restaurants to become more customer centric.

Keywords: impact, COVID-19, fast food, digitalization, restaurants, strategy, Malaysia.

INTRODUCTION

Fast food restaurants (FFRs) such as MarryBrown, McDonald's, Pizza Hut, and Subway are very well known in Malaysia. The total number of FFRs restaurants has increased drastically every year. FFRs refer to the restaurants which serve foods with little or no waiting time (Dittmer, 2002). The first fast food restaurants in Malaysia have started in the 1970s and early 1980s. In 1963, A&W was the first fast food chain introduced in Malaysia with a capital of RM24300.00. In 1972, KFC opened its branch with a capital of RM60,000.00 in Kuala Lumpur and expanded rapidly and had 11 branches compared to A&W six branches at that time. KFC Malaysia continues to serve dishes delicious and



quality fried chicken. This spices and herb recipe makes KFC chicken have a delicious and appetizing aroma loved by everyone. With the passage of time and rapid development, the fast-food restaurants are becoming more and more developed in a large number. However, KFC, McDonald's, and Pizza Hut are the most popular fast-food restaurant. Currently, FFRs springs up like mushrooms both in cities and residential areas, shopping centers, and even in rows of shophouses.

These changes make the fast-food industry chains feel the changes made during pandemic are paying off. Fast food restaurants have always been widely accepted and became a part of people live style, especially youngsters, long-hours workers, and people who have limited time to prepare a meal at home with their delectable menus. The give-and-take arrangement of the fast-food restaurant and their customer has always considered the best ways to deliver value to customers, which ultimately will benefit fast-food restaurants' brand and revenue.

Many businesses worldwide are badly affected due to the Covid-19 outbreak. As the Covid-19 pandemic spread around the world, businesses should create new business methods during this socio-economic, cultural, and health crisis. How to address the future is another critical question for businesses. Although the pandemic has affected businesses in different profound ways due to the various social, cultural, economic, and environmental factors, experience sharing and learning from successful businesses can help policymakers and business leaders to come up with innovative and effective strategies to minimize the adverse impact of the pandemic on the business operation. The Covid-19 pandemic had been continuously impacting the restaurants' brand, the shift in demand, and the revenue of fast-food restaurants such as McDonald's, KFC, and Subway when the Movement Control Order (MCO) and Conditional Movement Control Order (CMCO) are issued. The enforcement of MCO and CMCO had impacted many foods and beverages industries, which caused over 2,000 coffee shops and Mamak restaurants in the country are closed. They were unable to sustain on delivering value to customers. The fast-food restaurants' revenues were affected due to the outbreak of COVID-19.

The established opportunity of the surviving fast-food restaurants that are apparent is a value system between the fast-food restaurants and the E-Commerce companies as an Amazon-like platform for mobile online food delivery. The availability of online delivery in fast-food restaurants' options such as Foodpanda and GrabFood gave the light as a countermeasure against the Covid-19, which encourages people to lock themselves at home in order to cut the spread of Covid 19 virus. Even though the exercise of Foodpanda and GrabFood has been actively used by the customers even before the pandemic, given the critical situation, the engaging relationship with the E-Commerce platform indirectly acts as an unofficial advertisement to attract more customers to buy the foods offered in Foodpanda and GrabFood from various restaurants including the fast-food restaurants' products. The online platform helps the fast-food restaurants to survive in this crisis as we can see that a GrabFood's rider states that their deliveries are 20% to 30% more while DeliverEat.my restaurant requests have also risen by 300% during the pandemic.

We can see McDonald's brand as an example as the leading fast-food restaurant in top buzz ranking to fully utilize the relationship with the online food delivery platforms.



McDonald's is widely known as a successful business with a robust process in positioning its brand into Malaysia's markets with the most easily recognizable brand's symbol, "I'm lovin' it" campaign, quick service, drive-thru's convenience commitment, innovative local menus, and always prioritizing in delivering values to the customers. McDonald's credibility is approved by the recognition of Malaysia Book of Records for the drive-thru challenges, received Aon Hewitt Best Employers in Malaysia award three years in a row, and won gold at the Putra Brand Awards five years in a row. McDonald also maintains a core value of commitment in building an engaging relationship with the community through Back-to-School-Programmed, Ronald McDonald House Charities (RMHC), and many other aid and assistance to the public, including during the Covid-19 pandemic such as sponsoring food delivery to the frontlines estimated about 15,000 healthcare workers nationwide, police, and army personnel during the MCO.

When the government announced the second phase of MCO, the fast-food industry had to follow the standard operating procedure, and they operated business from 8.00 am to 8.00 pm. Even if the country faces a pandemic situation, these big industries must continue their business and support their employees. It is difficult for them, but they must adapt to the situation and seize the business to run the business normally. Therefore, the government had loosening restrictions (CMCO) in order to stabilize Malaysia's economy. According to the Prime Minister, Malaysia's economy suffered significant losses due to the economy that was not running well. Every day the country loses over RM2.4bn (US\$556 million) since the MCO started. Then reach a total of RM63bn (US\$14.6b) and a further month stated RM35bn (US\$8.1b) in losses (Muhyiddin, 2020).

McDonald's Malaysia followed SOP to ensure the cleanliness of food, equipment, employees, and safety. As announced by the Prime Minister, they serve the food with a pack only. The fast food industry provides service delivery. They also ensure their employees in good health. Before they start their duties, all the employees, including delivery riders, would have to do temperature checks, wash hands in the correct order, and sanitize themselves first to ensure employees maintain personal hygiene. If they were unwell, they were required to rest at home. All staff was required to wear face masks and gloves all the time. Employees were asked to sanitize each touched surface more often, including kitchen, counter, table, and cashless devices. They started to practice social distancing at least 1 meter, and the staff marked each the waiting spot with tape to ensure customers and delivery riders stand apart. After ordering food, the customer can choose where the food can be placed while receiving the delivery. They will be assigned to sanitize and clean the delivery bags first before and after delivery to the customers for delivery riders. The restaurant also provides a place to wash hands and hand sanitizer for customer use. The fast-food industry encourages cashless payments to minimize physical contact and ensure safety between workers and customers.

The business world today not only displays products and provides marketing sites only. All industries must move with technology to stay competitive, whether small or large business. Cashless payment transactions have become more prevalent in Malaysia. This method provides more benefits to business owners. All fast food industries encouraged customers to pay in cashless payment. There are various applications to order food like Foodpanda, GrabFood, McDelivery, KFC Delivery, and others to make it easier for customers to order food virtually. After the customer orders food and makes



the payment, riders will call the customer first who orders online where food should be placed. Riders will stand at least one meter away to reduce contact with each other.

RESEARCH METHOD

We decided to use several ways to perform this study: the data was collected through primary data and secondary data. In this paper, we focused on a few fast-food companies' restaurants in Malaysia, for instance, McDonald's, Kentucky Fried Chicken (KFC), and Subway. This research method aims to ensure that the research conducted becomes easier according to the process and accurate information.

First, the primary research method we use is secondary data. Secondary data refers to the data collected by someone other than the user. The data was taken from the journal, article, online newspaper, and official website of the fast-food industry in Malaysia such as McDonald's, KFC, and Subway franchises where most customers or Malaysian people are usually interested in. By having these data, we might know faster and more deeply about the organizational records such as the vision, mission, objective, achievement and management correctly primarily through the company's official website. Thus, we can gain more information and new knowledge, at the same time save our cost and time while researching with team members. These data also help us to determine how good or bad the impact of Covid-19 on Malaysia's fast-food industry, especially their performance internally, such as the demands, sales, and services.

We decided to conduct the surveys using an online Google form as our primary data to gain more information regarding our topic. We used the primary data to collect the latest information from the 100 respondents or customers to give their cooperation and opinion about the impact of Covid-19 on the fast-food industry in Malaysia. The online platform used was WhatsApp and Telegram as it is easier, faster, and gaining widespread use average by Malaysian people. In the survey section, we have two sections: Section A and Section B. Section A focused on respondent personal demography includes gender, age, race, occupation, income, and residence. Meanwhile, in section B, we surveyed the Covid-19 pandemic industry's impact, including customer satisfaction and Malaysia's business performance.

This research's objective also intends to examine if Malaysia's fast food industry's performance has been affected by the COVID-19 pandemic. We want to know about their readiness to effectively face the problem, especially in upgrading their services in a new norm. How can these fast-food restaurants consistently deliver the demand, sale, customer loyalty satisfaction, and services? We might know whether this Covid-19 pandemic has a positive, negative, or both impact on the fast-food industry in Malaysia through this research. Lastly, we hope that using these two methods in our research will ensure everything is lined up and might give a good result in our team project.

RESULTS AND DISCUSSION

We collected and analyzed the data from the employee as below. One hundred respondents filled up the survey. Over half of the participants were female (63.0%). As many as 89% were between 18 years old until 24 years, 93.3% were Malay, and 80% were students. As many as 89.8% earned less than RM 2,500 per month.



Table 1. Summary of Respondents' Demographics Profile (N=100)

Respondents	Frequency	Percentage
Gender		
Male	37	37.00%
Female	63	63.00%
Age		
18 - 24	90	89.00%
25 - 34	5	6.00%
35 - 44	4	4.00%
45 - 54	1	1.00%
55 and above	0	0%
Races		
Malay	93	93.30%
Chinese	3	3.00%
Indian	-	-
Bajau	1	1.00%
Siamese	1	1.00%
Dusun	1	1.00%
Pakistan	1	1.00%
Occupation		
Student	80	80.00%
Government Sector	6	6.00%
Private Sector	6	6.00%
Self-Employed	4	4.00%
Monthly Income		
2 500 and below	90	89.80%
RM 2 501 – RM 5 000	6	6.80%
RM 5 001 – RM 10 000	2	2.30%
RM 10 001 and above	1	1.10%

Table 2. Summary of Respondents' Opinion for The Impact of COVID-19 on The Fast-Food Industry (N=100)

Respondents	Frequency	Percentage
Do you know these three popular fast-food restaurants in Malaysia, McDonald's, KFC, and Subway?		
Yes	100	100.00%
No	-	-
Have you eaten fast food before and during the Covid-19 pandemic?		



Yes	98	98.00%
No	2	2.00%
How often do you eat fast food in a month during the covid-19 pandemic?		
Never	3	3.00%
Once a month	39	39.00%
2-3 times a month	53	53.00%
5 times and above	5	5.00%
How do you buy fast food during Covid-19 pandemic?		
Foodpanda, Grabfood and etc	29	29.00%
Delivery through company's website	3	3.00%
Drive-Thru	29	29.00%
Takeways and Dine-In by Yourself	39	39.00%
Do you feel the imposition of Standard Operating Procedures (SOP) during Covid-19 has indirectly improved a fast food restaurant's hygiene quality?		
Yes	59	59.00%
No	4	4.00%
Maybe	37	37.00%
Do you think that fast food preparation is in high demand even during the covid-19 crisis?		
Yes	85	85.00%
No	15	15.00%
Do you agree that even during the Covid-19 pandemic, the fast food restaurant committed to innovation to the menu for fast food enthusiasts?		
Agree	59	59.00%
Strongly agree	38	38.00%
Disagree	3	3.00%
Strongly agree	-	-
Do you agree with online payment methods such as E-wallet, Debit Card, Boost App have indirectly reduced contact-less between employees and customers while expanding the use of digitalization systems in Malaysia as the government state on this Covid-19 pandemic?		
Agree	49	49.00%
Strongly agree	46	16.00%
Disagree	3	3.00%
Strongly agree	2	2.00%
Are you satisfied with the Covid-19 fast food restaurant system that is more organized, fast, and customer-friendly than the previous one?		
Yes	91	91.00%
No	9	9.00%



Which one is your favorite Fast food restaurant before MCO?		
McDonald	55	55.00%
KFC	38	38.00%
Subway	4	4.00%
Texas Chicken	1	1.00%
Marry Brown	2	2.00%
Which one is your favorite Fast food restaurant during the outbreak of Covid-19?		
McDonald	54	54.00%
KFC	38	38.00%
Subway	5	5.00%
Texas Chicken	2	2.00%
Pizza Hut	1	1.00%

Based on question 1, all respondents agreed that they were familiar with these fast-food restaurants before the Covid-19 pandemic. Most of the respondents (53%) have eaten fast-food 2 or 3 times a month, 39.0% stated that they use takeaways, 29.0% claimed that they use the drive-thru and Foodpanda, Grabfood application for ordering the food. Table 2 shows the respondent's opinion about the sufficient supply of food and necessities given by the government during the Covid-19 pandemic period to decide whether they have or not to buy the fast-food.

Table 2 highlights customers' responses to questions about whether the imposition of SOP during Covid-19 has indirectly improved a fast-food restaurant's hygiene quality in Malaysia. Based on the summary, 59.0% agreed that the imposition of SOP during Covid-19 has indirectly improved a fast-food restaurant's hygiene quality. Next, respondents' responses to whether they think fast food preparation is in high demand even during the Covid-19 crisis. Based on the summary, 85 respondents (85.0 %) agree that fast food preparation is in high demand even during Covid-19. Most respondents agreed with the product innovation to the menu for fast-food enthusiasts, 59% of them, while 38% responded strongly agree. The basic premise of creating new products sees innovations through the customer's eyes and is differentiated from competitors (Harrington, 2004; Ottenbacher & Harrington, 2009). The results showed that the digitalization system's improvement to promote cashless and physical distancing helps to reassure almost 60% of respondents with 49% and 46% respectively reducing the contact with the fast-food employees and intermediates.

Table 2 shows the fast-food restaurants' service quality before and after the pandemic. The results show that 91% of the respondents are satisfied and agreed that the fast-food restaurants' service during the pandemic period is much more organized, faster, and customer friendlier than before the pandemic. The data from survey forms for customer satisfaction showed positives and good customer responses (Deshpande, et. al., 2020). Most respondents choose McDonald's as a favorite fast-food restaurant before MCO, 55% compared to other fast-food restaurants. KFC was the second-highest (38%). Next, during the outbreak of Covid-19, the majority (54%) choose McDonald's too as a favorite



fast-food restaurant. Meanwhile, 38% of them chose KFC, followed by Subway, Texas Chicken, and Pizza Hut.

Fast food, including McDonald's, KFC, Subway, Texas Chicken, and Pizza Hut, was known in Malaysia among the respondents. The results suggested that these FFRs were popular and accessible. This result shows the restaurant company successfully placed their market products in Malaysia for the long term by offering the menu suit with Malaysian tastes, and even in Covid-19 pandemic, the respondent still wants to buy fast-food. Most of them have eaten 2 or 3 times a month better than those who are never eating or only eat fast-food at one time. We can see that these popular fast-food restaurants in Malaysia have built their brand equity to sustain their business in Malaysia even during the pandemic.

Alongside the changing era of technologies, consumers' preferences toward their food preferences also could change at the speed of light even after only a few decades to cater to the changing environment. The rising growth of the fast-food restaurants' chains is one of the more likely apparent changes to cater to the new environment of fast-urban lifestyle. Even before the pandemic, fast-food restaurants such as KFC, McDonald's, and Pizza Hut were preferred and listed in the Brand Index Ranking as some of the many favorite fast-food restaurants. Even in October 2019, MD Datuk Seri Mohamed Azahari Mohamed Kamil, former Managing Director of Quick Service Restaurant (QSR) Brands BHD, also mentioned insight of the revenue growth's expectation from 3% to 6% in 2020 and planned to open a total of approximately 127 new branches of both KFC and Pizza Hut for the next three years which should prove the fast-food restaurants' prosperous even before the pandemic due to many reasonable reasons (Khalid, 2019).

The fast food restaurants are naturally well-liked by Generation Z, ranging from age between 8 to 23 years old, especially by the university and high school students because of the taste and fast service. However, like one said, "When in Rome, do as the Romans do," humans also shift their lifestyles to adapt to the new environment, and this phenomenon highlights the beginning of fast-food restaurants' growth trend. Nowadays, in exchange for the dynamic and competitive technological development, the fast-urban lifestyle is getting busier and stressful to the point of arising national and international level concern, cooking becomes leisure activities rather than a chore because people had a short of time to prepare a full course meal or even most homemade cuisines (Platania & Donatella, 2003). Even though there may be a risk of obesity if consumers consumed fast food products for daily intake, all the fast-food restaurants have their standard menu which obeys the Hazard Analysis and Critical Control Points (HACCP) and ISO 22000 (Food Safety Management System). Hence, the menus offered by fast-food restaurants should not risk our health and our child's well-being. Thus, some part of Generation X and most Generation Y also fail to ignore the appealing added-value offered by the fast-food restaurant to customize their new environment versus lifestyle.

The trend of child marriage in Malaysia that reported over 80,000 married girls around 15 and 19 years old in 2010 also correlated to the consumption of fast food due to its convenience and brand (Nortajuddin, 2020). The correlation of child marriage trend and fast-food convenience also aligned with Habib, Dardak, and Zakaria (2011) opinion on fast foods acting as a quick-meal solution to squeeze the balance between cooking



chores versus the busier lifestyle of dual-working families. This is mainly because, in most cases, the youngsters are not fully prepared for marriage responsibility and unable to grasp proper time management skills compared to the adults. There are also many situations in which most youngsters nowadays cannot perform cooking chores properly, while the greenhorn will likely take more than two hours to prepare decent meals and overload their body's endurance. Hence, fast-food services are considered a form of consolation for tired women and girls to rest and recharge their bodies properly after working.

Fast-food restaurants are perceived as convenient with the drive-thru strategy. The customers find the location convenient. As consumers are always seeking for hanging out space to have a relaxing and enjoyable time, fast-food restaurants must carefully consider phenomenology's depth understanding to adequately accommodate consumers' needs (Knight & Weedon, 2008). Hence, many fast-food brands' success depends on how well they deliver their brand and slogan to attract consumers. Some of the most successful examples are KFC, McDonald's, or Pizza Hut. A brand established with a time-value history will generate a timeless connection over the newly established one. Branding is one of the most crucial factors in which 98% of respondents positively respond to the particular fast-food restaurants despite the pandemic crisis as they are brimmed with credibility and trustworthiness.

Several aspects influence the respondent's method to order the fast-food during the Covid-19 pandemic. Health director-general Tan Sri Dr. Noor Hisham Abdullah always shared information about Standard Operating Procedures (SOP) to operate the restaurants to safeguard workers and consumers during the Covid-19 pandemic. The government encourages restaurant owners to provide takeaway, drive-thru services, and delivery through an online application like Foodpanda. Dine-in is also allowed but is limited to only two persons per table, with the table set at least two meters apart. When customers visit restaurants in-person, social distancing at least standing one meter apart from each other needs always to practice when picking up orders made online or order takeaway. When the fast-food restaurants in Malaysia allow pick-up and take-out options, the total number of orders has increased even during the Covid-19 pandemic, using various fast-food methods. These findings showed that fast-food restaurants need to change the strategy to survive during the Covid-19 pandemic.

Since the Covid-19 pandemic, McDonald's, KFC, and Domino's Pizza have increased their food safety and hygiene measures using the SOP to ensure workers' health and consumers. Wearing face masks and sanitizing their hands are needed for the staff and customers before entering the restaurant. It is necessary to register attendance, take body temperature, and only allow a few customers to enter to avoid crowded places. The company must make sure their restaurant has high safety food standards and cleanliness in their restaurant following the SOP. Most fast-food restaurants like Kentucky Fried Chicken (KFC) always encourage their customers to use cashless payments through online banking to practice social distancing between the staff and customers.

Since the start of the MCO, the fast-food restaurant is still in high demand even during the Covid-19. When Malaysia is under a strict MCO, the availability of fast-food food delivery services like McDelivery is a welcomed high demand. Following the public was



instructed to sit at home except to buy food or groceries, food delivery services recorded high demand ordered for safety and convenience reasons. Delivery service companies like Foodpanda and Grabfood are currently experiencing an increase in food orders, with some fast-food restaurants reporting a 30 % increase in orders during the MCO's initial phase. McDonald's Malaysia's McDelivery and drive-thru services have seen an increase of 19 % since the start of MCO. Amid the high demand for fast-food during the pandemic, a fast-food restaurant such as Pizza Hut and McDonald's Malaysia tries new strategies to intriguing customers by offering customers more value when using delivery orders through websites, apps, and Foodpanda. This summary of the result became evident that fast food preparation is in high demand even during the Covid-19 pandemic.

During the MCO, all the fast-food restaurants were committed to making innovations on their menu. Although the government has announced MCO's implementation, the demand for fast-food is increasing because the community keeps buying fast-food such as McDonald's, KFC, and Pizza Hut. From the survey, mostly, the respondents are agreed with the innovations made by fast-food restaurants. The role of innovation and innovation in the long-term survival of every company is widely known. (Unsworth, 2001). Creativity management is, therefore, necessary (Anderson, Potočnik, & Zhou, 2014). During this crucial Covid-19 outbreak, fast food restaurants had demonstrated their creativity and innovation.

Before MCO, 55% of respondents chose McDonald's as a favorite fast-food restaurant. McDonald's has become the public's choice for daily meals such as breakfast, afternoon tea, and dinner. However, McDonald's introduces McCafe. McDonald's aims to highlight specialties compared to fast-food brands in the fast-food industry. Next, the second favorite fast-food restaurants are KFC, which is 38% of respondents. Customers will be more likely to choose KFC because it has a lower selling price and can enjoy a plate complete with crispy chicken. KFC has innovations such as Low-End Disruption innovation that sell fast-food promoted according to the season. The KFC innovation given is the promotion price to always attract customers.

McDonald's always wins the customer's heart. As many as 54% of respondents choose McDonald's as a favorite fast-food restaurant. Consumers are searching for trusted favorites, which is why McDonald's makes sense of the core menu. During the Covid-19 outbreak, approximately 38 % of respondents selected KFC as a favorite restaurant. Many customers feel it is worth eating KFC because of the large and satisfying portion of KFC serving. KFC's motive is to attract customers to something new and update its new food packages to meet consumer tastes.

Considering the pandemic's current circumstances, consumers worldwide, including Malaysians, are much agitated concerning the safety of the available purchasing methods, primarily since the norm of psychically purchasing the food supply or meals such as fast foods had been deeply rooted in their everyday lives. Hence, when the World Health Organization (WHO) announced the importance of psychical distancing and set many strict limitations, the effort to promote the cashless-contactless payment is intensively made through the newly focused viral marketing relevant to the explosive growth of internet users since its existence (Ahmad & Lasi, 2020). This approach's encouragement is aligned with the current perturb of the rumored transmission possibilities through physical cash. As the world is informed that droplets of novel



coronavirus are easily transmitted onto the inanimate objects such as physical cash through the infected individual's touching or sneezing (Ather, et. al, 2020), WHO highlighted the application of digital money such as the availability of E-wallet, BoostPay, Touch N' Go, Grab Pay in Malaysia (Brown, 2020) or with Mastercard and credit cards. As most of the respondents are University students, they prefer the convenience service and are more likely accustomed to applying e-wallet apps to buy fast foods such as McDonald's, KFC, Pizza Hut, Subway, Texas Chicken, and Mary Brown to minimize their packed schedule.

The use of e-wallet has become common and will become popular in the next two or two years during the global crisis. Moreover, to realize the adoption of digital money and social distancing environment, the purchase transactions must be accompanied by food delivery apps such as Food Panda and Grab. Meanwhile, the internet users are rapidly increased, most of Baby Boomers and Gen X are likely unfamiliar with the complicated system of the hassle delivery apps such as Food Panda and Grab. Most of them are struggling while dealing with technology due to various reasons which one of them can be a condition called leathery fingers which make it difficult for Baby Boomers to handle touch-screen or most of them have no baseline to support the utilization of advance and complicated system of technology. However, despite the possibilities above and the current pandemic is still ongoing to distress Malaysian with its mutation issues after some time frame, it is apparent that worldwide's finance, supply chain (Ivanov, 2020; Turner & Akinremi, 2020), and socio-economic (Fernandes, 2020; Nicole, et. la, 2020) including Malaysia is tremendously affected due to physical distancing policy. Hence, the government also considered that time can change everything, including the Baby Boomers and Gen X learning capabilities to cope with the cashless and contactless mission through repeated guidance process of digital money practical transactions with their family as it is crucial for the Baby Boomers, especially ones with chronic illness to isolate themselves from others in public. Therefore, Malaysia launched several incentives under the "Short-Term National Economic Recovery Strategy to promote more ambitions for digital money participation, such as the Shop Malaysia Online initiative, ePENJANA, the e-commerce campaign for micro, small and medium enterprises (MSME), and the e-wallet stimulus (The Star, 2020) to help "flatten the curve" of optimistic individuals during this pandemic (Kaur, 2020). These incentives will likely attract more new digital money users and contribute both to fast-food restaurants with its cashless and contactless slogan is utilized at its peaks. During the pandemic, it is also proved that many supermarkets such as Mydin, Tesco, Giant and other retailers make a comeback with online presence offering digitalization payment and shipping options to input a greater awareness of e-commerce by going along with the cashless and contactless mission.

As shown in Table 2, we can assume that fast food restaurants' overall performance is catering to the consumers' satisfaction. However, when handling a business such as fast-food restaurants with a high competition rate, we must know how and why exactly the remaining 9% of consumers are dissatisfied with the services to rebound the customer satisfaction. This can be done by identifying the root problems and revising the marketing strategy that emphasizes the added value and the comparative advantages of all the marketing elements, including products, prices, promotion, and place to earn the customer's loyalty or retention existing market shares. According to the question of



10 statements, the example of identified feedback for the fast-food restaurants that are typically debited before the pandemic is the delivery duration or order shortage.

Due to the physical distancing order, the existence of convenient and efficient food delivery apps (FDAs) strives to offer dual-way benefits for the surviving of the fast-food industry and the consumers with its fast, convenient, and contactless purchasing service. However, the fast-food restaurants' success cannot be fully achieved without the hard work of the food delivery riders who acted as the frontlines to deliver all the ordered fast-food during rainy or sunny days. We could assume that the backbone of all the successful industries, including the fast-food restaurants, is the labor workforce whose working background to cater to the consumers' needs aligned with the company goals. Hence, the most likely reason the fast-food restaurants' service after the pandemic is deemed better than before the pandemic is the efficient management strategy and the temporary changes of most fast-food workers' job scope multitasking to focusing entirely on the online order. Improvement in the fast delivery also may be due to the increasing application of the FDA's riders aligned with Shubham Saran, head of logistics of Food Panda Malaysia statement which is a raise of hired riders, 7.5% and 37% riders' application to accommodate and maintain a sustainable environment during the pandemic period (Chung, 2020).

CONCLUSIONS

In conclusion, to our best knowledge, this study is the first attempt to investigate the reaction of the fast-food industry to COVID-19 differ, contingent on pre-pandemic characteristics in the restaurant industry context. The rapid spread of COVID-19 has caused nations and organizations across the world to take emergency action in the interest of public health. Most fast-food companies are issuing statements advocating for consistent hygiene (handwashing and minimal face touching) to contain the spread of the Covid-19 virus. The fast-food industry is particularly susceptible to experiencing a dual impact from the global outbreak in domestic sales. Due to the movement control order (MCO) that was enforced since mid-March, many fast-food restaurants in Malaysia such as McDonald's, KFC, and Domino's Pizza were impacted by the pandemic forced them to change the business strategies. Every fast-food restaurant needs to follow Standard Operating Procedures (SOP) to operate restaurants that safeguard workers and consumers during the COVID-19 pandemic. The restaurant's working capital will be in shortage starting 6 am to 10 pm operating hours. Many fast-food restaurants in Malaysia, such as McDonald's, encourage their customers to use cashless payments to minimize physical contact between staff and customers. Equivalent to Malaysian requirement to stay safe at home during the pandemic period, the active collaboration with the Food Delivery Apps like Foodpanda and Grabfood recorded increasing fast foods high demand during the MCO due to its convenience and safety concern.

However, as the consumers' choice before and after the pandemic is highly dependent on factors such as its brand, convenience, safety, and added-value offered, most fast-food restaurants such as McDonald's, KFC, and PizzaHut are competing to display innovation by offering many new attractive menus and package with an extensive option of using digitalization money payment such as e-wallet, Boostpay to attract more customers and expanding the awareness of digitalization money importance. The package discussed also proved to include better restaurant systems and services, which



is more organized, fast, and friendlier customer service as only 9% of the respondents disagreed that the fast-food restaurants' service is better than before the pandemic.

In short, digital technologies have influenced fast food restaurant strategies during the global pandemic. While technology may enable digital transformation, fast food restaurants are fast to match the changes. Digitization opens new possibilities for fast food restaurants to sustain their business. With digital infrastructures in place like mobile devices, Wi-Fi networks, and online payment systems, it brings convenience to both business and customers. Deepening digitization has helped fast food restaurants to become more customer centric.

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