



## **CUSTOMERS' PERCEPTION TOWARDS ONLINE FOOD ORDERING SYSTEM: AN EMPIRICAL STUDY AMONG IT EMPLOYEES FROM SELECTED COMPANIES IN TECHNOPARK, TRIVANDRUM**

**Swagatha C Nair\***     **Dr. S. Venkatesh\*\***

*\*Research Scholar, M.Phil, PRIST University, Thanjavur.*

*\*\*Associate Professor/Research Supervisor, PRIST University, Thanjavur.*

### **Abstract**

*Today we are living in a world where everyone is busy with their work, business, family affairs and they don't even get any time to spend for leisure. Now a days a normal working human being is surrounded by ready to eat food items, ready to cook food products and fast food restaurants. The online food ordering and delivery system was able to attract customers within a short span of time. The customers, especially those working in the IT sector, find it easier to manage their life because of its 24x7 availability, variety in choice and door step delivery. Whenever a customer is busy with their work, they just click to order food online because it is an easier option than going out to eat. This study aims to assess the perceptions of customers towards online food ordering system. The study was conducted among the IT professionals from selected companies of Technopark. The instrument used for data collection was questionnaire. The collected data were analysed using percentage analysis and chi-square test.*

**Key Words:** *Online Food Ordering System, Customer Perception, IT Sector.*

### **Introduction**

Customer perception is a marketing concept that involves a customer's impression and awareness about a company and its services. Customer perception is what customers think of an organisation. Perception helps to attract the new customers and also helps in maintaining good relationships with current customers. It decides how much a product sells and how a company is perceived. How a consumer perceives a particular product is important for the marketer because it will affect consumer's decision. As consumers' perceptions affect the consumption behaviour, products and all marketing activities should be designed in a way that secures consumers' positive perception.

The present study titled, "Customers' perception towards online food ordering system: an empirical study among IT employees from selected companies in Technopark, Trivandrum" tries to analyse how digital food ordering services are perceived by customers of Technopark. Technopark, located in Trivandrum, the capital city of Kerala, is an autonomous society promoted by the Government of Kerala.

### **Objectives of the study**

1. To study about the various factors that influences the IT sector consumers to choose online food delivery services.
2. To analyse how online food delivery services are perceived by the consumers.
3. To analyse the most preferred online food delivery service portal by consumers.
4. To find out what are the factors that hinders consumers to use online food delivery services.

### **Online Food Ordering System in India**

The process of food delivery from restaurants through a web page or app is called online food ordering system. The changing lifestyle of the average Indian is vivid enough to be favourable for the ready-to-eat and quick home delivery models to grow at higher rates. The ever-increasing population, crowded metro cities and longer travel times are drivers for the growth of doorstep food delivery system. Businesses who keep their value proposition and their brand active in consumer's minds, will take the biggest share of the Indian online food service sector. In India currently, the market of online food is at its budding stage with the effective introduction of numerous applications which can be used by the smart phones with a simple installation. Adequate funding and investments



in this market space have empowered companies to serve online facilities that have been seen before. Furthermore, many of the key players are playing an important role for making more developments in the applications for serving in an efficient manner which lead the market growth in the forecasted period and provide better consumer satisfaction. The demand drivers for online food services are encouraging demographics, promising income and consumption levels, favourable lifestyle changes and rising number of working women. Popular mobile apps for food delivery in India are Zomato, Uber eats, Swiggy, Foodpanda, Domino's, Pizzahut, etc.

### Review of Literature

**Suryadev Singh Rathore and Mahik Chaudhary (2018)** conducted a study on “**Consumer's Perception on Online Food Ordering in Indore**”. The main objectives of the study were to identify the factors which influence the consumer to order food online and to know the consumer preferences on online food ordering services provider. The finding shows how easily people search for a favourite restaurant, choose from available items and place their orders in just a few minutes. The perception of the consumer varies according to various similarities and difference based on their personal opinions. The study shows that the elder people don't use these online services much as compared to the younger ones. The study also reveals that the price of the products, discounts and special offers, convenience and on-time delivery are the most influencing factors in online food ordering. Fast food was fancied by most of the respondents in their choice of cuisines. The respondents were mainly preferred to order snacks followed by dinner. The study also stated that majority of the respondents' uses either Uber eats or Zomato to order their food online.

**Jyotishman Das (2018)** in his study titled “**consumer perception towards ‘online food ordering and delivery services’: an empirical study**” aims to discuss the consumer's perception towards the online food ordering and delivery services in Pune. The survey was conducted around 153 respondents who are already using the online food delivery services. The purpose was to know the influencing factors, buyer's perceptions, needs, positioning of various attributes of different online portals in their mind and overall satisfaction towards online food delivery services. The factors that encourages consumers to use online food ordering is doorstep delivery followed by ease and convenience. Consumers are mostly influenced when they receive any cashbacks and rewards. Their most preferred online food delivery service provider is Zomato followed by Swiggy. The factors that prevent consumers to use the online food delivery services are bad past experience followed by influence from friends/family.

**H.S Sethu and Bhavya Saini (2016)** conducted a study on “**Customer Perception and Satisfaction on Ordering Food via Internet, a Case on Foodzoned.Com, in Manipal**”. The aim of this study is to investigate the student's perception, behaviour and satisfaction of online food ordering and provide solutions to online sellers based on the results of the research. Data was collected from 212 students of four colleges of the Manipal University and the sampling method used is a non-probability convenience sampling technique. The study revealed that the online food ordering services was used by 100 percent of the respondents, and the buying decisions were largely influenced by opinions of friend, family and discussions on online forums. The study uncovers that good word of mouth and experiences by existing customers and online forums decides the success of web based food shopping.

### Research Methodology

#### Sources of Data

For the purpose of study both primary and secondary data are used. Primary data was collected with the help of structured questionnaire administered to selected employees at Technopark, Trivandrum. The secondary data were collected from websites, journals, magazines, etc.

#### Sample Design

- Population: The population in Technopark, Trivandrum is 56000 employees.
- Sample size: The sample size taken for the study was 120 employees.

- Sampling method: The population of the study was selected by using the sampling method purposive sampling and the sampling technique used for the sample selection was convenience sampling.
- Tools for data analysis and representation: For the analysis part percentage analysis and chi-square test are used. The tools used for data representation is tables and charts.

### Limitations of the Study

- It was difficult to collect data during working hours because the employees were busy in their work.
- Since all units were not taken under the study, accurate and complete data was unavailable.
- Inability to collect more accurate data from respondents due to their partial co-operation with the researcher.

### Data Analysis

#### 1. Parameters influencing online food delivery services

Opinion	No. of respondents	Percentage
Doorstep delivery	36	30
Ease and convenience	20	17
Payment options	19	16
Choice of restaurants	31	26
Cost effectiveness	4	3
24x7 availability	10	8
<b>Total</b>	<b>120</b>	<b>100</b>

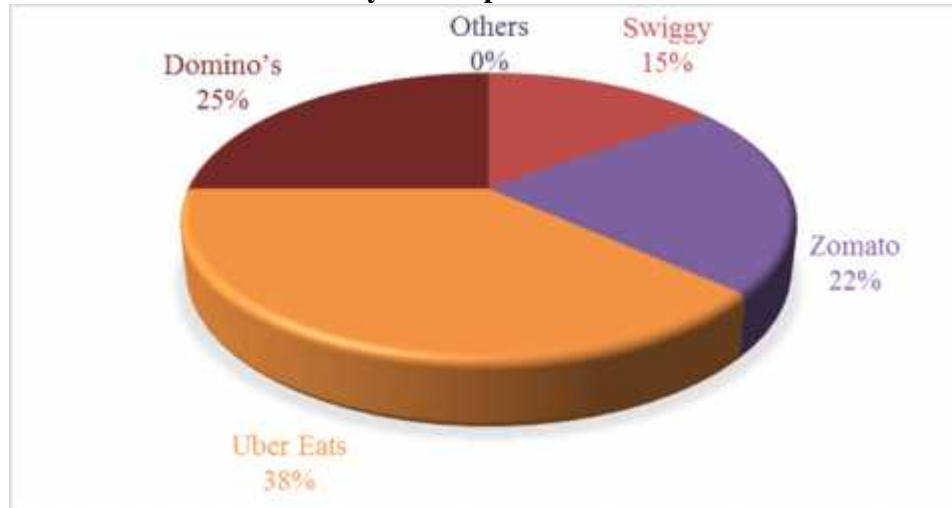
The above table shows the opinion of the respondents regarding which parameter influences them most towards the online food delivery services. 30% of respondents were of the opinion that doorstep delivery is the most influenced factor, 26% of them opted for choice of restaurants, 17% of them opted for ease and convenience, 16% of respondents opted for payment options, 8% of them opted for 24x7 availability and 3% of the respondents were of the opinion that cost effectiveness is the most influenced parameter for doing online food ordering. Thus it can be understood that doorstep delivery is the most influencing parameter for online food ordering system.

#### 2. Factor influences to choose the online food delivery services



From the above chart it can be understood that around 28% of the respondents were influenced by rewards and cash backs offered by the marketer while selecting a particular online food delivery service. 23% were influenced because of others' recommendations, 21% due to the influence of social media and 14% of the respondents were influenced by the advertisements promoted by the marketers and also because of the influence of online reviews.

### 3. Favourite online food delivery service portal



The above chart shows the favourite online food delivery service portal of customers. Around 38% of the respondents opted for Uber Eats followed by Domino's (25%). 22% of the respondents were opted for Zomato and 15% opted for Swiggy. It is clear from the chart that, majority prefer Uber Eats because of their best offers and discounts.

### 4. Challenges faced while ordering food electronically

Opinion	No. of respondents	Percentage
Delays in delivery	14	12
Bad operations team	10	8
Order mix up	14	12
Online payment and delay in refund	23	19
Confusing menu	49	41
Others	10	8
<b>Total</b>	<b>120</b>	<b>100</b>

The above table shows the challenges faced by customers while ordering food electronically. 41% of the respondents were of the opinion that the main challenge they faced while online food ordering was the confusing menu of the service provider. 19% of them opted for online payment and delay in refund, 12% opted for order mix up and delays in delivery and 8% of the respondents opted for bad operations team and other reasons.

### Hypothesis

I. Null Hypothesis H0: There is no significant relationship between the gender of customers and the parameter which encourages them to use online food delivery services.

$$H_0: 1 = 2$$

Alternate Hypothesis H1: There is significant relationship between the gender of customers and the parameter which encourages them to use online food delivery services.

H1: 1 2

**Table showing the relationship between Gender of customers and the Parameter encourages them to use online food delivery**

Gender	Parameter encourages to use online food delivery						Row total
	Doorstep delivery	Ease and convenience	Payment options	Choice of restaurants	Cost effectiveness	24x7 availability	
Male	22	21	18	16	4	6	87
Female	5	10	6	2	4	6	33
<b>Column total</b>	27	31	24	18	8	12	120

**Table for calculation of chi-square value**

O <sub>i</sub>	E <sub>i</sub>	O <sub>i</sub> - E <sub>i</sub>	(O <sub>i</sub> - E <sub>i</sub> ) <sup>2</sup>	(O <sub>i</sub> - E <sub>i</sub> ) <sup>2</sup> /E <sub>i</sub>
22	19.58	2.43	5.88	0.30
5	7.43	-2.43	5.88	0.79
21	22.48	-1.48	2.18	0.10
10	8.53	1.48	2.18	0.26
18	17.40	0.60	0.36	0.02
6	6.60	-0.60	0.36	0.05
16	13.05	2.95	8.70	0.67
2	4.95	-2.95	8.70	1.76
4	5.80	-1.80	3.24	0.56
4	2.20	1.80	3.24	1.47
6	8.70	-2.70	7.29	0.84
6	3.30	2.70	7.29	2.21
(O <sub>i</sub> - E <sub>i</sub> ) <sup>2</sup> /E <sub>i</sub>				9.02

Chi Square calculated value =9.02

Degree of freedom = (R-1) (C-1) = 5(1) = 5

From the table, chi square value = 11.071

2 =9.02 < 11.071

### Interpretation

Since the calculated value is less than the table value, thus the null hypothesis is accepted at 5% level of significance. Thus it signifies that there is no significant relationship between the gender of customers and the parameter that encourages them to opt online food ordering.

**II Null Hypothesis H0:** There is no significant relationship between the age of customers and the factor influences them to choose the online food delivery services.

H0: 1= 2

Alternate Hypothesis H1: There is significant relationship between the age of customers and the factor influences them to choose the online food delivery services.

H1: 1 2

**Table showing the relationship between Age of customers and the Factor influences them to choose the online food delivery services**

Influencing factor	Age				Row Total
	20-25yrs	25-30 yrs	30-35 yrs	>35yrs	
Rewards and cashbacks	14	9	6	4	33
Recommendations	3	7	13	5	28
Online reviews	5	6	3	3	17
Social media	13	7	3	2	25
Advertisements	2	2	4	9	17
<b>Column Total</b>	37	31	29	23	120

**Table For Calculation of Chi-Square Value**

$O_i$	$E_i$	$O_i - E_i$	$(O_i - E_i)^2$	$(O_i - E_i)^2/E_i$
14	10.18	3.83	14.63	1.44
3	8.63	-5.63	31.73	3.68
5	5.24	-0.24	0.06	0.01
13	7.71	5.29	28.00	3.63
2	5.24	-3.24	10.51	2.00
9	8.53	0.48	0.23	0.03
7	7.23	-0.23	0.05	0.01
6	4.39	1.61	2.59	0.59
7	6.46	0.54	0.29	0.05
2	4.39	-2.39	5.72	1.30
6	7.98	-1.98	3.90	0.49
13	6.77	6.23	38.85	5.74
3	4.11	-1.11	1.23	0.30
3	6.04	-3.04	9.25	1.53
4	4.11	-0.11	0.01	0.00
4	6.33	-2.33	5.41	0.85
5	5.37	-0.37	0.13	0.03
3	3.26	-0.26	0.07	0.02
2	4.79	-2.79	7.79	1.63
9	3.26	5.74	32.97	10.12
			$(O_i - E_i)^2/E_i$	33.44

Chi Square calculated value = 33.44

Degree of freedom =  $(R-1)(C-1) = 4(3) = 12$

From the table, chi square value = 21.026

$2 = 33.44 > 21.026$

### Interpretation

Since the calculated value is more than the table value, null hypothesis is rejected. Thus the alternate hypothesis is accepted at 5% level of significance. Thus it signifies that there is significant relationship between the age of customers and the factor influences them to choose the online food delivery services



### Findings

- Advertisement is the main source of reference about online food ordering system.
- Doorstep delivery is the most influencing parameter for online food ordering.
- Majority of the respondents were influenced by rewards and cash backs offered by the marketer while selecting a particular online food delivery service.
- Most of the customers order at least 5 times a month and that too during week days.
- Food is ordered frequently as lunch during social gatherings.
- Customers are satisfied with the delivery charges levied by the online food delivering companies.
- The respondents are satisfied with the information provided by the marketers about their service.
- Online food ordering system is found to be easy and convenient to customers.
- Uber Eats is the most preferred online food ordering company due to the promotional schemes and offers provided.
- Confusing menu and online payment and delay in refund are the most frequent issues faced by the customers.
- Major hindrance for the customers to use this online food ordering system is their past bad experiences.

### Suggestions

Online service portals should make more tie-ups with restaurants so as to give wide range of choices to local customers. Precautionary measures should be taken to avoid mix up of orders, resulting in delivery of wrong, less quantity of food and thereby attracting customer dissatisfaction. Necessary steps should be taken to improve the online payment and refund system. Uber Eats has been in the first position in online food delivery service provider and if it includes the minor improvements, it will sustain its upper hand in forthcoming future.

### Conclusion

Ordering food online has enhanced customers' convenience by making it possible to order whatever food they want using whichever device they choose. Hence there is no more waiting in line and this system provides convenience during a busy day. According to the study conducted, Uber Eats has gained positive opinion of majority of the consumers in comparison to other service providers like Zomato, Swiggy, etc. It is mainly because of their best offers and discounts, promotional activities and the quality of their service.

### References

1. Chopra, P.K and Bhawna Mehra. (2010). Marketing Management. Dreamtech Press.
2. Kothari, C.R. (2002). Research methodology – Methods and Techniques. New Age International Publishers, New Delhi.
3. Zulkarnain Kedah, Yusof Ismail, Ahasanul Haque A.K.M. & Selim Ahmed. (2015). Key success factors of online food ordering services: An empirical study. Malaysian Management Review, 50(2), 19-36.
4. Serhat Murat Alagoz and Haluk Hekimoglu. (2012). A study on tam: analysis of customer attitudes in online food ordering system. Procedia - Social and Behavioral Sciences, 1138 – 1143.
5. Suryadev Singh Rathore and Mahik Chaudhary. (2018). Consumer's Perception on Online Food Ordering. International Journal of Management & Business Studies, Vol. 8(4), 2230-9519.
6. Jyotishman Das. (2018). Consumer perception towards online food ordering and delivery services: An empirical study. Journal of Management, 5(5), 155–163.
7. H.S Sethu and Bhavya Saini. (2016). Customer Perception and Satisfaction on Ordering Food via Internet, a Case on Foodzoned.Com, in Manipal. Finance and Social Sciences (AP16Malaysia Conference), ISBN: 978-1-943579-81-5.