

Online Food Delivery Apps in Ambala District (Haryana): A Review of Customer Satisfaction



Renu Sharma
Assistant Professor,
Deptt. of Commerce,
S. D. College,
Ambala Cantt

Abstract

The Mobile Applications have given a new dimension to marketing of products and services in the current market. This mode of marketing has made all conventional ways of doing business outdated and induced new amazing possibilities in the market. A Mobile App is a technological tool that uses Internet as a medium to advertise and sells services and goods. Today, more and more people are getting connected and most of them have already started purchasing through mobile applications. This is transforming the business processes of companies and organizations also. Companies have converted their traditional business strategies into online marketing models to suit customer needs and requirements at any time.

Consumer behaviour is the study of how individual customers or groups and organizations select and dispose ideas, goods, and services to satisfy their needs. It considers the consumers' actions and the underlying reasons for those actions. This research paper aims at discussing the consumer's awareness and level of satisfaction about different online Food Ordering Apps & Delivery Services in Ambala. For this purpose, a survey was conducted on around 150 respondents for an analysis of the study. The research is focused on the study and analysis of data collected from all the users who are already using the online food delivery services. The survey questions included questions like: what are the influencing factors, their perceptions, needs, how they rate various features of available online portals in their minds and the overall satisfaction towards online food delivery services. To achieve the objective, the response data has been collected from different Online Food App Service users at different locations in Ambala and also some restaurants were visited to know their point of view in this regard. In the paper, the focus will be on various apps that are available for restaurant search and food delivery purpose, etc.

From this research paper we would understand the shift of consumer's behaviours with the introduction of technology and what are the different kinds of applications that consumers are satisfied with and what are the factors that make them happy and satisfied about the app. The main objective of the paper is to understand the relation between facilities and the purchase behaviour. Second aim is to find the most preferred app in the food delivery industry and understand as to how technology has played an important role in the restaurant industry.

Keywords: Mobile Apps, Food App Service, Consumer Behaviour, Food Delivery Apps, Food Panda, Swiggy, Fast Food Delivery App, Zomato, Faaso's, Online Food, Consumer Preference.

Introduction

Online Technologies have revolutionized the food delivery service by thoroughly transforming the consumer preferences. Today's consumer is technology driven and convenience seeking and prefers to do everything online even the things like getting the cooked food delivered at their homes or offices. The technological dependency, convenience and less time taken to get food delivered make a great base for the consumers to choose the services offered by the online food ordering and delivery service portals. The popularity of online food ordering and delivering services is growing rapidly and so are the expectations of the users. The consumers are getting accustomed to shopping online through apps and websites, with convenience and transparency, expecting the same experience that they would get from the outlet itself. To match up with the consumer's

expectations, apps are providing best possible facilities and services to the customers with greater security. Being up to date with the customers' needs and expectations helps online retailers to retain customer's to a greater extent. This research paper is aimed to know consumers' views about the services they receive from different food delivery service apps and portals. This paper intends to help the service providers to understand the consumers' needs, preferences, and views on the basis of the result of a survey.

We initiate this study by reviewing the relevant literature on the online food ordering and delivering services. The survey and its results, followed by findings and conclusion on how the consumers perceive the services, can be used by the online food delivery service providers to develop better strategies to market their mobile applications more profitably. Digital technology has grown a lot and would continue to grow at a rapid rate and would keep affecting many other industries, including the food delivery industry.

Indian Food App Scenario

The boom in digital industry across the globe has impacted the Indian economy also. The online food app firms have come up in bulk. Food is expected to grow to a market size of Rs. 42 lakh crore by 2020, reports BCG. These services are coming up with a lot of innovations targeting their customers' convenience, satisfaction and retention. This has also created scope for a lot of new players, who are focusing specific groups of people. Many new players are also entering the segment with unconventional and innovative business ideas such as delivering food for health conscious people, home cooked meals, etc. Food tech is also getting popular with start-ups in India. After making a mark in e-commerce, taxi & real estate sectors, now the ever-hungry Indian entrepreneurs are aiming to satisfy the appetite of others. Food tech is a vast market and food delivery start-ups are just a part of it. Some of the apps available in Indian market are: Food Panda, Zomato, Swiggy, Box8, Fasoos, Fast food delivery apps, etc.

Table-1: Various Food Apps Available in India

Services Provided					
Apps	Headquarter	Online Menu & Delivery	Partners Attached	Operations in Countries & Cities	Delivery Charges
Food Panda	Singapore	Yes	27095 Restaurants	40 Countries 190 Cities	Yes
Zomato	Indian	Yes	10000 Restaurants	24 Countries 190 Cities	No
Box8	India	Yes	100 Stores	5 Cities	Yes
Fasoos	India	Yes	125 Centres	16 Cities	No
Uber Eats	U.S.	Yes	800 outlets	20 Countries 200 Cities	No
Just Eat	England	Yes	2000 Restaurants	13 Countries	No
Swiggy	India	Yes	10000 Restaurants	8 Cities	Yes
Pizza Hut Delivery	U.S	Yes	18431 Restaurants	41 Countries	No

Source: Secondary Data

Review of Literature

According to Serhat Murat Alagoz & Haluk Hekimoglu (2012), e-commerce is rapidly growing; globally, the food industry is also showing a steady growth. In this research paper they have used the Technology Acceptance Model (TAM) as a ground to study the acceptance of online food ordering system. Their data analysis revealed that the attitude towards online food ordering vary according to the ease and usefulness of online food ordering process and also vary according to their innovativeness against information technology, their trust in etailers and various external influences.

According to H.S. Sethu & Bhavya Saini (2016), their aim was to investigate the student's perception, behavior and satisfaction of online food ordering and delivery services. Their study reveals that online food purchasing services help the students in managing their time better. It is also found that ease of availability of their desired food at any time and at the same time easy access to internet are the prime reasons for using the services.

According to Sheryl E. Kimes (2011), his study found that perceived control and perceived convenience associated with the online food ordering services were important for both users and non-users.

Non-users need more personal interaction and also had higher technology anxiety to use the services.

According to Leong Wai Hong (2016), the technological advancement in many industries has changed the business model to grow. Efficient systems can help improve the productivity and profitability of a restaurant. The use of online food delivery system is believed that it can lead the restaurant's business grow from time to time and will help the restaurants to facilitate major business online.

According to Varsha Chavan, et al, (2015), the use of smart device based interface for customers to view, order and navigate has helped the restaurants in managing orders from customers immediately. The capabilities of wireless communication and smart phone technology have helped in fulfilling and improving business management and service delivery. Their analysis states that this system is convenient, effective and easy to use, which is expected to improve the overall restaurant business in coming times.

According to Hong Lan, et al, (2016), online food delivery market is immature yet; there are some obvious problems that can be seen from consumers' negative comments. In order to solve these problems, we can neither rely merely on the self-discipline of

online food delivery restaurants nor the supervision and management of online food delivery platforms. Only by taking laws as the criterion, with the joined efforts of the online food delivery platforms and restaurants, the government departments concerned, consumers and all parties in the society, can these problems be solved and a good online take away environment can be created.

A research on the changing market for food delivery. Carsten Hirschberg et al (2016) indicates that penetration of Online Apps in the total food-delivery market has reached 30 percent in 2016. The penetration rates are expected to grow further as the market matures, eventually reaching 65 percent per year.

Bhavna Singh (2015) shared the fact that Foodpanda has been present in the Indian market since May 2012. Foodpanda first major move was acquisition of TastyKhana, which was launched in the city of Pune in 2007. Together with TastyKhana and JUST EAT, it is now present in over 200 cities and partners with over 12,000 restaurants. She also talked about JUST EAT was launched in Denmark in 2001 and was traded publicly on the London Stock Exchange. Their Indian venture was introduced as Hungry Bangalore in 2006 and was later in 2011 renamed when JUST EAT acquired majority of its shares. Today, the company partners with over 2,000 restaurants.

Objectives of the Study

1. To find the most popular digital food delivery app among consumers.
2. To find the most Attractive Feature of digital food delivery app.
3. To analyze the relationship between food delivery app and the facilities provided by the same.
4. To analyse the overall satisfaction levels of customers regarding food delivery apps and the factors affecting their satisfaction levels.

Research Methodology

The study is based on the primary data collected through questionnaire based on perception and preferences of consumers using food delivery apps in Ambala district and secondary data collected about various apps from online resources like portals, journals and magazines, etc. Quantitative research method was used in this research so as to investigate and observe the collected data with the help of Statistical Tools like Percentage, Bar Diagrams and Pie Chart. A questionnaire was designed with close-ended and open-ended questions. A survey was conducted in different areas of Ambala district of Haryana and around 150 responses were collected. A non-probability sampling method was used. Under non-probability technique, convenience sampling method was used. The population consist of the students, self-employed, homemaker, employees and business owners of different areas in Ambala district of Haryana.

Analysis and Interpretation

To understand the perceptions and preferences of customers related to usage of food delivery apps, socio-economic characteristics of the customers were studied. They are the important

variables as they decide the consumption pattern and customer behaviour regarding these apps. Generally it is believed that, the income, age and education of the customer influence the pattern of mobile apps usage. The following table 2 represents the socio-economic pattern of the selected sample.

Table: 2 - Demographic Profile of Consumers

Attribute	Number	Percentage
Gender		
Male	78	52
Female	72	48
Total	150	100
Age		
20-25 Yrs	75	50
25-30 Yrs	36	24
30-35 Yrs	24	16
35 Yrs and Above	15	10
Total	150	100
Educational Qualifications		
Graduate	75	50
Post-Graduate	45	30
Professionally Qualified	30	20
Total	150	100
Profession		
Student	69	46
Employee	45	30
Self-employed	24	16
Homemaker	12	08
Total	150	100
Consumption (Rs.)		
Less than 500	63	42
500 – 1000	36	24
1000 – 1500	30	20
1500 – 2000	15	10
More than 2000	06	04
Total	150	100

Source: Primary Data

Information Relating to Customer Satisfaction

The responses of the customers about the awareness, usage, frequency of usage, the satisfaction level, factors influencing the satisfaction level regarding the digital food delivery apps were tabulated and analyzed to understand their behaviour.

Table: 3 – Awareness about Food Delivery Apps

Awareness	%age
Yes	100
No	-

Source: Primary Data

The above table-3 shows that the sample customers are 100% aware about the Food Delivery Apps available in Ambala district of Haryana.

Frequency of Usage of Food Delivery Apps

The Table-4 below shows the usage of different food delivery apps among the selected samples. Based on the data collected, we can analyze that Zomato (85%) stands as the most preferred food delivery app followed by Swiggy (65%)

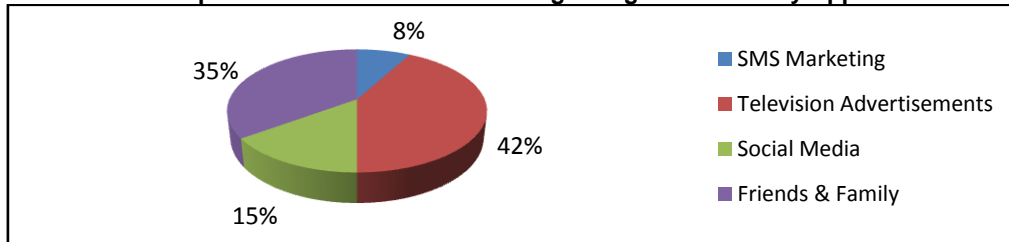
and Fast Food Delivery Apps (52%), whereas Food Panda (20%) is the least preferred app.

Table 4: Frequency of Usage of Food Delivery Apps

Apps	Usage
Food Panda	20%
Zomato	85%
Swiggy	65%
Fast Food Delivery Apps	52%

Source: Primary Data

Graph-1: Source of Information Regarding Food Delivery Apps



Source: Primary Data

A careful observation of Graph-1 shows that the majority of the customers get information regarding Digital Food Delivery Apps through Television Advertisements (42%). Family & Friends

(35%) is the second main source of information to the user, whereas only 15% of the customers get to know about these Apps through Social Media and 8% by means of SMS Marketing.

Graph-2: Factors Affecting the Satisfaction Level of Respondents

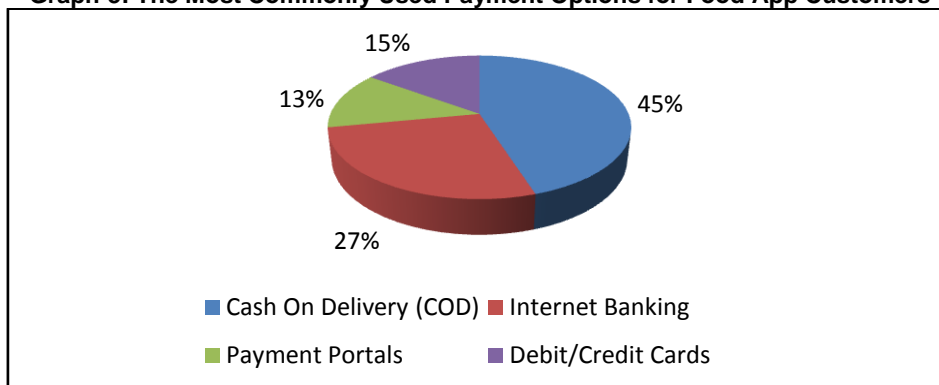


Source: Primary Data

The main objective of this research is to find out factors influencing customers regarding usage of food delivery apps. From Graph-2 we can analyze that Speed of Delivery is the main attracting feature of Zomato. The features most preferred by the consumers after Speed of Delivery are the Quality of

Service and the Payment Options and Zomato and Swiggy are again rated as the best two in these. As per data, the feature "Rewards and Cashbacks" is considered as another most important factor to consumers while ordering from Zomato and Swiggy.

Graph-3: The Most Commonly Used Payment Options for Food App Customers



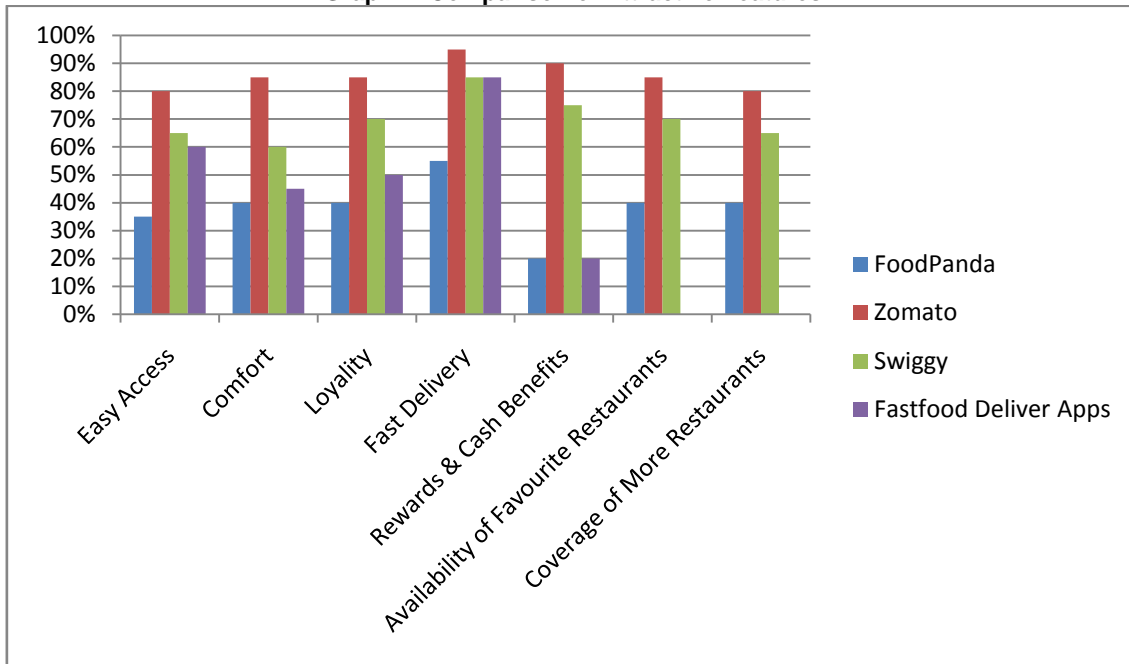
Further analysis suggests that majority customers prefer Cash on Delivery option, which is

closely followed by Internet Banking as best preferred way to pay and very few customers prefer online

Payment Portals for the purpose. The Graph-3 shows that 45% of the consumers prefer Cash on Delivery (COD) option, 27% prefer Net Banking, 15% Debit or

Credit Cards and 13% go with Payment Portals. Hence, it is clear that COD is the most popular payment option among Ambala's Consumers.

Graph 4: Comparison of Attractive Features

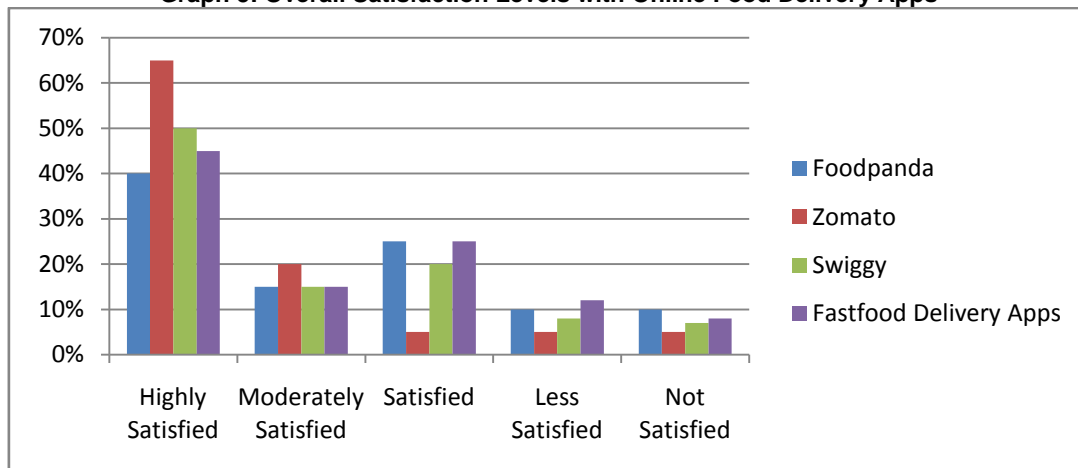


Source: Primary Data

On a careful comparison of various features provided by the available vendors in the field of Online Food Delivery Apps in Ambala, we find in Graph-4

that Zomato is best one providing these features we considered for this study. Swiggy is the next best player as per this consideration.

Graph 5: Overall Satisfaction Levels with Online Food Delivery Apps



Source: Primary Data

The Graph-5 shows the Overall Satisfaction Levels of the Customers with the Online Food Delivery Apps in Ambala. It suggests that 65% of the customers of Zomato are Highly Satisfied, 20% are Moderately Satisfied whereas these figures are 50% and 15% in case of Swiggy. Hence, we can make out that the overall satisfaction level is high for Zomato's Food Delivery Services provided in Ambala district of Haryana.

Conclusion

The Indian Restaurant business has grown considerably over past few years as a result of a surge in working community and urbanization. The

technological innovations in terms of mobile phones and online food delivery apps have made it even easier for these restaurants to reach out to more and more consumers in their area. Also, the mobile phones and free easy-to-use and feature-rich food apps have made it easier for consumers to order desired food from the preferred restaurant at a reasonable price from the comfort of their homes. Most of the smart phone users are now tech-savvy irrespective of whatever background they come from. The online food delivery apps are now available for download free of cost and let the consumers order their desired food from the preferred restaurants at a

reasonable price at their doorstep. Also, these apps allow paying online or on Cash on Delivery (COD) basis. The present study and the subsequent analysis found that the facilities offered by an Online Food Service App Provider play an important role in making consumers purchase from that app. The advertisements through Social Media and Television must be considered the most preferred tool for marketing by online food service vendors. Presently, the cash on delivery is the most preferred option of payment by the consumers but other digital techniques are also catching up swiftly. Vendors need to make sure that the apps are comfortable and user friendly. These special apps are a convenient way for the consumers to place orders and for the company to attract more consumers but the comfort of usage must be given a higher preference.

Based on this study, it can be concluded that Zomato is enjoying a bigger market share as compared to its competitors like Swiggy, Food Panda, etc. It seems to be mainly because of Zomato's better On-Time-Delivery and attractive Cash Rewards. Zomato has been in the first position for quite some time now and can remain there by introducing more technological innovations in Online Apps and Delivery.

References

1. Adithya R., Abhishek Singh, Salma Pathan & Vaishnav Kanade (2017), "Online Food Ordering System", *International Journal of Computer Applications* (0975 – 8887), Volume 180 – No.6, December 2017.
2. Ashutosh Bhargave, Niranjana Jadhav, Apurva Joshi, Prachi Oke, S. R Lahane (2013) "Digital ordering system for Restaurant using Android" *International Journal of Scientific and Research Publications*, Volume 3, Issue 4, April 2013
3. Christian Grönroos, (1984) "A Service Quality Model and its Marketing Implications", *European Journal of Marketing*, Vol. 18 Issue: 4, pp.36-44.
4. D, Ng Soo-Ryue, Wong Shiun-Yi & Chong Lily (2017), "Outsourcing To Online Food Delivery Services: Perspective of F&B Business Owners", *Journal of Internet Banking and Commerce*, August 2017, vol. 22, no. 2.
5. Das Jyotishman (2018), "Consumer Perception Towards Online Food Ordering and Delivery Services: An Empirical Study", *Journal of Management*, 5(5), 2018, pp. 155–163.
6. Goh See-Kwong, Ng Soo-Ryue, Wong Shiun-Yi & Chong Lily (2017), "Outsourcing To Online Food Delivery Services: Perspective of F&B Business Owners", *Journal of Internet Banking and Commerce*, August 2017, vol. 22, no. 2.
7. H.S. Sethu & Bhavya Saini (2016), "Customer Perception and Satisfaction on Ordering Food via Internet, a Case on Foodzoned.Com, in Manipal", *Proceedings of the Seventh Asia-Pacific Conference on Global Business, Economics, Finance and Social Sciences (AP16Malaysia Conference)* ISBN: 978-1-943579-81-5. Kuala Lumpur, Malaysia. 15-17, July 2016. Paper ID: KL631
8. Hannu, Lassi and Mika (2014) "From selling to supporting – Leveraging mobile services in the context of food retailing", *Journal of Retailing and Consumer Services*, Volume 21, Issue 1, January 2014, Pages 26-36
9. Hong Lan, Li Ya"nan & Wang Shuhua (2016), "Improvement of Online Food Delivery Service Based on Consumers' Negative Comments", *Canadian Social Science*, Vol. 12, No. 5, pp. 84-88 *Consumer Perception Towards „Online Food Ordering and Delivery Services“: An Empirical Study* <http://www.iaeme.com/IJCIET/index.asp> 163
10. Leong Wai Hong (2016), "Food Ordering System Using Mobile Phone", A report submitted to BIS (Hons) Information Systems Engineering. Faculty of Information and Communication Technology (Perak Campus), UTAR.
11. Michael K. Brady, J. Joseph Cronin Jr. (2001) Some New Thoughts on Conceptualizing Perceived Service Quality: A Hierarchical Approach. *Journal of Marketing*: July 2001, Vol. 65, No. 3, pp. 34-49
12. Rakesh P. Kumawat, Pooja R. Patil, Urmila S. Salve, Hemlata S. Mali, Pradhya H. Lohale (2016), "Online Food Order System", *IJRASET*, Volume 4 Issue 1, January 2016.
13. Serhat Murat Alagoz & Haluk Hekimoglu (2012), "A study on TAM: Analysis of customer attitudes in online food", *Procedia - Social and Behavioral Sciences* 62 (2012) pp. 1138 – 1143
14. Sheryl E. Kimes Ph.D. (2011), "Customer Perceptions of Electronic Food Ordering", *Cornell Hospitality Report*, 11(10), pp. 6-15.
15. Varsha Chavan, Priya Jadhav, Snehal Korade and Priyanka Teli (2015), "Implementing Customizable Online Food Ordering System Using Web Based Application", *International Journal of Innovative Science, Engineering & Technology*, Vol 2 Issue 4, April 2015.