

Perception of consumers towards the Electronic Food Ordering

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Abstract:

Technological growth accompanied by the initiation of internet has impacted people's lives significantly and has left no stone unturned. Emergence of online selling stores also known as virtual stores has impacted the marketers lives the most. There are no geographical and temporal boundaries that are restricting the purchase of goods and services virtually round the clock.

On one hand when the internet is playing a very vital role in every marketing mix and is considered as one of the most important tools for marketing of goods and services online on the other hand there are few other important factors that influence an individual's online buying decision of goods and services which has been found in researches and tests. The purpose of the project study is to understand the perception of consumers about Electronic Online Food Ordering The non-users of electronic channels i.e who do not order food online are not willing to use this medium as they desire personal interaction and there is a technological phobia and anxiety. So, the purpose is to understand

the perception of the consumer about online ordering, how they use it and why they are hesitant to use the technology provided. The intension of the study is to aid the restaurant's operators to design their Electronic ordering channel better. Order accuracy is the most important factor in online ordering. Secondly ease and convenience of ordering are other very important factors. Telephone has been the most used mediums of ordering despite of availability of internet and mobile app though the use of app and websites is growing. The topmost inference is that the ordering system must be designed in such a way that it ensures to give perception of both convenience and control and provide home delivery to the customers as it is mostly preferred by the customers.

Introduction:

According to a recent DataLabs study by Inc42, India's online food delivery market is expected to hit \$12.53 billion by 2023 on the back of strong growth rates. The online food delivery market in the country is rising at 15 per cent compared to the global growth rate of 9.01 per cent, the report said. Indian start-ups raised a total of \$5.24 billion between 2014 and H1 2019, of which 56 per cent were for start-ups in food technology, the study showed. Food-tech start-ups from 2014 to 2018 contributed 42 percent of the total number of consumer services transactions.

Our world is progressing through leaps and bound. By the advent of the internet the world has entered to the "e" generation i.e. era e-commerce, e-payment, e-governance, e-business, e-learning etc. this "e" has changed the whole scenario of the business and every company prefers to go online by looking at the increased use of the electronic gadgets and the acceptability of the people towards the online channel.

When it come to the food delivery service and online food ordering, technology has revolutionized the industry too. The ease of ordering and the getting a prepared meal at the doorsteps at the right time has motivated the people to use the technology for this purpose. The convenience in ordering the food is one of the most important factors for which the consumers are ready go the online food ordering service. (Das, 2018)

The determinant factor for the food ordering is the ease of ordering and the convenience. The people today, by accessing the electronic gadgets like smartphones, laptops or a tablet, feel it simpler to order their favorite meal from their favorite restaurant by not physically being present in the place where they wish to eat from. (Rathore, & Chaudhary, 2018)

Moreover, the consumers find a multiple option to order their food from. The queries related to the restaurant and the quality of the food being served can be cleared form the reviews given by the different customers. Through Helpline Numbers and FAQs, the consumer's questions on delivery, payment, product, policies and other customer concerns can be addressed effectively.

By the growth of the user expectations and the growth of the delivery services, the popularity of online food ordering is also increasing. This paper aims to investigate the perception of the consumers towards the online food ordering.

Advantages of online food ordering:

- Acts a liaison between the marketplace and the customers.
- Provides the flexibility for the customers on what to order and when to order.
- Flexible mode of payment.
- Numerous options on what kind of food to be order and compare the price between the different restaurants.
- From the restaurant side, less staff are required for the restaurant owners which in turn helps in the cost cutting.

Disadvantages of online food ordering:

- The customization of the food is not possible as per the customers requirement.
- The logistics is a great challenge to maintain the quality of the food.
- Customer retention remains a great challenge as the options are plenty for the customers.

Literature Review

Worldwide, ecommerce is rising rapidly, and the food sector is also showing steady growth. In this research paper we have used the Technology Acceptance Model (TAM) as a basis for the study of online food ordering system acceptance. (Alagoz&Hekimoglu, 2012)

A study performed by Sheryl E. Kimes found that, across all types of users, perceived control and convenience associated with the online food ordering services were significant. Where as more personal contact is required by non users and there was also higher anxiety about technology to use the services. (Kimes, 2011)

The perception of the customer on online food ordering varies from person to person and the perception is to some degree constrained by the availability of proper connectivity and access to the online food services. Customer understanding differs due to various similarities and variations based on their personal opinions. (Rathore & Chaudhary, 2018)

With continuous professional influx into the cities and rapid urbanization of the Indian landscape, the food supply and restaurant segment is now thriving at a high pace. Also, growing numbers of smart phones and food delivery apps are contributing to this scenario. Food delivery apps have now become a huge success in India, with tech-savvy individuals. (Parashar & Ghadiyal, 2017)

If food delivery apps can make online payment more secure and safe then customers will not hesitate to make payment online. They can have more deals, as consumers use such devices mostly to take advantage of deals and offers. They can increase their scope for local restaurants as customers like it more. Food should be categorized properly and in segments to make it more convenient for customers. The food apps are popular in gaining market share in Indian economy as many people use it. These applications also help promote digitalization, since only the most popular forms of payment are online only. These apps are easy to use and satisfy the consumer needs by providing quality services to them. (Beliya, et al., 2019)

According to a study, Among all the factors considered to be appealing about the online food delivery program, 'speedy delivery of food' tended to highlight one. 64 percent of food respondents agreed strongly that their consumption of food from restaurants had increased as a result of the online ordering facility being used by apps. It can be inferred that the online food ordering system is new and many consumers over 40 years of age explicitly are not familiar with the convenience of ordering food online. Mostly students prefer ordering food online, rather than going out for lunch. They feel ease of placing orders and time efficiency as main reason to prefer it. People are not that comfortable with digital payment platforms in Amravati city, and prefer to pay cash. Customers who want to enjoy the restaurant's ambience would hesitate to order food only to eat a meal. (Gawande, et al., 2019)

Objectives

- To analyse what channel is used more frequently in electronic food ordering
- To analyse the most preferred online food delivery service portal by consumers.

- To identify the factors which influence the consumer to order food online
- To know the consumer preferences on online food ordering services provider

Research Methodology:

The research is done in the state of Rajasthan, by using primary data in the form of questionnaire, personal interview and telephonic interview of the people of different age, profession and educational qualification. The secondary data by using journal articles, book and different research papers written by various research scholars.

Analysis And Interpretation Of Data

As stated earlier, the purpose of this study was to find out the customers perception towards online food ordering among the customers. The data has been collected with the help of questionnaire where we collected the response of 220 respondents from the state of Rajasthan and have made the analysis based on these 220 respondents.

TABLE1: Gender of people who have responded

SEX	COUNT	PERCENTAGE
Male	122	55.5%
Female	98	44.5%

As per the data collected, 55.5% of the respondents were males and the remaining 44.5% were females who have filled this questionnaire.

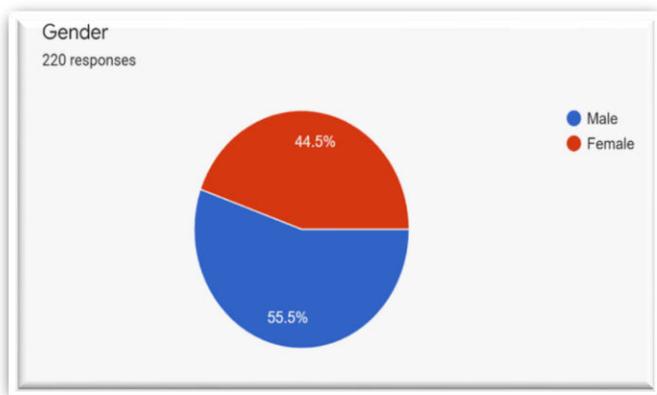


TABLE 2: Showing education qualification of the respondents

EDUCATION QUALIFICATION	COUNT	PERCENTAGE
Secondary	-	-
Higher secondary	8	6.8%
Graduation	96	43.6%
Post-Graduation	101	45.9%
PHD	4	1.8%
CA	2	.9%
B.Ed.	1	.5%
CS	1	.5%

The maximum respondents are qualified to post graduation which contains 45.9% of the respondents which is followed by Graduation which is 43.6%. The least number of respondents entails CS, CA and B.Ed.

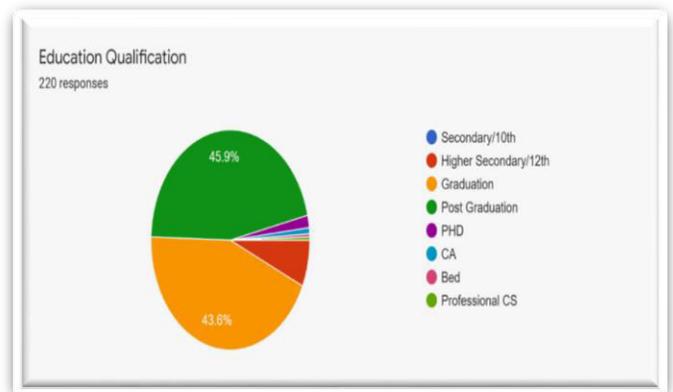


TABLE 3: Showing occupation of the respondents

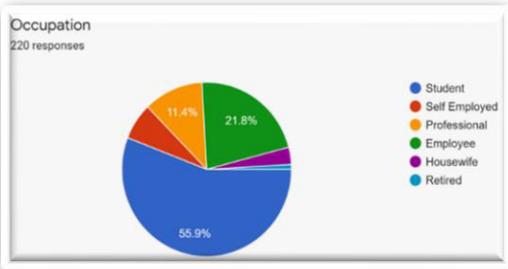
OCCUPATION	COUNT	PERCENTAGE
Student	123	55.9%
Self-employed	15	6.8%
Professional	25	11.4%
Employee	48	21.8%
Housewife	7	3.2%
Retired	2	.9%

From the graph above, it could be interpreted that about 55.9% of respondents were students followed by 21.8% who were employees. 11.4% of the respondents were professionals and remaining 11% forms part of self employed, housewife and retired.

TABLE 4: Showing how much are the respondents aware of the electronic online food ordering channel

Awareness about Online Food ordering channel	COUNT	Percentage
Yes	205	93.2%
No	15	6.8%

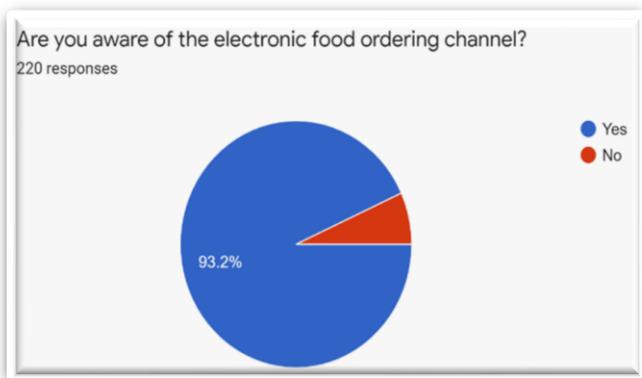
Nearly 93.2% of the respondents are aware about the electronic food ordering channel and only 6.8% of



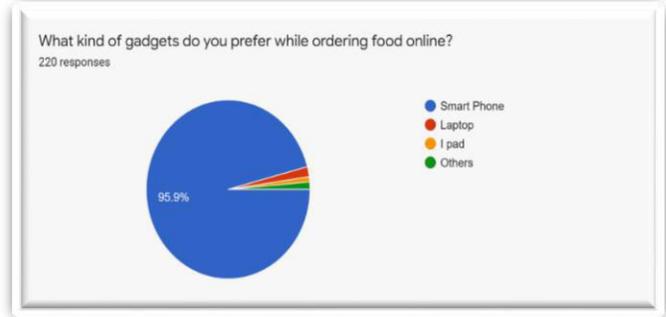
the respondents are not aware of the online channels.

The internet today has reached almost every corner which helped electronic media popular among the customers.

TABLE 5: Showing how much the respondents are aware of different channel of online food ordering



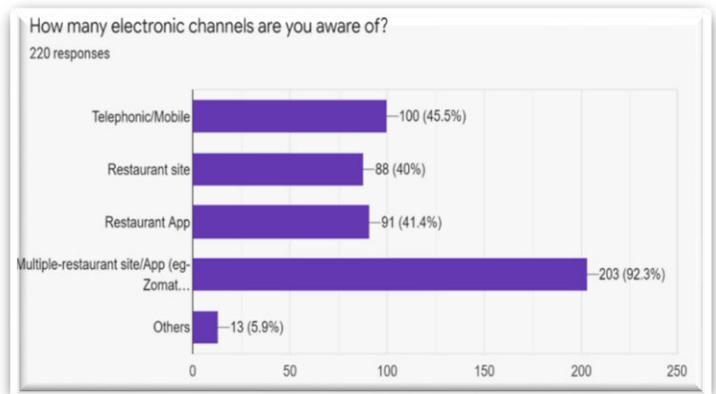
Through the graph, it could be interpreted that nearly 92.3% of the respondents are aware of Multiple-restaurant site/App



as a source to order food online and considers it as one of the best and hassle-free source to order food online. Nearly 45.5% of respondents are aware of telephone as a source to order food online which is followed by restaurant app and restaurant site which comprise of 41.4% and 40% of the respondents. And only 5.9% of the remaining respondents are aware of some other channel as a source to order food online.

TABLE 6- Showing the preference of gadget of the respondents while ordering food online

Gadgets used	Count	Percentage
Smart Phones	211	95.9%
Laptops	4	1.8%
I pad	2	0.9%
Others	3	1.4%



About 95.9% of respondents prefer smart phones to order food online which is followed by 1.8% respondents who prefer to use laptops to order online. Around .9% of the respondents uses I pad and remaining 1.4% uses some other gadgets to order food online.

TABLE 7: Showing how convenient and easy is online food ordering

Details	Counts	Percentage
Yes	170	77.3%
No	7	3.2%
To some extent	37	16.8%
Quiet an extent	6	2.7%

From the above graph it could be interpreted that around 77.3% of the respondents find easy and convenient to order food online. Around 16.8% finds it convenient to some extent, followed by 3.2% of respondents who does not find easy and convenient to order food online. Remaining 2.7% of the respondents thinks that ordering food online is easy and convenient to quiet an extent.

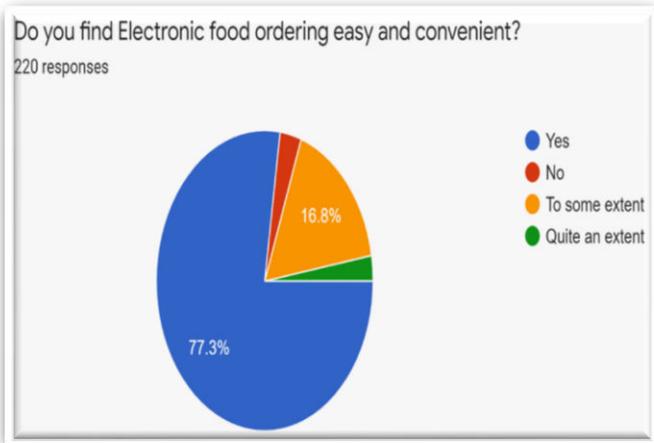
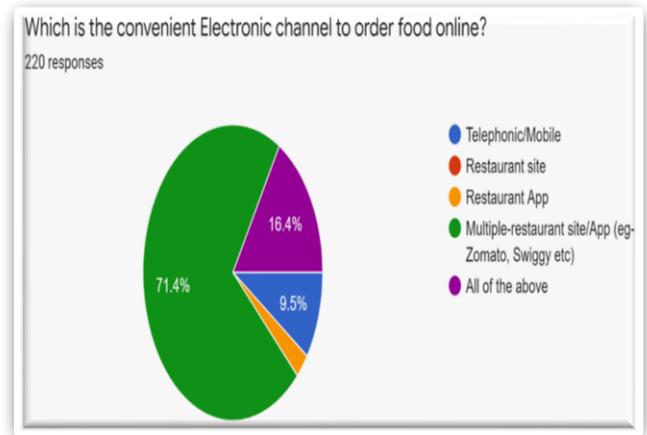


TABLE 8: Showing which channel is convenient to order food online

From the graph above, nearly 71.4% of the respondents considers multiple-restaurants site/app as more convenient channel than the other channels available. 16.4% of the

respondents considers all the above channel as convenient



and easy to order which is followed by 9.5% of the respondents who considers telephonic/mobile as convenient channel to order food. The remaining considers restaurant app as convenient channel.

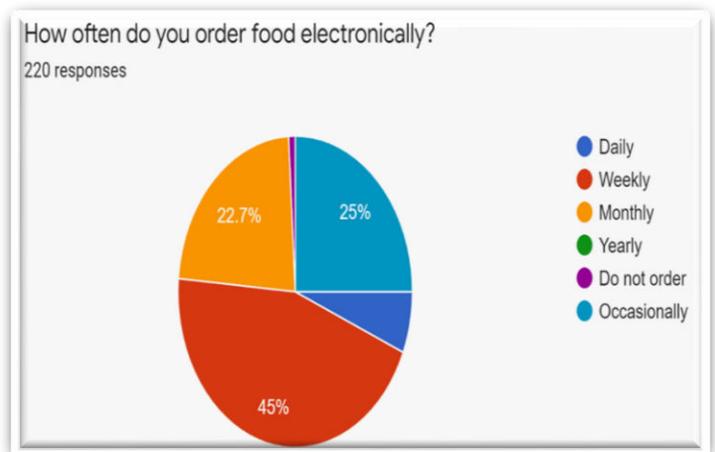
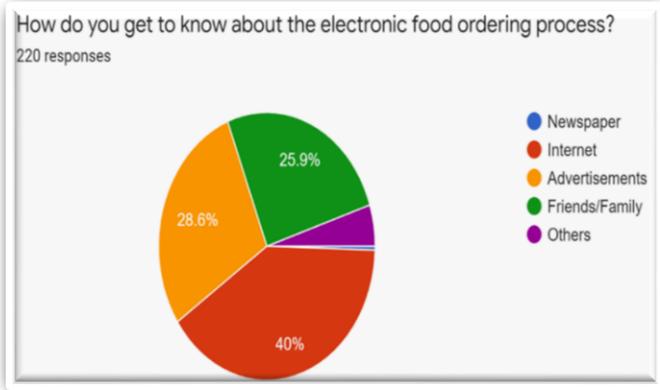


TABLE 9: Showing how often does the respondents order food online

The graph interprets that nearly half of the respondents which is 45% order online food weekly which is followed by 22.7% who orders food monthly. Around 25% of the



respondents prefers ordering food online occasionally. The remaining 6.4% orders online food on a daily basis.

TABLE 10: Showing how are they aware of the online food ordering

The graph shows that 40% of the respondents get to know about online food ordering is through internet which is followed by 28.6% of respondents who believes that they are aware about the online food through advertisements. 25.6% of the respondents think that friends/family are the major source of their awareness about the online food ordering. The remaining respondents considers other than these as the source of their awareness.

TABLE 11: Showing how much on an average does they spend monthly on online food ordering



About 43.2% of the respondents spends less than 1000 rupees on online food ordering as monthly average followed by 34.1% of the respondents whose monthly average spending on online food ordering is between 1000-2000 rupees. 14.5% of respondent's average monthly spending is between 2000-3000 rupees and the remaining 8.2% spends more than 3000 rupees.

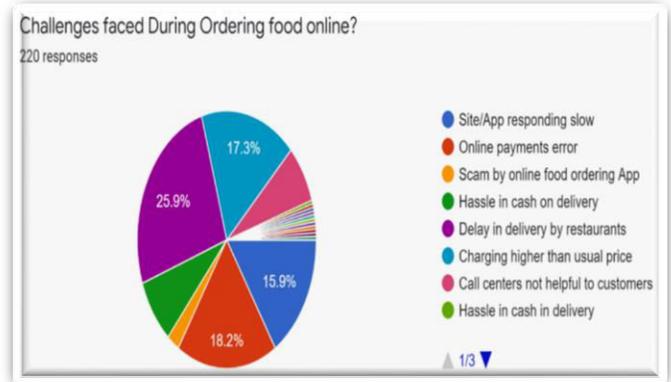


TABLE 12: Showing challenges faced while ordering food online by respondents



The graphs show that 25.9% of the respondents finds difficulty with the delivery of online food. They majorly face issues relating to delay in the delivery of the food which make them annoying. About 18.2% faces issues relating to online payments when ordering food online and considers it as a challenge which is followed by 17.3% of respondents who says that charging higher price is a challenge while ordering food online. And 15.9% considers that slow net or when website responds slowly becomes a challenge while ordering food and is one of the hinderance which make the customers not opting for online food ordering. The

respondents have mention many other reasons which form part of the challenges which they face while ordering food online such as scam by online food ordering app, hassle in cash on delivery, call centers not helpful etc.

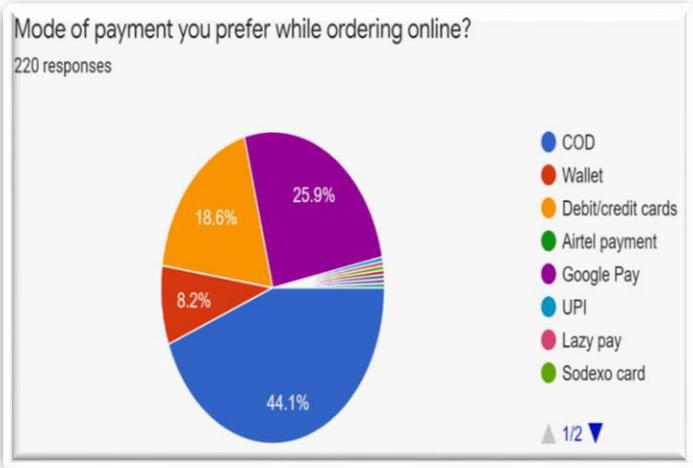


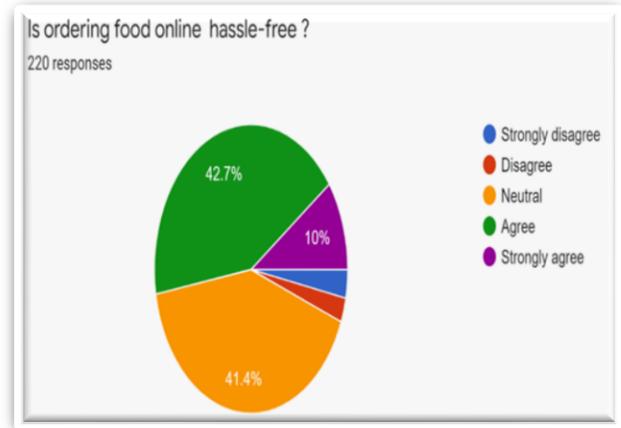
TABLE 13: Showing does respondents feel secured when ordering online

Nearly 90.9% of the respondents feel that online food ordering is secured and remaining 9.1% feel that online food ordering is not secured and thus does to prefer to order online.

TABLE 14: Showing which mode of payment does the respondents prefer when ordering food online

It is clearly visible from the graph above that around 44.1% of respondents prefer cash on delivery as a mode of payment when they order food online, followed by 25.9% where they prefer google pay as mode of payment. 18.6% of the respondents prefer paying through debit/credit card when they order food online, 8.2% prefers wallet payment. Remaining respondents prefer other mode of payments such as airtel payments, UPI, lazy pay Sodexo card etc.

TABLE 15: Showing does respondents feel ordering online is hassle-free



The figure shows that 42.7% of the respondents agrees that ordering food online is hassle-free where as 41.4% of the respondents thinks it is neutral. Around 10% of the respondents strongly agrees with the hassle-free ordering. 3.2% of the respondents strongly disagree with the fact that online food ordering is hassle-free where as 2.7% says that they disagree.

Findings

The major findings from the study are as follows-

- Many consumers are more likely to use or recommend online food ordering as they find it secured and hassle-free.
- Consumers believes that ordering food from multiple-restaurant site/app such as Zomato, Swiggy is more convenient and easier and provides more option to the consumers rather than the telephones or restaurants site/app.
- As per the data collected, students prefer ordering online food more than the other group of millennials.
- Majority of the consumer who use online food ordering prefer to pay either by COD or google pay. These two is preferred by majority of the consumers.
- Since majority agrees with, he fact that they use online food ordering and considers it hassle-free

but there are some challenges faced by the consumers of which many agrees with the fact that delay in the delivery of the food is one of the major hindrances considered by them.

- Since students are majority group who uses online ordering, the average monthly spending is less than 1000 rupees.

RECOMMENDATIONS

- Millennials are the target audience for the multiple-restaurant app/site as they spend a good share of their budget on prepared food compared to other generation. Therefore, focus should made more on the requirements of the millennials and how the challenges faced by them could be rectified.
- Increase in the number of delivery channels to make online delivery ordering easier providing all possible channels such as social media, virtual assistance, smart devices, cars etc.
- The restaurants should work on delays in delivery of food to the customers by making use of Artificial intelligence. Through AI, they can speed up delivery by making use of robots, drones etc and will also lower the operational cost.
- For driving new customers to the App/site, augmented reality and virtual reality could be magic wands for the restaurants. These could help restaurants to improve their marketing and advertisement, expand brand awareness, and boost sales.

CONCLUSION

Studying customer perception of online food ordering, it can be concluded that online food ordering is convenient and easy for the customers and saves a lot of time of the customers. Through this study we have learnt that Online Food ordering is most preferred by the millennials. Online food ordering is cost efficient while compared to a dine-in restaurant. The core benefits of online food ordering platform are cost saving and increase sales volume. From the study it is clear that most of the restaurants has adopted online food ordering to sustain market and satisfy customer needs.

So, the Online Food Ordering platforms need to improve their communication channel and carry their real core value

of online food ordering and therefore, focus on giving their customers higher level of perceived value by improving channels and making use of virtual reality and artificial intelligence into their system.

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