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Customer Perception Online Food Delivery Sector

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Abstract:
In the present era of fast world, Indians are becoming more foodies. In India, Food Services emerge as a important segment in Indian economy. The facts and figures from the available literature provides a stand for the potential in the sector of Food Services. The objective of this research work is to understand the level of customer satisfaction in the online food delivery aggregator. A sample survey of 85 respondents of the Nagpur region has been analyzed on various dimensions customer perceptionfor the Online Food Delivery Sector. Thus this research work is an attempt to find out the key factors which can increase the business segment of Online Food Delivery Sector.

Keywords: *Customer perception, food service sector*

I. Introduction

Now-a-days Indians are becoming more foodies, if talk about ancient Indians back in decades eating out had been not a prominent in Indians life, but over the years, due to changing consumption pattern a tremendous change has been noticed.

In present time, Food Services marketin India are of two types viz.organized and unorganized.

InOrganized sector it consists of:

- Standalone restaurants across all formats with less than 3 outlets.
- Chain format which has 3 or more outlets across all formats.
- Average spending capacity per person is Rs.100-2000.

InIndia, Indian Food Service market are (organized and unorganized) it is estimated as INR 3,37,500 crore in year 2017 and is projected to grow at a CAGR of 10% over the coming next five years to reach INR 5,52,000 crore by 2022.

Table 1: Market share of the Indian Food Services in India as unorganized market and organized market from year 2013 to 2022

	Market share (2013)	Market share (2017)	Market share (2022 P)	(CAGR) (2013-2017)	(CAGR) (2017-2022)

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Un-organized Market	70%	66%	57%	6%	7%
Organized Market	30%	34%	43%	11%	16%

II. Literature Review

The facts and figures in the avalable littératures are discussed in this section.

[1] In thisstudy, the researcherwasreluctant to find out the thoughts and perceptions of the customersbeforethem move towardselectronicfoodordering. The internet userswere all aware about the electronic world and its pros and cons. On the other hand, the non usersalsocaught the researcher's attention as theythoughtthiswastheiropportunity of socializingwith the outsideworld and theirdesire to makethemselvesaware about the technology.

[2] This study has shown that perceived control and convenience are keys to customer use of online ordering which leads to higher satisfaction.The main reason for e-ordering of food is that of convenience. On the other hand non-users are also reluctant to try their hand on the use of technology.

[3] The study reveals that penetration of online food ordering services is high. The student users of these services are well versed with the information available on these websites and also use help services available online. The customersalso have no issue regarding the online payment system. Hence, the percentage of placing online foodordersisfound to behigh.

[4]In this case, the researcher highlights not only the easy usage of the online apps, but also addresses some key elements like privacy, security& payment system design, which are also taken into consideration by the users before they access the online food delivery apps. Not only quality & offers are the main aspects of the customers but also they should be assured that the payment made by them reaches the company & hence should not be subjected to any kinds of fraud.

[5] This study has a verydifferent perspective as compared to the aboveones. In a country likeIndia, whichis the second mostpopulated in the world, severalusers have access to online fooddelivery services. After the existence of services providers likeSwiggy, Zomato etc. manyfake restaurant lists are alsoestablishedwhorents a room as kitchen, prepares the dishes and sale lot through online service providers.. It isnormallyobservedthatsuch organisations do not maintainproperhygiene and cleanliness.

[6] This particular study defines the merits and demerits of online delivery channels. One such demerit that should be taken into consideration is that of the return policies. Many online organisations normally refunds their customers rather than collecting the product themselves. This saves their time and money and efforts.

[7] In this study it can be observed that the users didn't choose online food delivery for enjoying their favourite food from their favourite restaurant at home. Nor they chose it for online food delivery brand but simply for discovering, understanding and learning the use of technology in the food sector – how it works and how it would benefit them.

[8] This study refelceted that the online fooddeliverysector in China is not efficientlyorganised. China's online foodindustryishaving a constantnegativeword-of-mouth. As China is the largest country in terms of population, online foodsectorscan have tremendousopportunities and be able to tapitsmarketif the organisations work in an

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efficient manner. In such cases, China canapproach for corporatetie-upswithotherdeveloped/developing countries for promoting and gearing up the online fooddelivery business.

[9],[10] These two research work mainly contributed the apps available in the local markets. The regional diversities can be studied from these tworesearch work that can help to find out customer perception online food delivery sector in the local market of Nagpur region.

III. Research Methodology

The processused to collect information and data for the purpose of making business decisions. The methodologyincludes publication research, interviews, surveys and other research techniques and includes bothpresent and historical information. A convient sample survey was conducted by preparing the Google form where-

Universe :Users/customers who use online food delivery apps.

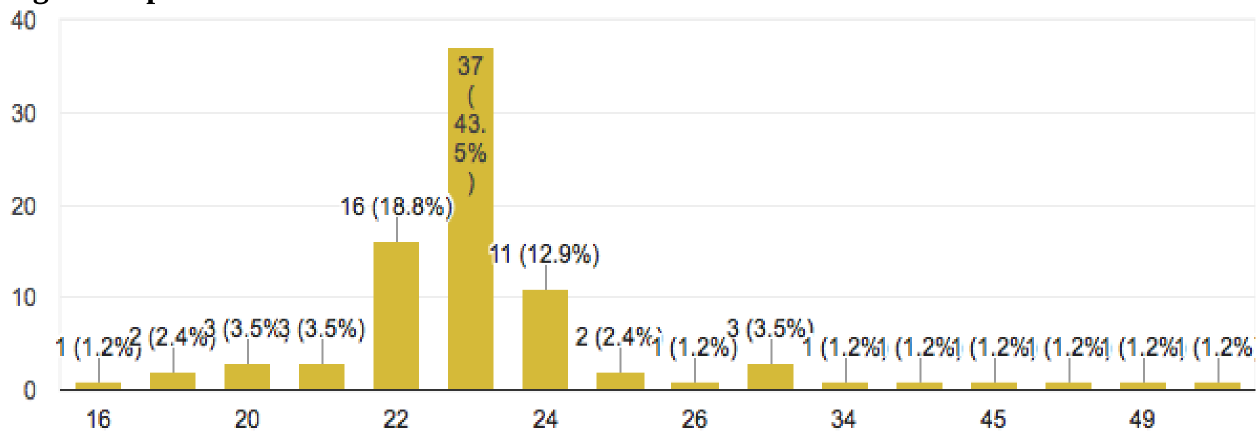
Sample Size (N): N = 100

No. of Respondents: 85

IV. Data Analysis and Interpretation

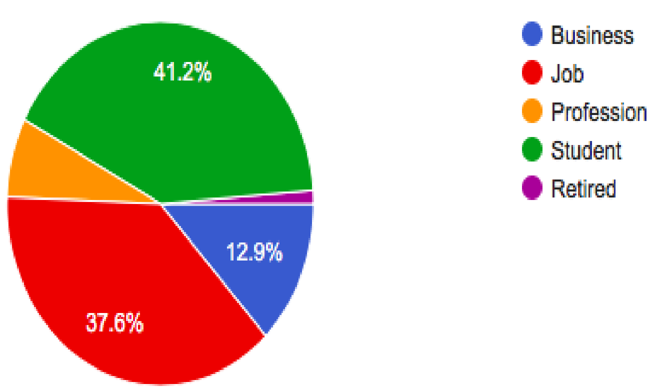
Various graphical tool such as bar chart and pie chart were use to analyze the trends in the local respondents of the region.

(i) Age of respondent



Here we can see that there is**43.5%** of people from age group of 23 who orders from rest of the age group.

(ii) Occupation of the respondent



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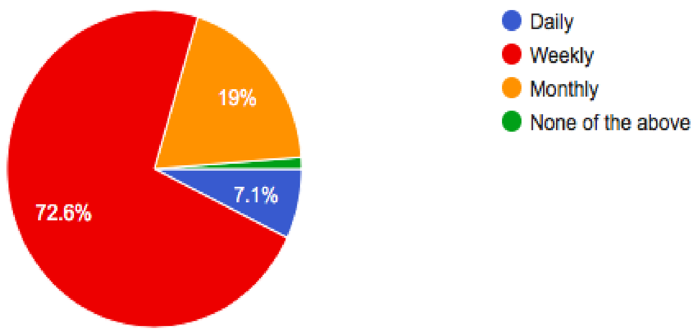
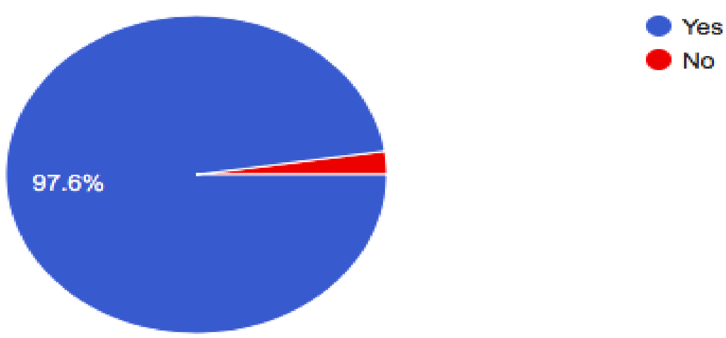
It is observed that more of the respondent are from student background with **41.2%** and on the second one is job going people with **37.6%**

(iii) How often do they visit restaurant?



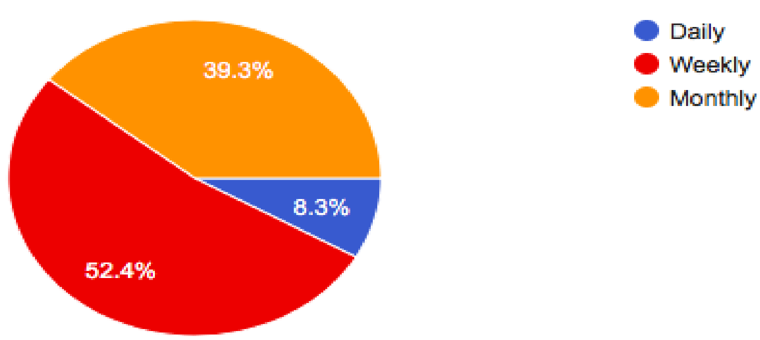
From this diagram it is observed that **72.6%** from 100 of respondent visits weekly to a restaurant.

(iv) Have you ever ordered food online?



In this diagram it is shown that **97.6%** of the population have ordered food online, by this it can be understand that more of people are aware of online food aggregator (food panda, zomato, swiggy, ubereats)

(v) How often do you prefer online food delivery service?



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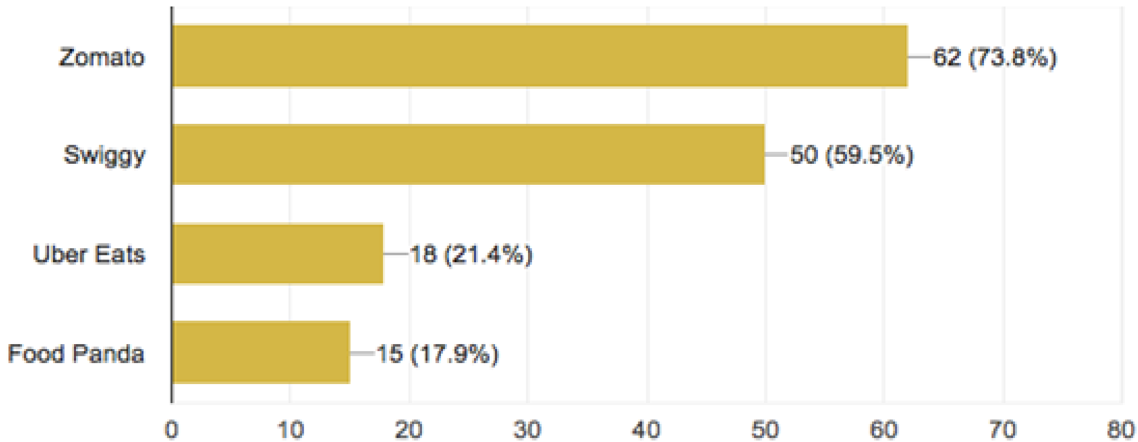
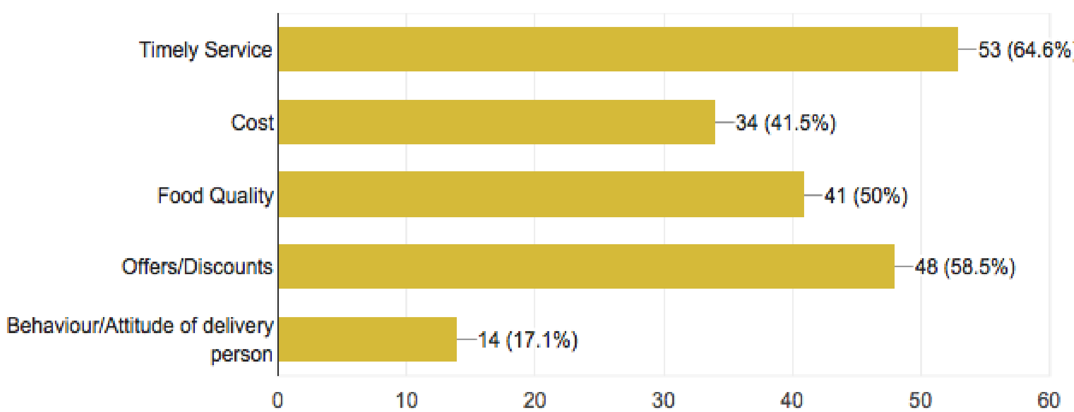
It is observed that **52.4%** of respondent are preferring ordering food online weekly and **39.3%** of respondent prefer monthly and **8.3%** of respondents prefer to order daily food online.

(vi) Which online food delivery brand do you prefer?



Graph shown above it can been seen that zomato is most preferred brand from the other brands of the online food aggregator which his having **73.8%** of total respondent prefer to and then swiggy by **59.5%**, uber eats by **21.4%** and last but not the least food panda with **17.9%**.

(vii) Why do you prefer the brand mentioned in list?



As it is most important is timely service for any service provider in the food industry, so we can see that highly preferred point is timely service with 64.6%, offers/ discounts with **58.5%**, food quality with **50%**, cost with **41.5%**, and last behaviour/attitude of delivery person is with **17.1%**.

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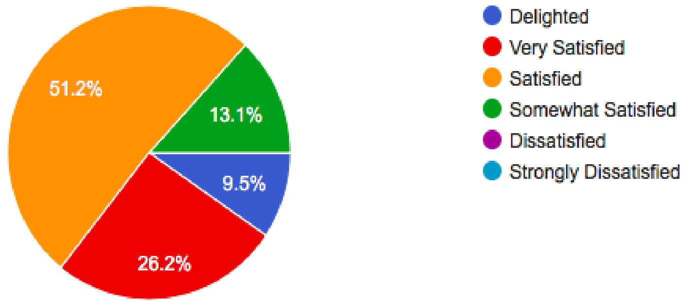
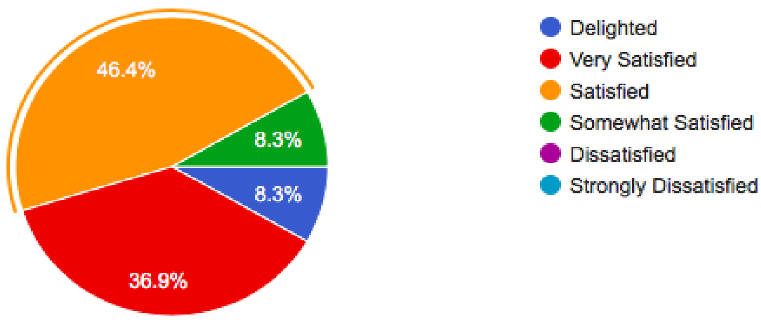
(viii) Are you satisfied with the Brand?



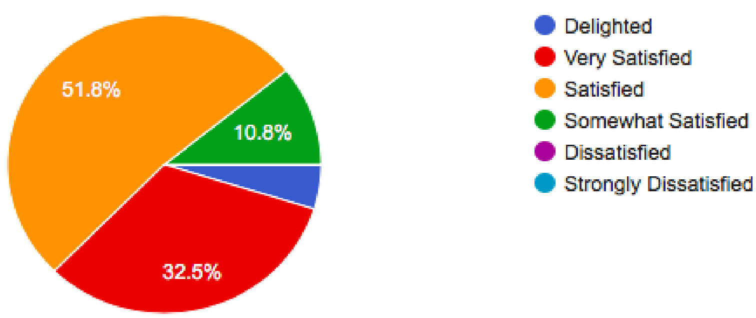
It is observed that **51.2 %** of respondent are satisfied with online food aggregator brand, where **26.2%** of respondent are very satisfied.

(ix) Overall service quality?



In service quality question more than **46.4%** of respondent are satisfied with the service quality provided by the online food aggregator, **36.9%** are very satisfied, **8.3%** are somewhat satisfied and **8.3%** are delighted with the service quality.

(x) Value?



In value it is been observed that **51.8%** of respondent are satisfied by given value, **32.5%** are very satisfied, **10.8%** of respondent are somewhat satisfied with the vale given by the online food aggregator.

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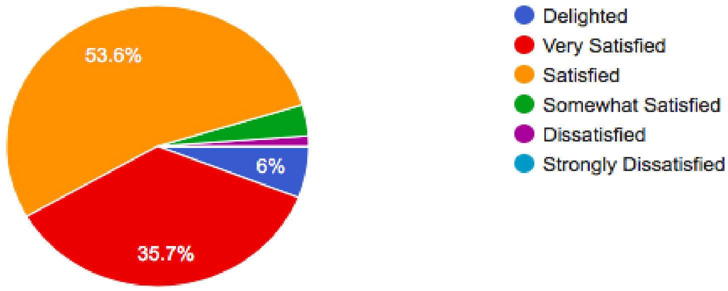
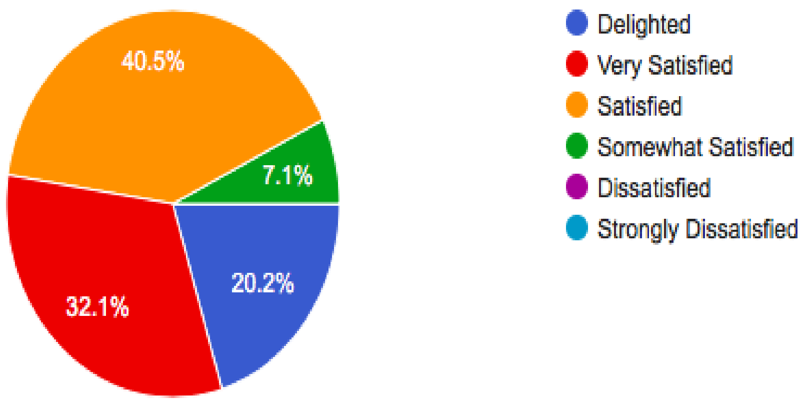
(xi) Purchase experience?



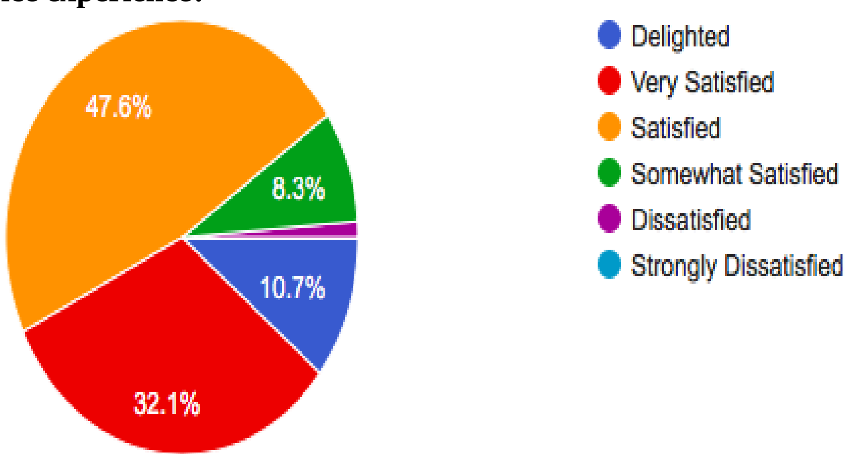
Purchase experience of respondents were satisfied are **53.6%**, very satisfied are **35.7%**, delighted are **6%** of the total respondents.

(xii) First use experience?



From the very first use of the online food aggregator service, **40.5%** of respondent were satisfied, **32.1%** were very satisfied, **20.2%** were delighted and **7.1%** were somewhat satisfied with first use experience.

(xiii) After service experience?



After service experienced, it was **47.6%** of respondents were satisfied, **32.1%** are very satisfied, 10.7% are delighted and 8.3 % are somewhat satisfied with the after service experience.

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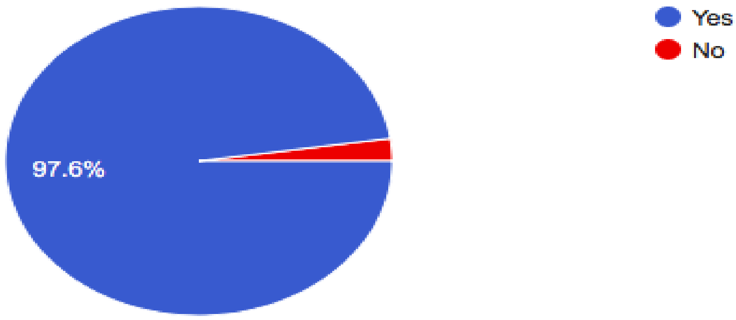
(xiv) Recommendation of brand to others?



97.6% of respondents are recommending the brand to other for online food aggregator service.

V. Conclusion

After conducting a survey of online food aggregators in Nagpur region, we observed that:

- About 75.2% of the users are between the ages of 22 to 24 years. This particular group of individuals are mainly students who prefer to order online from the restaurant of their choice and eat at home, in a relaxing environment.
- Irrespective of their age, about 41.2% of the respondents are students and 37.6% of the respondents are job holders.
- On the other hand, 97.6% of the users have ordered food online. By examining this, we can say that the online food industry has a tremendous market opportunity in the coming future. Still, about 2.4% of the respondents have never ordered from any online food delivery organization.
- When it comes to the brand, about 73.8% of the respondents prefer Zomato mainly due to its timeliness and availability of a variety restaurants listed under it.
- On the other hand, satisfaction level varies from person to person. Only about 9.5% of the respondents are delighted by the organization's service. 51.2% of the respondents are satisfied with the service. Though there are no dissatisfactions from the consumers' side, the online food delivery sector of needs a full-fledged strategy for making it a success.

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