# An Analysis of Interest of Consumers in Electronic Food Ordering

*Nidhi Bhardwaj\* and  Saranleen Kaur\*\**

## ABSTRACT

Online food delivering has become very popular nowadays, as it offers a single window from which variety of food can be ordered from a wide range of restaurants. There are wide varieties of restaurants which deliver food through online services by providing best offers and reasonable prices. This has resulted in increase on business of the restaurants. It has also resulted in popularizing online food delivery service in India and has brought boom in the industry. Major players in country like Zomato, Swiggy and Uber eats have set up online food delivery system through their mobile applications.

These applications contain food menu setup from all the restaurants in the area alongwith the prices and offers provided by them. The people can order their favourite food from favourite restaurant at their door step hassle free for a small delivery fee. In this study, we would understand the shift of consumer's behaviors with the introduction of technology like how much they spend on ordering the food, what food app they prefer the most, what mode of payment they use, what factor influence them most for purchasing online food, and what are the different kinds of applications that consumers are satisfied with and what makes them happy and satisfied about the service.

The main objective of the paper is to understand the different aspect regarding online food ordering, relation between facilities and the purchase behavior. And to find the most popular app in the food delivery industry and understand as to how have technology played an important role in the restaurant industry.

*Keywords:* Online food delivery, E-commerce, Consumer buying behavior, Food delivery app, Anova, Swiggy.

## 1.0 Introduction

The internet business market has encountered solid development over the previous decade, as customers increasingly move on the web. This move-in how shoppers to shop has been driven by a wide scope of diverse factors, some being business sector or nation subordinate, others happening because of overall changes. These changes include: an expansion in removal pay, especially in agricultural countries; longer work and driving occasions; expanded broadband entrance and improved wellbeing of electronic payments; an unwinding of exchange obstructions; an expansion in the number of retailers having an online presence; and greater attention to online business by client

Food ordering on the internet is conceptually different from other sources of ordering food, as the internet promotes a one too one communication between the seller and the end-user with round the clock customer services. Technology has played a vital role in revolutionizing the food delivery service from phone-based to online ordering to satiate consumers' ever-changing demands, making its way to the top. Today, the business of food delivery services is one of the fastest-growing segments of e-commerce. The major difference between traditional and online food ordering is the extent of interaction between the consumer and the seller.

*\*Corresponding author; Student, Department of Management & Commerce, Trinity Institute of Professional Studies, New Delhi, Delhi, India. (Email: bhardwajnidhi219@gmail.com)*

*\*\*Assosiate Professor, Department of Commerce & Management, Trinity Institute of Professional Studies, New Delhi, Delhi, India.*

Zomato is the leading online food delivery app in India, followed by Swiggy, Uber Eats, and others.

Online food delivery service is one in which a restaurant delivers food to its customers either through its own website/app (Dominos) or through a third party website/app like Zomato, Swiggy, etc. Restaurants can register their business with these apps, once a registered restaurant makes an online menu of food served by them on the app of online food Delivery Company. Customers can view the food offered by the restaurant through the mobile app. Food ordered by the customer is delivered by using the logistical support of online food delivery companies. It is a win-win situation for parties involved, customers get a variety of food delivered to their doorstep adding to convenience; restaurants experience increase in their business whereas food delivery company gets a commission on the amount of food delivered from the restaurant.

E-commerce has made the interactivity with the consumer effortless in the form of helpline numbers and FAQs. Through helpline numbers and FAQs, the consumer's questions on delivery, payment, product, policies, and consumers' concerns can be addressed effectively. Online food delivery is particularly prescribed in countries that are still developing as technology and consumer preference are still modifying. According to the studies, 50.8% of people order food delivery service because they don't prefer to cook, as it allows the customer to have food delivered straight to their home or offices in than an hour.

## 2.0 Literature Review

Online food conveyance applications are the media through which eateries bundle food legitimately at the doorsteps of the clients. This thought of food conveyance is rapidly spreading due to the expansion in the quantity of the working populace and their tumultuous work-life culture in metro urban areas. There is no human mediation engaged with the cycle of online food requesting, which makes it blunder free and more private. As of now, An Indian food business is around $350 billion, and this area is concocting inventive thoughts consistently to give better consumer loyalty and hold clients over the long haul. This situation has brought about a gigantic rivalry between online food conveyance applications and specific cafés giving free home conveyance administrations (Anupriya Saxena, 2019). Innovation hiddenly affects the eatery business also, has changed its whole edge. Individuals over the globe are getting a charge out of another safe place because of these created online food conveyance administrations. Mitali Gupta (2019), in her paper, examined the effect of food conveyance new companies

Swiggy and Zomato on the café business and examined their different business systems. Today, organizations have changed their conventional business techniques to web showcasing for obliging the assorted requirements of clients. Jyotishman Das (2018), in his paper, considered a shopper observation towards online food requesting and conveyance administrations furthermore, expected to inspect the perspectives of the shoppers about the various administrations they get from various entryways. On the web, the food conveyance market isn't full-grown at this point and has different challenges. These issues must be comprehended by taking the law as the basis, alongside the joined endeavors of the food conveyance applications, the eateries, customers, along these lines making an amazing on the web takeaway climate (Hong Lan et al., 2016).

Bhavna Singh (2015) said that Foodpanda has been available in the Indian market since May 2012. Foodpanda's first significant move was the procurement of TastyKhana, which was dispatched in the city of Pune in 2007. Along with TastyKhana and JUST EAT, it is currently present in more than 200 urban areas and accomplices with more than 12,000 eateries.

## 3.0 Indian Food App Scenario

With all the blast in the computerized industry over the globe, it's had its effect on the Indian economy as well. The online food requesting firms have grown up in mass. The market size of food in India is relied upon to arrive at Rs. 42 lakh crore by 2020, reports BCG. By and by, the Indian food market is around $350 billion. Space is thinking of a great deal of advancement obliging their client comfort, fulfillment, and maintenance. This has likewise fabricated space for a ton of new players, who are focusing on explicit gatherings of individuals. Numerous new players getting the section together with inventive plans of action, for example, conveying nourishment for wellbeing cognizant individuals, home-prepared suppers, and so forth Food tech is the hot talk in the startup town. After innovation new companies have made their mark in the internet business, taxi, and land areas, presently the eager forever Indian business visionaries are hoping to satisfy the craving of others. Food tech is a tremendous market and food conveyance new companies are only a piece of it.

Different applications in the Indian market are:

- Food Panda
- Zomato
- Swiggy
- Box8
- Faso's
- Fast food conveyance applications

## 4.0 Objective of The Study

To study how online food delivery services are perceived by the consumers.

## 5.0 Research Methodology

The study is based on the collection of primary data. Quantitative research method was used in this research so as to investigate and observe the collected data with the help of statistical, mathematical and computational techniques. A structured questionnaire was designed with close-ended questions. It was designed in such a manner so that it caters all the areas of study. The survey was conducted in different areas of Delhi.

## 6.0 Limitation of The Study

A small sample size of 100 respondents have been taken for study which is carried out in different areas of Delhi, so the findings may not be applicable to the other parts of the country because of social and cultural differences.

## 7.0 Data Analysis & Interpretation

To understand the behavior of customers regarding the usage of food delivery apps, the socio-economic characteristics of the customers were studied. They are the important variables as they decide the consumption pattern and customer behavior regarding these apps.

The respondents were asked the preferred mode of ordering for food. 83% respondents used mobile app as the method to lace the order online.
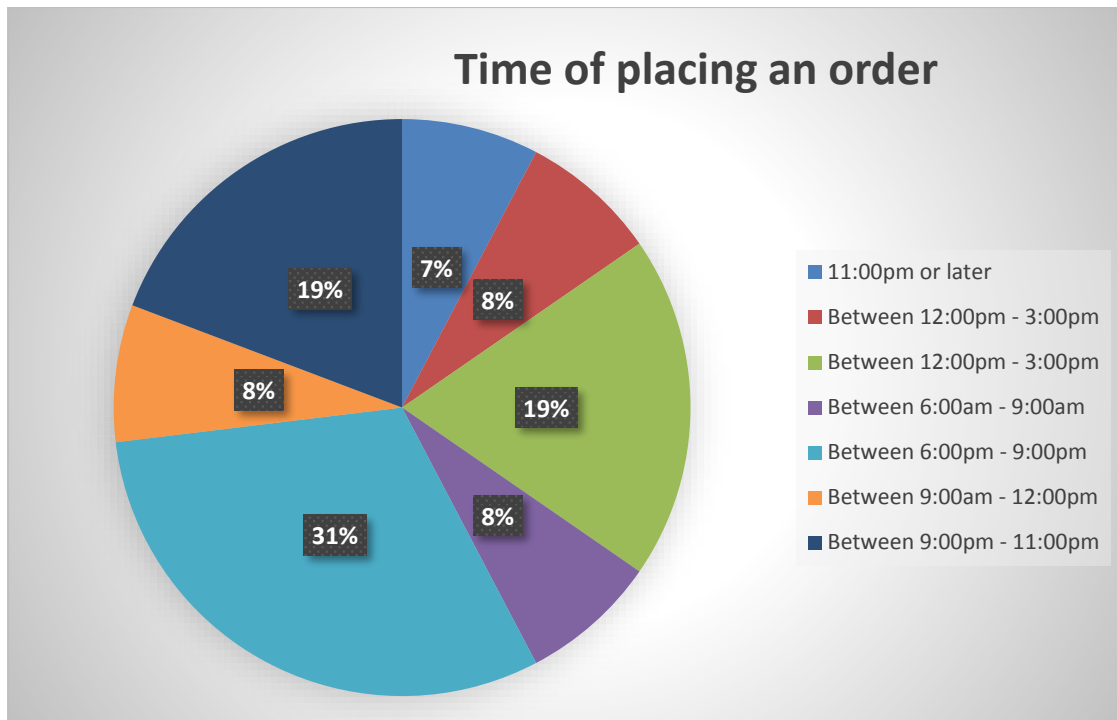
**Preferred method of ordering**

17%

83%

- Through mobile app
- Through website
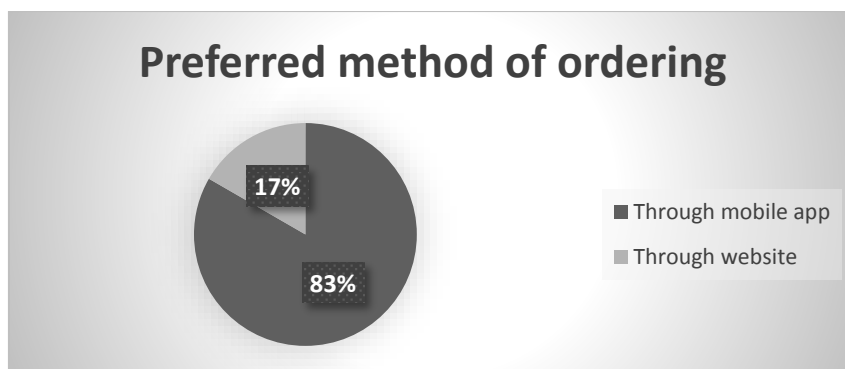
*(AUTHOR'S OWN CALCULATION)*

To understand which day was the most preferred to place online food order, it was seen that Sunday was the most preferred day

**Day/s of the week when electronic order is placed**
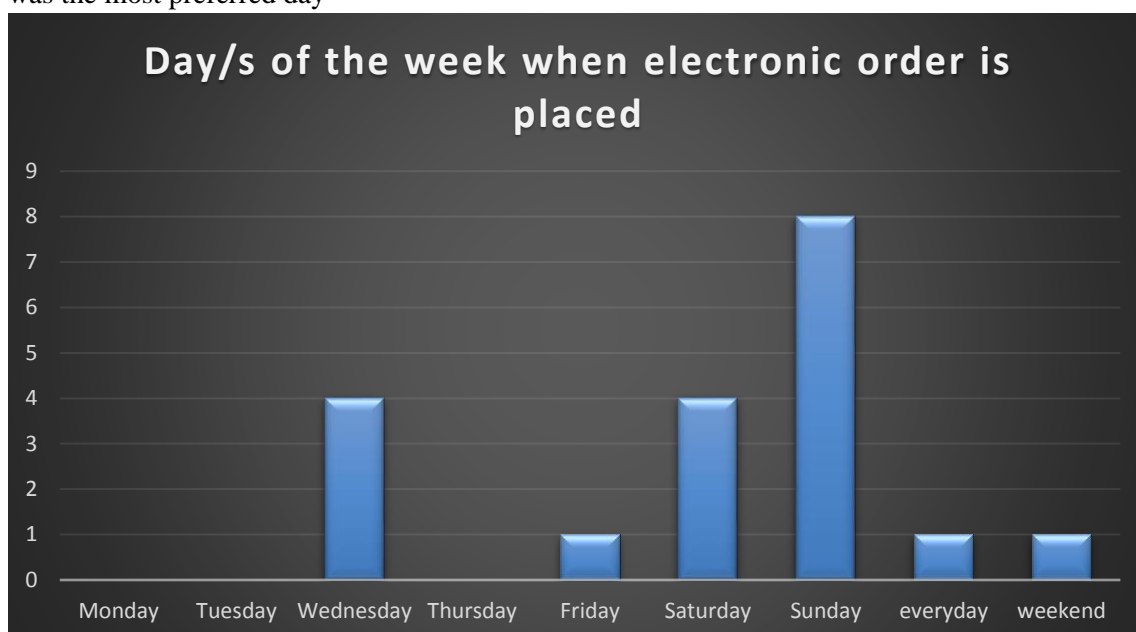
*(AUTHOR'S OWN CALCULATION)*

The analysis showed that most of the people ordered between 12 pm to 3 pm

## Time of placing an order



Legend:
- 11:00pm or later
- Between 12:00pm - 3:00pm
- Between 12:00pm - 3:00pm
- Between 6:00am - 9:00am
- Between 6:00pm - 9:00pm
- Between 9:00am - 12:00pm
- Between 9:00pm - 11:00pm

*(AUTHOR'S OWN CALCULATION)*

Analysis show that the male prefer mobile banking over other method of payments, and on the other hand female prefer card payment as their method of payment whereas there is only one male member who use net banking.
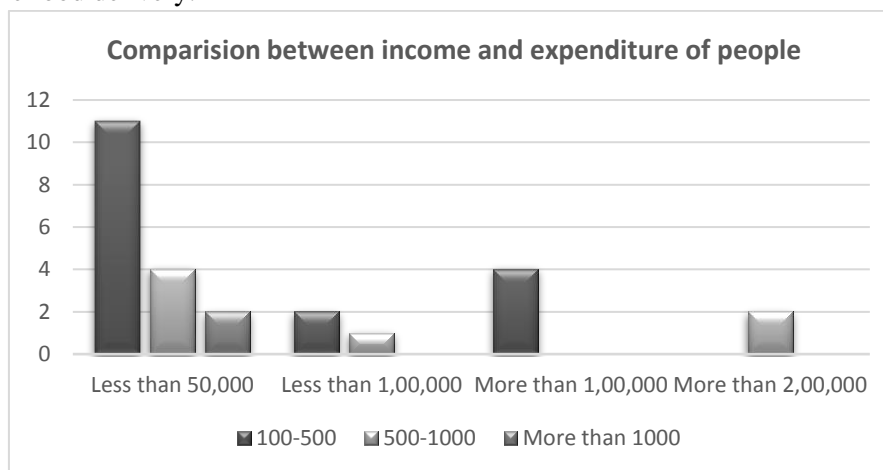
## Relationship between gender and mode of payment.
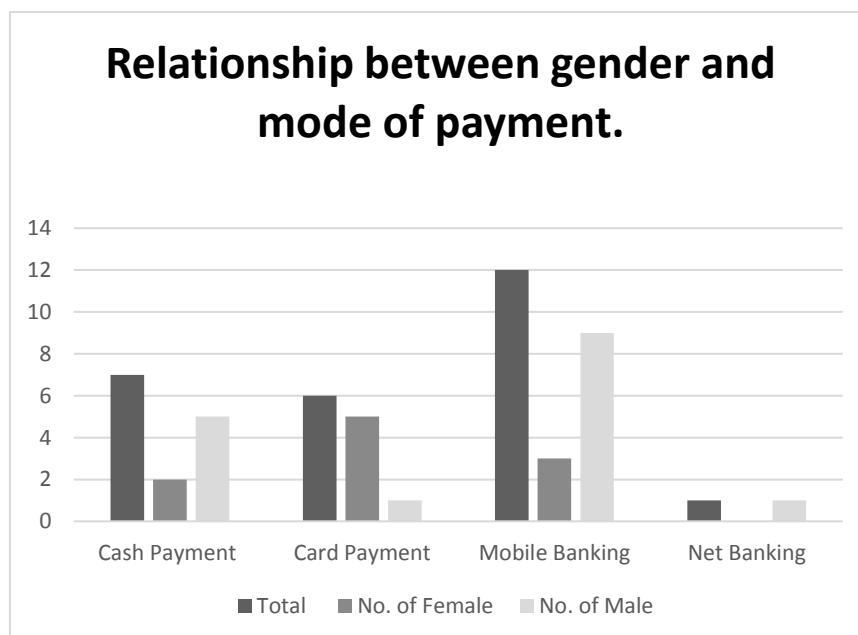


*(AUTHOR'S OWN CALCULATION)*

This chat show that most of the people order online because of the hygiene by self-assessment.

**Factors mostly influencing customer behaviors in purchasing online food products**



■ Reference by friends ■ Hygiene by self-assessment ■ Price ■ Convenience

*(AUTHOR'S OWN CALCULATION)*

This Analysis show that the people having income less than 50,000 spending ₹ 100-500 on their online food delivery. And the people having income more than 2, 00,000 spending ₹ 500-1000 on their online food delivery.
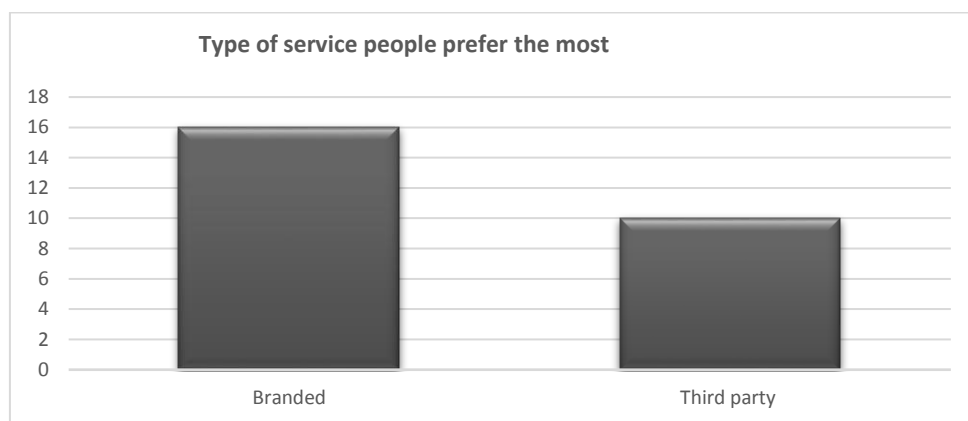


**Comparision between income and expenditure of people**

■ 100-500 ■ 500-1000 ■ More than 1000

*(AUTHOR'S OWN CALCULATION)*

By this we come to know that Swiggy is the most preferable app by the people for their online food delivery.

*(AUTHOR'S OWN CALCULATION)*

Analysis show that people preferred most of the branded food as compare to third party services.



*(AUTHOR'S OWN CALCULATION)*

$H_0$: there is no significant relationship between gender and mode of payment

$H_1$: there is significant relationship between gender and mode of payment

| ANOVA | | | | | | |
|---|---|---|---|---|---|---|
| *Source of Variation* | *SS* | *df* | *MS* | *F* | *P-value* | *F crit* |
| Between Groups | 38.94231 | 1 | 38.94231 | 180.1601 | 0.00 | 4.03431 |
| Within Groups | 10.80769 | 50 | 0.216154 | | | |
| | | | | | | |
| Total | 49.75 | 51 | | | | |

*AUTHOR'S OWN CALCULATION*

The above table shows that since the p value is less than 0.05 , we reject the null. Hence there is relationship between gender and mode of payment.

**8.0 Conclusion**

According to the research conducted, it can be concluded that with continuous influx of professionals in cities and rapid urbanization of Indian landscape, the food delivery and restaurant

segment is now thriving at a blistering pace. Adding to this scenario is an increasing number of smartphones and food delivery apps. Food delivery apps have now become a big hit with tech-savvy individuals across India. There are several food delivery apps in India that one can download on smart phones to order food on the go and from the comfort of homes. The present study found a significant relationship between factors considered important while selecting a food delivery app. And from the analysis it was also found that the facilities offered play a major role in making a purchase from an app. Currently cash on delivery is the most preferred option of payment by the respondents but other digital techniques are also in the growth stage. Firms must also make sure that the apps are comfortable and user friendly. The special apps are a convenient way for the consumers to place orders and for the company to attract further more consumers but the comfort of usage must be given a higher preference.

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