CUSTOMER PERCEPTION WITH RESPECT TO ONLINE FOOD DELIVERY

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Abstract
The development in internet and E-business has boosted the usage of food delivery channels. In today’s generation more people are getting connected through mobile applications and are using these apps to trade. Traditional business strategies are being changed to new online marketing strategies to meet the customer needs and preferences. The internet is used to advertise and market new products; this gives customers a large variety of products or services to choose from. This study aims for the discussion about the customer perceptions over food delivery system, that too online in Bangalore. 224 respondents were taken to conduct the study. This research is focused to study and analyze those customers who are already using different portals of online food delivery.

Keywords: Customer Perception, E-Business, Food Delivery Channel, Internet, Mobile Applications.

1. INTRODUCTION

1.1. Theoretical Framework

1.1.1. Customer

Customers are persons, entities, or companies, which buys products and other related facilities, shaped by other individuals, bodies, or other organizations. The key to run a successful business is all about acquiring and retaining a customer. A business wouldn’t be profitable without its customers. Keeping their customers happy should be the main motive of the business.

1.1.2. Perception

Perception is the belief or opinion of an individual based on how the things seem. A strong brand in online food ordering channels will increase product perception and in turn increase the sales.

1.1.3. Customer Perception

Customer perception is an important factor as before buying or using a product, customers often depend on the perception of a particular brand from their family or friends, especially in the Indian market scenario.

1.2. Technology

1.2.1. Online Business

It is where the business is run using the internet, it includes buying and selling of products or services of various kind on an online platform like websites, applications, blogs etc. Online business or e-business is for products which are unique and creative which attract customers immediately.
1.2.2. Online Food Ordering

It is one of the fastest growing industries in E-commerce. This concept of home delivery has gained a lot of additional customers over the years. People prefer ordering online food delivery instead of actually going to the restaurant, this saves time and people do not have to waste time travelling to the restaurant[1]. This has affected many traditional brick and mortar arrangements regarding dine-in restaurants as people would like to have restaurant’s styled food without even stepping out of their homes or any place where they are set. Some of few online food ordering applications like Zomato, swiggy, foodpanda, ubereats etc. provide the customers with discounted rates which are not available if the individual physically visits the restaurant, this attracts the customers to order food online and save. On the other hand, there are many disadvantages to ordering food online such as, the customers get attracted to pictures of the food which has been posted by the restaurant but the customer have no idea how the food tastes. Another disadvantage of online food ordering is that you never know what ingredients are being used by the restaurant to prepare the food, if it tastes bad, the customer can’t cancel the order.

1.3. Website and Application Quality

It has opened new possibilities for marketing. The mobile applications have generated new amazing possibilities in business, making all traditional business outdated [2]. Mobile applications use the internet to connect to people and trade goods. Mobile applications are easily accessible as everyone carries a mobile phone with them at all times. People are using mobile applications to connect with people, document creating and handling, browse internet, entertainment etc.

1.3.1. GPS Tracking System

Transportation and logistics is a very important aspect of every delivery business. Due to increasing prices of oil, real time vehicle tracking has been employed by most of the online shopping businesses. Employing of GPS tracking also helps the customers obtain information on where and exactly how the ordered item is being delivered. In case of food virtually ordered deliveries, it seems crucial feature provided by delivery channel, as the safety or integrity of the food is at stake.

1.4. Attractive Offers

1.4.1. Discount Coupons

Customers are looking for ways to reduce the price normally paid for the product, and they prefer to buy their food from online food websites that provide the best discount coupons or offers. Discount coupons help the websites to attract the customers, as they are beneficial to customers as well. The customers will not only buy the discounted item; they will also look at other products and might even think about buying.

1.4.2. Promotion Offers

In today’s world customers always want feel special, cared and happy when they order from the restaurant till the order is delivered. In online food industry, a customer always expects for a discount or a promotional offer. A study found that 87% of people order from the restaurant if there is some kind of deal available.

1.4.3. Payment Offers and Payment Options

Online food delivery channels provide a wide variety of payment options and with every payment option there is an offer given, for example, if the customer pays for the food through UPI, then the customer will get free delivery, if the customer pays the bill through a particular bank debit card or credit card, there will be certain offer given.

1.5. Food Tampering

Food tampering is a very important issue as the integrity of the food delivered is compromised. With poor tracking system of the delivery personnel there is high chances of the package being opened and tampered with. This is major flaw in the food virtually ordered deliveries systems. The basic examples of food tampering that was reported is when a video of a zomato delivery agent opening a food package, eating from it and then concealing it as it was given by the restaurant went viral. Zomato came up with a tamper-proof packaging and claims it to be 100% safe. They have come up with a transparent polymer based
outer layer that is designed to fit the boxes used by the restaurant. It is manufactured in two different variations to fit boxes of different sizes.

1.6. Quality of Food Provided by Listed Restaurants

Quality is key when it comes to takeout or deliveries. It is very important for the growth of the restaurant to give the customers the same quality of food while delivering as if they were eating food at the restaurant. Appearance and presentation is important but the most important aspect for online ordering is that it has to be fresh. 45% of the customers prefer food to be fresh, taste is a secondary factor.

1.7. Timeliness of Food Delivery

In today’s fast-growing world where people have only half an hour or one hour to have food, if the delivery of the food ordered is slow and wastes the customer’s time, they may never order from the restaurant or the online delivery channel again. Timely delivery of the food is very necessary to maintain loyalty of the customers.

1.8. Online Food Delivery Industry Overview

The food tech industry in India is rapidly growing as internet is being used in smaller parts of India, due to these rapid growth consumers are spending a lot of time exploring and ordering online. The other factors which are responsible for the expected growth of Indian food tech industry at a compounding per annum growth of 25-30 percent to USD 8 billion by the end of 2022 is favorable consumer disposition and increasing ordering frequency. The expectation is that the food tech industry will grow at a rapid pace of 25 percent and reach USD 8 billion from USD 4 billion. The funding for the online delivery channels has increased by 35 times in the past 4-5 years. In 2017 the average time spent on a food delivery channel per month is 32 minutes to 72 minutes per month in 2019. Indian online food delivery market is fueled by people who prefer convenient and quick meals at door step; these people are usually double-income families.

1.9. FSSAI (Food Safety and Standard Authority of India)

Foods & Drugs Administrations (FDA) of Maharashtra took a precaution to raid more than 350 food outlets in Mumbai. These outlets which have been listed on food delivery platforms were raided to maintain quality and hygiene standards because food goes directly into a person’s body and could cause many health problems. The results which were found were baffling as almost one third of the restaurants were not registered and had no license to prepare food.

The study's goal is to develop and build a "Online Ordering System" for analyzing the factors that influence customers' purchasing decisions, receiving suggestions from customers to prevent delivery agent food tampering, analyzing the most commonly used channels of electronic food ordering, and researching the timeliness of the online delivery system. The problem which has been arising in the recent times and has not been observed is the problem of food tampering. This is a dangerous problem which can cause several health problems to the customers. The other problem is the timeliness of the delivery of food as many customers order online food to save traveling time.

This study is to understand the attitude of consumers towards online food ordering. The perception of the consumers can vary with different situations and circumstances, from this study; we will have a better understanding of the ‘food virtually ordered deliveries systems marketplace’. The possibility of food tampering by the delivery agent and the timeliness of online delivery system are studies which have not been explored previously. We will learn about the quality of service rendered by the online food delivery channels and also the quality of food delivered. This study will also help us understand the challenges faced by the consumers who chosen food virtually ordered deliveries systems.

1.10. Research Question

What is the impact of the online food Delivery system on the costumers, issues regarding the delivery system and the quality of the product?
2. LITERATURE REVIEW

2.1. E-commerce

Buying products and services via E-Commerce, according to Bhat, 2016, gives customers the freedom to shop when and where they want, as well as the ability to study the product, the vendor and any other available choices[3].

2.2. Other Variables of Online Food Delivery

2.2.1. Website Design

It is a very important aspect of online food delivery. In case, the website is not properly constructed and slow, the users will immediately go to other competitors. Several studies assessed organization based on how well a website integrates cognitive architecture, logical and hierarchical structure, formal knowledge arrangement and categorization, meaningful headings and marks, and keywords, according to Lee Younghwa [4].

The full theoretical structure of signals to provide a basis for understanding how website quality reduces the ambiguity that is often present in online product evaluations. The first research question raised in the report by Flavian and Orus, was to identify the key factors that influence the performance of e-commerce websites from a consumer's perspective[5]. Desmet and Hekkert stated that variety of concepts is essential for a thorough investigation of the complex and rich experiences people have when engaging with items[6].

2.2.2. Mobile Applications

When looking at the existing literature on the SQ of mobile apps in the sense of m-Commerce, there is very little study on the calculation of MASQ[7]. This study by Tsuang in tries to fill a void in the literature by conducting research to create, refine, and psychometrically test a multidimensional scale that measures the service quality of mobile shopping apps[8]. Through remarkable success App Stores, mobile apps have become an integral part of the user's everyday life, according to Inukollu in 2014[9].

2.2.3. Navigation System

One of the most expensive problems faced by the courier/delivery industry is attempted and failed deliveries to residential addresses[10].

2.2.4. Payment System

According to Fatonah, S., 2018, the Era of Information and Communication Technology (ICT) and digital innovation has resulted in dynamic changes in the business climate, with business transactions shifting from cash to electronic transactions[11].

2.2.5. Delivery System

The value of delivering food in a proper and systematic manner cannot be overstated. Dholakia 2010, It was discovered that timing has a significant impact on the relationship between online store attributes and customer satisfaction[12]. Customer loyalty and reviews of online retailers are influenced at two points of interaction: when the order is put and when the order is fulfilled. Design, technique, and strategy – The research focuses on improvements in the relationships between website characteristics and customer ratings, using data obtained by bizrate.com from customers of thousands of online stores.

2.3. Few Articles On Online Food Delivery

Food ordering apps are making permanent place in customer’s mind. Fast service, a safe payment system, decent packaging, timely delivery, foods tailored to the preferences and needs of consumers, and so on are the key drivers of online food ordering's popularity. According to Gupta, 2019, the primary benefit of such systems is customer comfort, while the second benefit is that
they assist in the expansion of the eating place and food supply trade, as using a digital food ordering system allows an eatery owner to attract the user’s attention by allowing them to see the entire food menu in conjunction with dish[14].

According to reports, the Indian online food delivery market is estimated to be worth more than $5 billion by the end of 2023[15]. Since Pizza Hut launched the first-ever pizza online order in 1994, online food delivery has grown into a billion-dollar industry, according to a Statista article published in June 2019 based on IMF, World Bank, UN, and Eurostat data [14].

The researcher focused on the impact of online food ordering apps on youth in this research paper. For this study, primary data was collected through questionnaire of 400 samples[16]. This study highlights the impact of these apps on traditional food servings and psychological factors.

### 3. METHODOLOGY

3.1. Sample

Questionnaire is framed and planned to collect 224 customer observations on the above subject. The study was conducted in Bengaluru.

3.2. Instruments

Necessary statistical tools such as Descriptive analytics, Chi square, Frequency distribution and Factor analytics will be used. Purposive sampling was used for the project.

3.3. Data Collection

The data was collected by using the following methods:

3.3.1. Primary Data:

The first-hand data was collected by distributing printed questionnaires and obtaining response from the respondents.

3.3.2. Secondary Data:

Here the data was obtained from the company database, reports, journals, magazines, internet and newspapers.

3.4. Data Analysis

![Figure 1: Demographic Details of the 224 Respondents Observations i.e., Gender](image-url)
Figure 2: Demographic Details of the 224 Respondents Observations i.e., Age

Figure 3: Demographic Details of the 224 Respondents Observations i.e., Education
Figure 4: Demographic Details of the 224 Respondents Observations i.e., Income per Month

Figure 5: Demographic Details of the 224 Respondents Observations I.e. Occupational Status of Respondents
3.4.1. Gender:

From the above Figure 1 we can see that there are more number of female respondents with 47.6% and a frequency of 107. The second highest number of respondents is males with 41.8% and a frequency of 94. The third is others with 10.7% and a frequency of 23.

3.4.2. Age:

From Figure 2, we can deduce that the bulk of the respondents are between the ages of 18 and 30; the remaining respondents are between the ages of Under 18, 31-45, 46-60, and 61+.

3.4.3. Education:

From the above chart in Figure 3, we can interpret that majority of the respondents are graduates with 33.48%. Whereas the other respondents have pursued qualifications such as below matric, matric, post-graduation and others.
3.4.4. Family status:

It is analyzed from the Figure 6 that 36.8% of respondents belong to a family of 4 members with a frequency of 82, 29.9% of respondents belong to a family of 3 with a frequency of 67 and the rest of the respondents belong to other categories such as 1, 2 and 5 and above.

3.4.5. Occupational status:

It is analyzed from the above Figure 5 that 17.4% of the respondents are employed, 12.5% of the respondents are self-employed, 15.2% are running a business, 12.5% are home makers, 37.1% are students and 5.4% are unemployed.

3.4.6. Income (per month):

It is analyzed from the above Figure 4 that 27% of the respondents have no income with a frequency of 62, 21% of the respondents have an income of 20000-30000 with a frequency of 47 and the rest of the respondents belong to the rest of the income slabs.

3.5. Most preferred food delivery channel:

It is analyzed from the Table 1 that 37.5% of respondents choose Swiggy with a frequency of 84, 25.4% of the respondents choose Zomato with a frequency of 57, and the rest of the respondents choose other channels such as Food-panda, just eat, Faaso’s, Dunzo and others.

| Table 1: Questionnaire Put Forward to 224 Subjects Related to Timeliness of Online Food Delivery |
|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
| Count | Row N% | Count | Row N% | Count | Row N% | Count | Row N% | Count | Row N% |
| The checkout process is fast | 19 | 8.5 | 44 | 19.6 | 100 | 44.6 | 47 | 21.0 | 14 | 6.3 |
| User can order anytime using the application | 0 | 0.0 | 69 | 30.8 | 70 | 31.3 | 55 | 24.6 | 30 | 13.4 |
| Delivery person takes more than expected time to reach user’s location | 0 | 0.0 | 66 | 29.5 | 84 | 37.5 | 53 | 23.7 | 21 | 9.4 |
| Using the delivery application is worthy for the user to put efforts into | 0 | 0.0 | 85 | 37.9 | 70 | 31.3 | 42 | 18.8 | 27 | 12.1 |

| Table 2: Mean Scores and Standard Deviation Related to Timeliness of Online Food Delivery |
|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| The checkout process is fast | User can order anytime using the application | Delivery person takes more than expected time to reach user’s location | Using the delivery application is worthy for the user to put efforts into |
| Mean | 2.97 | 3.05 | 3.13 | 3.21 |
| Analysis N | 224 | 224 | 224 | 224 |
| Std. deviation | 1.000 | 1.025 | 0.945 | 1.026 |
3.6. Interpretation:

The above Figure 2, 3 shows the frequency, mean score and standard deviation about the timeliness pertaining to online food delivery according to the customers using online food delivery. In the above Table 2 we can see that with an average score 3.21 as well as SD of 1.026 the customers say that they cannot order food anytime they want using the food delivery app. The respondents agree with the fact that the checkout process while ordering is fast with an average score of 2.97 and a SD of 1.0, respondents also disagree that the food takes more than 30 minutes to reach the destination with a mean score of 3.13. The food delivery app is not worthy for the respondents to devote their time and effort is encouraged with a frequency score of 85 selecting disagree (Table 3).

<table>
<thead>
<tr>
<th>Table 3: Aspects Affecting the Buying Decision Pertaining to Online Food Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
</tr>
<tr>
<td>Count</td>
</tr>
<tr>
<td>Long time to complete purchase process (time)</td>
</tr>
<tr>
<td>The food is delivered in expected time (time)</td>
</tr>
<tr>
<td>Some restaurant taking time to prepare food (time)</td>
</tr>
<tr>
<td>Discount coupons given by the food delivery channel/website or company (Price)</td>
</tr>
<tr>
<td>Price range provided by the restaurant affecting the buying capacity (Price)</td>
</tr>
<tr>
<td>Restaurant Provided Service Quality is Significant (Quality)</td>
</tr>
<tr>
<td>Food quality given utmost significance (Quality)</td>
</tr>
<tr>
<td>Website quality being utterly significant for online ordering (Quality)</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>Table 4: Results of the Buying Decision over Online Food Delivery</th>
</tr>
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<tbody>
<tr>
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</tr>
</tbody>
</table>
From the above Table 4, 5 we can interpret that with the highest mean score of 3.35 the quality of food provided by the food delivery channel is of utmost importance and affects the respondents buying decision, the second and third most important aspect that affect the buying decision of the of the respondents are when the discount coupons are given by the food delivery channel, encouraged with a mean score of 3.24 and on the other hand, the price range of the restaurant affect the buying decision with a mean score of 3.24.

Table 5: Descriptive Statistics Regarding Food Tampering in the Delivery System

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>Mean</th>
<th>Std. deviation</th>
<th>Analysis N</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Delivering agents must receive adequate training.</td>
<td>3.15</td>
<td>1.114</td>
<td>224</td>
</tr>
<tr>
<td>To prevent things like food tampering, a better tracking system is needed.</td>
<td>2.92</td>
<td>1.268</td>
<td>224</td>
</tr>
<tr>
<td>On the basis of ratings, the food distribution company should offer benefits to their agents.</td>
<td>3.14</td>
<td>1.165</td>
<td>224</td>
</tr>
<tr>
<td>Before using, inspect the food for consistency.</td>
<td>3.02</td>
<td>1.169</td>
<td>224</td>
</tr>
<tr>
<td>The food packaging consistency should be improved.</td>
<td>3.01</td>
<td>1.112</td>
<td>224</td>
</tr>
<tr>
<td>Minimum educational requirements to be eligible for a delivery agent role.</td>
<td>3.05</td>
<td>1.097</td>
<td>224</td>
</tr>
</tbody>
</table>

From the above Table 5, we can interpret that with the highest mean score of 3.15 the study suggests that the food delivery company should provide incentives to their agents on the basis of reviews to avoid food tampering. The second most popular suggestion is that good training should be provided to the delivery agents (mean score = 3.14) to avoid food tampering.

Table 6: Rotated Component Matrix Regarding the Components with Factors

<table>
<thead>
<tr>
<th>Components</th>
<th>Components</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Delivering agents must receive adequate training.</td>
<td>0.830</td>
</tr>
<tr>
<td>To prevent things like food tampering, a better tracking system is needed.</td>
<td>0.787</td>
</tr>
<tr>
<td>On the basis of ratings, the food distribution company should offer benefits to their agents.</td>
<td>0.678</td>
</tr>
<tr>
<td>Before using, inspect the food for consistency.</td>
<td>0.864</td>
</tr>
<tr>
<td>The food packaging consistency should be improved.</td>
<td>0.729</td>
</tr>
<tr>
<td>Minimum educational requirements to be eligible for a delivery agent role.</td>
<td>0.888</td>
</tr>
</tbody>
</table>

3.6.1. Component 1:

Suggestions taken to improve the service provided by the food delivery agent. It includes the Good training has to be provided to the delivery agents. There has to be a better tracking system to avoid food tampering. The food delivery company should provide incentives to their agents on the basis of reviews.

3.6.2. Component 2:

Suggestions taken to protect the food from getting tampered. It includes the examine food before use. The packaging quality of the food should be improved.
3.6.3. Component 3:

Suggestions taken to improve the recruitment quality of the delivery agent. It includes the Minimum educational qualification should be considered to hire a delivery agent.

4. RESULTS AND DISCUSSION

4.1. Food Delivery Channel:

• The most preferred channel is Swiggy and the second most preferred channel is Zomato.

• The study showed that respondent’s select Zomato the most for all the three reasons that are food quality, fast delivery and reasonable pricing.

• In the case of fast delivery and reasonable pricing, Swiggy is chosen more than Zomato. This shows that the service quality provided by Zomato is better than that of Swiggy.

4.2. Aspects Affecting Buying Decision

• When it comes to aspects affecting the buying decision of the customers, with the highest mean score of 3.35 the quality of food provided by the food delivery channel is of utmost importance and affects the respondents buying decision.

• The second and third most important aspect that affect the buying decision of the of the respondent are when the restaurant take more than expected time to prepare food.

• The quality of food provided by the restaurants is very important for customer loyalty.

4.3. Timeliness Pertaining to Online Food Delivery

• The top most issue faced by customers is that they cannot order food anytime they want using the food delivery app.

• The respondents agree with the fact that the checkout process while ordering is fast.

• The respondents disagree that the food takes more than 30 minutes to reach the destination.

• The food delivery app is not worthy for the respondents to devote their time and effort.

4.4. Food Tampering Pertaining to Online Food Delivery

• By running a descriptive analysis, the study found that the food delivery company should provide incentives to their agents on the basis of reviews to avoid food tampering.

• The second most popular suggestion is that good training should be provided to the delivery agents to avoid food tampering.

5. CONCLUSION

The researcher concludes that the most used delivery channel is Swiggy and the second most used delivery channel is Zomato but the study also shows that services provided by Zomato is better than Swiggy. It also said that quality of food provided by the channel is the most important which affects the respondents buying decision. The test done on timeliness pertaining to food
delivery states that the customers are not able to use the food delivery app anytime they want. Respondents of the age group below 30 years say that they face more issues relating to timeliness of food delivery more than respondents with an age group above 30 years. The research also shows that, comparatively students think that website quality is important than employed respondents. It also concludes that the food delivery channel should provide incentives to the online delivery agents on the basis of reviews.

The delivery agent should be provided with incentives on the basis reviews. Food quality, fast delivery and reasonable pricing are the three factors that affect buying decision. The customers cannot order food whenever they want using the food delivery app. To change this, the delivery app should provide 24 hours’ delivery. Online food Delivery Company should hire delivery agents with minimum qualification. The packaging of the food which will be delivered should be tamper free.

REFERENCES


