

ANALYSIS OF CUSTOMER ATTITUDE TOWARDS ELECTRONIC FOOD ORDERING

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Abstract *We are in the technology enabled age where it has an influence on most, if not all our personal and professional realms. Functions we carried out manually are being taken over by internet technology. The development is rapid, and the transition is as fast. One of the product on the commercial platform is electronics food ordering. The demand both for food delivery and electronic commerce is growing. It is therefore not a surprise, that when these two functions come together, it is a precedent for success. The study aims at gathering and gaining factual and realistic insight into the growth customers' attitude towards online food ordering system. The study is an attempt to understand what appeals, agrees and works for the customers. By doing so, it also provides invaluable information to mobile application companies to consider customer the information and incorporate the same. This study is an attempts to recognize the current upswing in the growing popularity in online food ordering system and the customers' attitude and perception towards it.*

Keywords: *Online Food Ordering System, E-Commerce, Mobile Applications / Apps*

INTRODUCTION

We are living in a technology fuelled era. In the last decade and a half, internet has boomed. It has shrunk geographical and physical boundaries. The world is a smaller and closer place and closer. Today, internet is extensively used for social media network, mobile apps, and other varied forms of digital communication. This way it has become an intrinsic part of billions of people's daily lives. Internet is not only a successful medium of communication, but also a distribution medium. Electronic Commerce, popularly known as e-commerce is the term used to describe the digital platform which allows both, businesses and its customers to gain and relay information, make and maintain relations, and conduct transactions pertaining products or payments that are enabled by telecommunication networks.

In the present day, electronic commerce has extended from goods, to also selling and booking services. Service-centric products like hotel room booking, airline travel, holiday tours, restaurant delivery, home services like cleaning and maintenance etc. It includes the internet enabled platforms like business websites and online portals that may be used in carrying out commercial transactions.

The current electronic food ordering economy allows users to at a single tap on their mobile phone, to order from an

extensive range of restaurants. Technology has played an immense part in revolutionising the sector of food delivery service. It is a model that may be directly from business to consumer, or now we have aggregators who do not manufacture or create, but specialize in distribution of a whole variety of restaurant products. With the customers' ever-changing demands, such food service companies eliminate the challenge of reaching out to the market and distribution. Also, they specialise in understanding the customers, tying up with restaurants, man force for delivery and all tasks necessary to providing cooked meals delivered to the consumers' doorstep. Growingly, patrons across the nation are moving towards online ordering, with convenience being the most attractive offering in this door-delivery model.

SCOPE

The geographical scope of this research paper is restricted to restaurant consumers within Pune city. The profile of respondent is a varied mix of restaurant goers. Analytical scope is studying the data by means of excel software. Contribution scope includes useful findings and suggestions for delivery restaurants and mobile app companies. Importantly, this is a study of mobile app aggregators rather than independent business online portals.

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LITERATURE REVIEW

Schiffman, L., (2010), explained that “in a consumer behaviour background, attitude is a learned predisposition to behave in a consistently favourable or unfavourable way with respect to a given object”. By object he referred to the exact consumption or concepts related to marketing. Attitudes, he said are learned and are relevant to purchase behaviour. They are formed as an effect of direct experience with the concerned product, information acquired through word-of-mouth from others, exposure to mass media advertising, internet and other channels of direct marketing. Another attribute of attitudes is that they are quite reliable, stable and consistent with the behaviour that they reflect. Consumer purchase preference, consumer demographics, consumer lifestyle and consumer benefit perception contribute to the attitude of consumers towards online shopping.

Stephen, A., (2015), quoted Belk to explain the “extended self” in order to explain the digital environments in which consumers operate from. He explained that consumer may have not one, but multiple personas in the digital arena. These might be different from that persona that he might have in real. The electronic medium provides an opportunity for varied faces to surface. With this regards Stephen mentioned that people try to use these personas to influence others on the digital medium. These are influencers and might succeed in influencing potential and prospective consumers.

Kedah, Z. and Ismail, Y., (2015), found that electronic food ordering is a convenient way of ordering, arranging and delivering food, especially for busy city working people. He mentioned that the online platform provides companies to have an interactive and personalized service to the customers. This enables the service to be customized and leads to greater satisfaction. In fact, owing to the ready reach and variety of offerings, it also leads to instances of impulse buying. Customers can effortlessly look for an ideal match of locality, preferred cuisine, budgeted priced and many such parameters as filters to their online search. This is in addition to readily receiving information from various posts on the interactive media which influence the buying decisions.

Goh, S., et. al, (2017), reflected that the internet technology has been endlessly impacting the business and economy in a huge way. It has revolutionized the retail segment, and this is only the tip of the iceberg. The commerce has begun and come up in a big way, and is only growing. It is expected to grow much more and will be bigger than any other form of retail. The most attractive feature of online commerce is convenience. Especially the food industry can benefit and grow multifold. The food industry is just in the nascent stage. It is the start and will only grow. Restaurants

are working various formats to sell their merchandise on the digital forum.

Prabhu, (2016), also endorsed that the market for online ordering for food is substantial in a very short period of time. He found that it has grown to almost 65% of market share of total delivery orders. This is a big boost and reason for keep innovation the apps in order to satisfy, retain and attract new customers. It is personalized, but quality improvements keep updating on the digital forums in order to keep make the process more seamless and customized. It is important to retain the old customers by means of improving apps, but not drastically altering it that it make may confuse the old patron or take him more time. Also, for the new customer it should be very user friendly and easy to operate, whereby he does not have to spend a long time familiarizing to the navigation and transition.

Kedah, Z. and Ismail, Y., (2015), advocated that by altering and adjusting the app design, especially is the visual sense, contributed significantly to customer satisfaction. The main elements that may be used for this effect they said are pictures, words, colours and icons. They also shared that service providers should build their model adapting to the local culture and sensibilities.

Goh, S., et. al, (2017), shared that innovations and advertising in the merchandising food online business have greatly contributed to the increase of online food sale and it is increasingly rising. They further added that business owners adopted diverse approaches in providing online ordering service to their customers with the intention to ease the ordering process that the customers encounter.

Mullany, (2016), concluded that anticipatory and proactive approach to planning ahead and designing the app experience is a crucial step to guarantee if the mobile application is worth to install, open and operate.

In another study, Freemans, (2014), stated that it is found in most cases, that the user’s sense of enjoyment directly impacted the trigger to further ordering food on an impulse. He said that particularity of visual optimization played an important role for user to use it. This meant that from the many data reviews one can study and find the attitude of the current and original visual design, habits, intentions, which need to be considered while optimizing the app.

OBJECTIVES

- To study the popularity of online ordering system.
- To understand the customer attitude towards usage of online food ordering apps.
- To evaluate the challenges faced by customers when using online food ordering system.

KEY TERMS AND DEFINITIONS

The following key words are defined for better understanding of the subject of study.

Customer Attitude: In a consumer behaviour context, attitude is a learned predisposition to behave in a consistently favourable or unfavourable way with respect to a given object.

Electronic / Online Ordering System: The Online Ordering System can be defined as a simple and convenient way for customers to purchase food online, without having to go to the restaurant.

Mobile Applications / App.: A mobile application, most commonly referred to as an app, is a type of application software designed to run on a mobile device, such as a smart phone or tablet computer. Mobile applications frequently serve to provide users with similar services to those accessed on PCs.

LIMITATIONS OF THE STUDY

The size of the respondent is limited. The primary study is purely on the basis of their response, which may be more worthy with an increased size of respondents. Also, the geographical study is limited to a particular city. For a broader and generalised understanding it has to be studied across multiple cities. In the space of online food ordering, only the online aggregator delivery companies have been taken into consideration. It lacks the business online web portals and apps.

RESEARCH METHODOLOGY

Collection of Data

The primary data required for the research was collected using the following technique:

- Data collection tool: Questionnaire.
- Research Design: Descriptive.
- Sample Type: Non Probability Convenience and Judgment.
- Sample size: 83

Apart from the above mentioned tools the relevant secondary data for the research was collected from journals, books & internet.

FINDINGS

It is a studied fact that more consumers increasingly both in numbers and frequency, prefer eating food from restaurants.

It is attributed to many reasons. This study concentrates on food delivered at a location of preference by means of using food ordering mobile apps. Owing to ease of availability and growing use enablers such as internet and smart phones devices, use of various mobile applications has increased. Food ordering through Zomato, Swiggy, Uber eats, Foodpanda is fast becoming the preferred way of having food delivered.

Users of Online (mobile) Food Apps and Medium of First Introduction

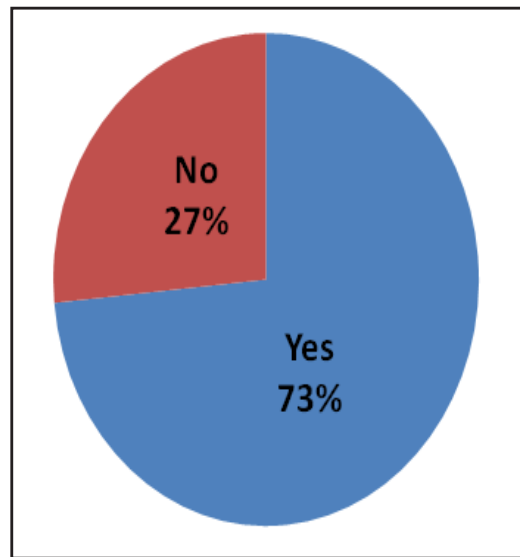


Fig. 1: Users of Online Food Apps

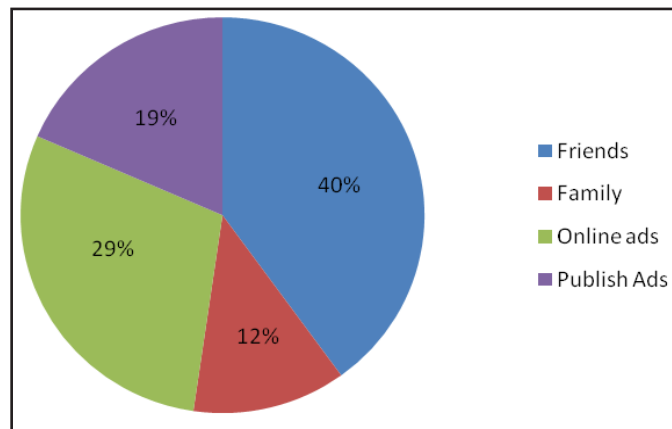


Fig. 2: First Introduced By

It was found that majority of today’s food ordering population orders food by using mobile apps. This means that the market is ready and has accepted this medium of food order and delivery. Interestingly, they were first introduced to the medium by their friends, followed by online advs. This reflects that social word of mouth, and electronic advertisements are a source of such referrals.

Usage – First used and Frequency of Current Use

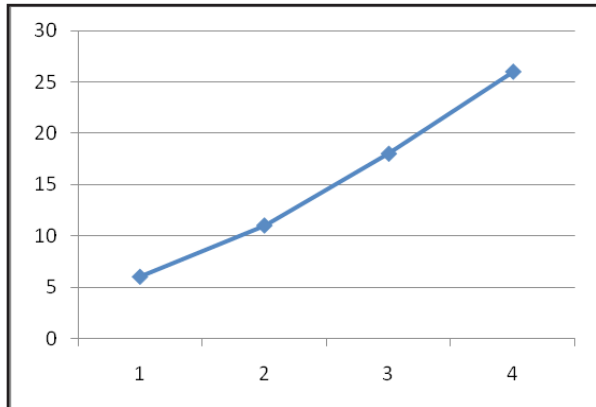


Fig. 3: Trend of First Used

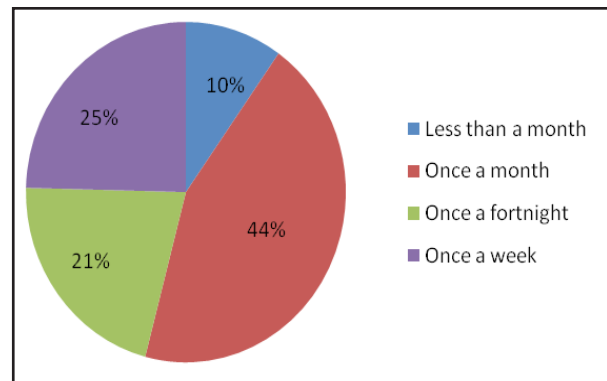


Fig. 4: Frequency of Usage

It was found that there is an increasing trend of first time users. This reflects that the usage has scope, as many people are joining to order food online. Those who previously did not use this channel are joining. Also, the majority of usage of ordering is on a monthly and bi-monthly basis.

Reasons Contributing to the Usage of Online Food Ordering Apps

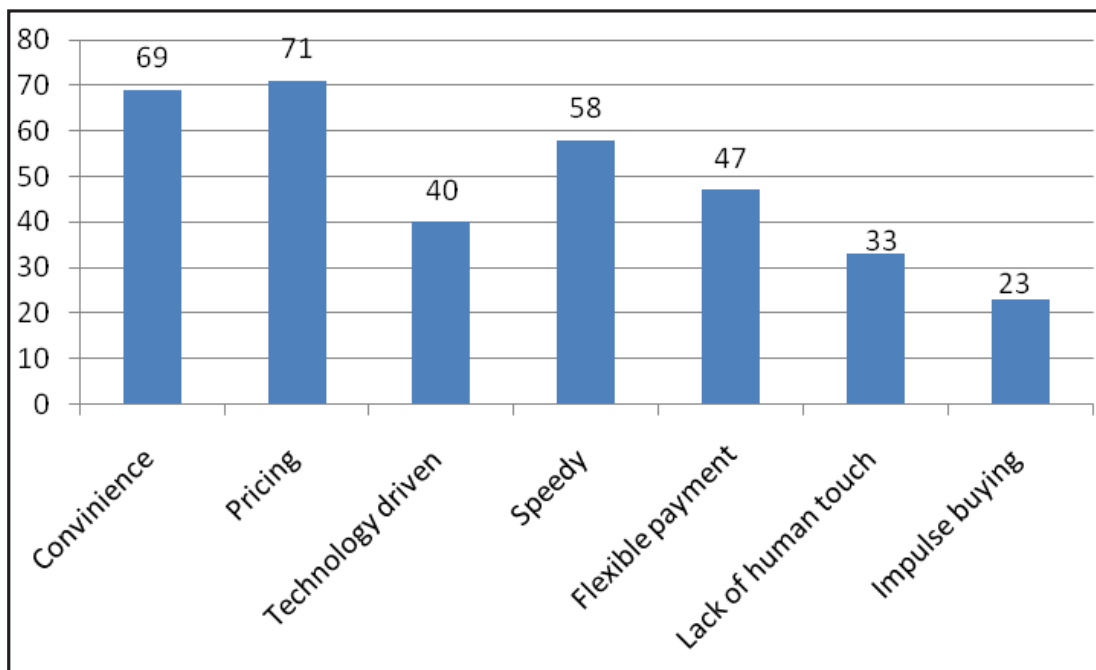


Fig. 5: Reasons of Usage

The study reflected that attractive and discounted pricing promotions and convenience of having food delivered are the leading reasons of consumers using mobile apps to order food. This is followed by speed of service which was

perceived to be quick. Flexibility in payment options is also a strong consideration. Impulse buying and lack of human touch does not contribute significantly to affect usage.

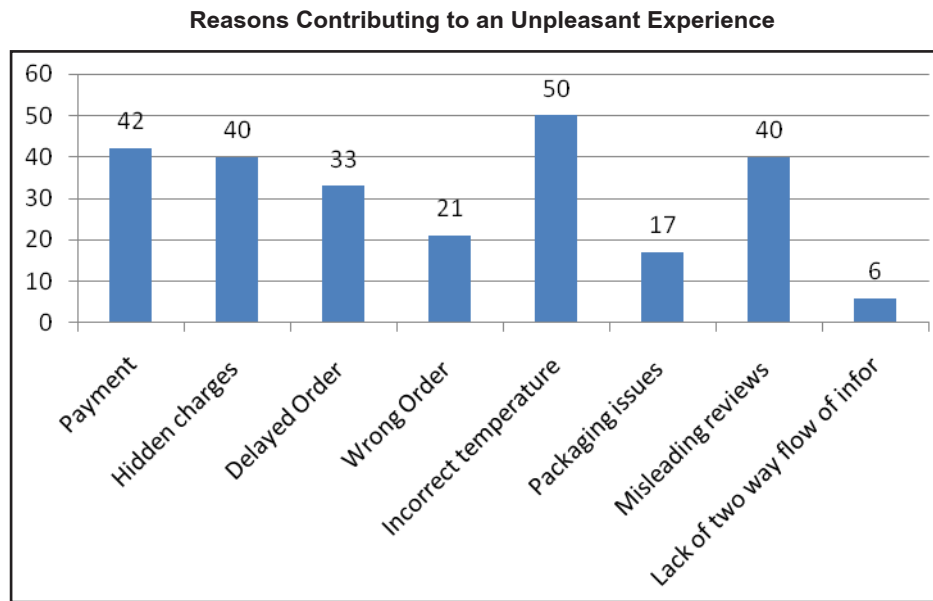


Fig. 6: Unpleasant Experience Reasons

It was found that majority 74% of the respondent users have faced an unpleasant experience. This signifies that majority of them have found the online channel of food delivery lacking in some way. The leading reason is food temperature being compromised. The next distinguishing reasons are problem with payment, charges quoted being misleading and reviews that did not match the product.

Additionally, consumers also shared other unpleasant experience:

- The delivery personnel did not carry change.
- After selecting the order from the restaurant, the order kept getting cancelled for three times in a row.
- If there is more improvements in fast food delivery in the time it will be good.

Suggested Improvements by Patrons

The following are few of the improvements as suggested by patrons.

- More convenient and user friendly.
- It should be more involvement in to food ordering system.
- If there is more improvements in fast food delivery in the time it will be good.
- Discount should be there for cash on delivery also not for only credit card person.
- No ads please.

- GPS should be more accurate so the delivery person will reach on time instead calling 3 to 4 times for exact address.
- I should have direct contact with the restaurant if I have to make any changes with my order.
- Delivery boys do not carry changeplease carry change.
- Temperature of the food.
- Deliver it as early as possible.
- I think if there is improvement in food delivery in given time it would be better speedy delivery.

SUGGESTIONS

Based on the responses received from respondents, we have learnt, observed and analysed and on its basis made the following suggestions.

The market is new and is growing rapidly. Also, it is a competitive set-up. The companies need to constantly upgrade and optimize their apps for a smoother seamless and speedy experience.

Distractions like pop up advertisements are distractive. Instead use of analytics to make the decision making process fast and effortless would be desired.

Since it is a distribution channel, the distribution should be tackled from the software side and also from the human delivery side. Both together affect the overall experience.

CONCLUSION AND DISCUSSION

The study was undertaken to understand the acceptance and attitude of consumers towards online food ordering in today's digital world. It was found that consumers have lapped up the offering as it is speedy, convenient and attractively priced. There are also a few apprehensions like lack of technological know-how, lack of trust and unpleasant experiences that have deterred consumers from the platform. Yet, with optimization efforts from the businesses, the apps and online delivery channel model will continue to evolve and develop, leading to increased market which is certain that it will only grow.

FUTURE SCOPE FOR RESEARCH

A study may be undertaken to understand the operations of various successful online food distribution models. Also, the study might be developed into a larger geographical reflection. Inclusion of apps and business websites, their competitive dynamics may also be considered to study.

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