Consumer Buying Behaviour Towards Online Food Delivery Apps In North Maharashtra Region

Prof. Abdul Kadir .N. Arsiwala

Assistant Professor
KCE's, M.J. College (Autonomous), Jalgaon, Maharashtra, India

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, main focus is to analyse the buying behaviour of consumers using food delivery apps to order food.*
Keywords: *Food delivery, Online Food, Mobile application Zomato, Swiggy, ecommerce, consumer buying behavior*

I. Introduction

Services sector is the largest sector of India. Gross Value Added (GVA) at current prices for Services sector is estimated at 92.26 lakh crore INR in 2018-19. Services sector accounts for 54.40% of total India's GVA of 169.61 lakh crore Indian rupees [1]. As per the CSO the growth of the services sector is expected to be 7.5% in 2018-19 as compared to 8.1% in 2017-18. In 14 states, services contribute to more than half of the gross state value added. India ranked ninth in the world in terms of size of the services sector in 2017[2]. Indian Online Food delivery is growing steadily over past few years RedSeer – a research and advisory firm in its report of February 2049 revealed that Indian online food delivery market received a growth of 150 per cent in 2016 with an estimated gross merchandise volume (GMV) of USD 300 million[3]. 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 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 customer is delivered by using logistical support of online food delivery companies. it is a win-win situation for parties involved, customer gets variety of food delivered to their doorstep adding to convenience; restaurants experience increase in their business whereas food delivery company gets commission on amount of food delivered from restaurant.

Mobile applications of Zomato, Swiggy, Uber eats are very popular as they provide customers with wide variety of dishes from different nearby restaurants and customers can easily place orders. The mobile applications provide various payment modes and even an option to pay cash at the time of delivery. Customers can also track their orders by using online tracking system provided by the online food delivery companies.

All these facilities provided by online food delivery companies along with very competitive prices and regular offers have made online food delivery a booming business in current times [4]. There has been a significant increase in business of restaurants due to advent of online food delivery apps [5]. Users opt more for take-away and home delivery. Most users favor online apps as food-on-click feature makes it possible to get food delivered right at their door instantly. This, in a way, has boosted the restaurant business widely [6]. Unarguably, the increased reach of internet has benefited the customers in buying food online and the perception of online purchasing as well. As a result, e-commerce business is flourishing in Jalgaon City.

Objectives of Research

The current study focuses identifying consumer buying behaviour towards online food delivery apps in Jalgaon city of North Maharashtra. The study aims to identify the reasons which motivate the people of Jalgaon city to use online food delivery apps to order food instead of conventional methods.

Research Methodology

A Cross Sectional Questionnaire was prepared based on study of consumer buying behaviour towards online food delivery apps in Jalgaon city was prepared and distributed among 250 participants in Jalgaon City who regularly use internet services. The questionnaire was pretested and structured. First section of questionnaire dealt with demographic details of respondents and their behavioural outlook towards online food delivery apps. Next two sections evaluate the consumer buying behaviour towards online food delivery apps. The participants were explained the purpose of the study and were provided questionnaire, there were requested to complete and return the questionnaire in 15 minutes. Out of 250 questionnaires distributed, 50 respondents did not order food through online food delivery apps and hence were not taken for data analysis. Analysis was done for a total 180 complete questionnaires. 20 questionnaires were excluded from study either due to incompleteness of non-return.

II. Results

In this study, 71.67% of respondents are male whereas 28.33% of respondents are females, majority of people using online food delivery apps are under age 16-20 (50.55%) followed by 20-25 (37.22%). Most of the customers of online food delivery apps are students (71.67%). Customers having monthly income 0-30,000 (77.77%) are major users of online food delivery apps.

Table 1: Demographics of Respondents

S.N	Demographic parameters of respondents		% (n)
1	Gender	Male	71.67 % (129)
		Female	28.33% (51)
2	Age	16-20	50.55% (91)
		20-25	37.22% (67)
		25-35	8.33% (15)
		35 and above	3.89% (7)
3	Occupation	Not working	2.22 % (4)
		Student	71.67% (131)
		Working	10.00% (18)
		Self Employed	15.00% (27)
4	Monthly Income	0-30,000	77.77% (140)
		30,000 to 60,000	11.11% (20)
		60,000 to 1,00,000	6.11% (11)
		Above 1,00,000	5.00% (9)

Table 2 analysis the buying behaviour of customers towards online food delivery apps. Two service providers Zomato & Swiggy offer online food delivery service in the city. It was found that majority of customers order food using Zomato app (66.67%). Also it was found that most people prefer to buy foods on weekends than on week days (62.2%). Customers in Jalgaon prefer to order snacks over meals as is evident from the responses in favour of snacks & others(47.8%). Vegetarian food is most ordered food choice by customers (47.8%). Majority of people spend upto Rs 500 per month on ordering food (60%) and cash on delivery is most preferred mode of payment (61.1%).

Table 2: Buying Behaviour towards online food delivery apps I

S.N	Questions		% (n)
1	Which App do you Use for Ordering Food online?	Zomato	66.67% (120)
		Swiggy	33.33% (60)
2	When do you prefer to purchase food from online food delivery app	Weekdays	37.8% (68)
		Weekends (Saturday, Sunday)	62.2% (112)
3	Which meal do you order most using online food delivery app?	Breakfast	6.7% (12)
		Lunch	7.8% (14)
		Dinner	37.8% (68)
		Snacks & Others	47.8% (86)
4	What Kind of Food you prefer most?	Vegetarian	47.8% (86)
		Non Vegetarian	31.1% (56)
		Fast Food	21.1% (38)
5	Monthly amount spent on ordering food	Less than 500 Rs	60.00% (108)

	online	500-1000 Rs		26.7% (48)
		1000-5000 Rs		13.3% (24)
6	Preferred mode of payment used for ordering food online	Cash on Delivery		61.1% (110)
		Third party payment apps (like paytm)		20.00% (36)
		Credit/debit cards		6.7% (12)
		Internet banking		10.00% (18)
		Others		2.2% (4)

The respondents were asked why they preferred to order food through online food delivery apps. The responses were as follows.

Table 3: Factors which motivate customers to buy food from food delivery apps

S.N	Question	Particulars	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Why do you like to order food through Online Food Delivery Apps?	Ease and Convenience	25.6% (46)	30% (54)	26.7% (48)	12.2% (22)	5.6% (10)
		Faster Delivery	24.4% (44)	30% (54)	28.9% (52)	12.2% (22)	4.4% (8)
		Quality of Food	13.3% (24)	36.7% (66)	35.6% (64)	8.9% (16)	5.6% (10)
		Option to choose from wide variety of restaurants	28.9% (52)	32.2% (58)	27.8% (50)	7.8% (14)	3.3% (6)
		Food Tracking System	33.3% (60)	34.4% (62)	18.9% (34)	7.8% (14)	5.6% (10)
		Variety of Payment Options	40% (72)	26.7% (48)	21.1% (38)	7.8% (14)	4.4% (8)
		Offers & Discounts	33.3% (60)	24.4% (44)	22.2% (40)	13.3% (24)	6.7% (12)
		Less Human Interaction	20% (36)	24.4% (44)	31.1% (56)	15.6% (28)	8.9% (16)

Majority of respondents said that Food tracking system (67.7%), Variety of Payment options (66.7%) and option to choose from wide variety of restaurants (61.1%) as most appealing factors of buying food online.

The respondents were then asked the reasons which prevent them from ordering food through online food delivery apps. The responses received are as follows.

Table 4: Factors which restrain customers from ordering food from online food delivery apps

S.N	Question	Particulars	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	What are the factors restraining you from using online food delivery apps?	Health Concerns	7.8% (14)	21.1% (38)	37.8% (68)	17.8% (32)	7.8% (14)
		Hygiene Concerns	18.9% (34)	20% (36)	35.6% (64)	16.7% (30)	8.9% (16)
		Quality Concerns	21.1% (38)	25.6% (46)	32.2% (58)	17.8% (32)	3.3% (6)
		Prefer Homely Food	32.2% (58)	25.6% (46)	24.4% (44)	11.1% (20)	6.7% (12)
		Self Cooking	24.4% (44)	20% (36)	28.9% (52)	14.4% (26)	12.2% (22)

It can be seen that Quality concerns (46.7%), Preference to homely cooked food (57.8%) and self cooking (44.4%) are some of the major factors which restrain the respondents from ordering from online food delivery apps more often.

Findings
The research has brought forward following major findings
- Majority of people ordering food online are between 18-25 years of age.
- Students are the major customers of online food delivery apps making up of more than 70% of total consumer base.
- Zomato is more preferred app for ordering food in Jalgaon City.
- People prefer to order food online on weekends during holidays.
- Majority of people use the apps to order snacks and refreshments, the monthly expenditure in most cases does not exceed 500 Rs.
- Cash on delivery is most preferred payment option among respondents.

- Food Tracking system, option to choose from a wide variety of restaurants and payment options are some of the major factors responsible for motivating respondents to order food through online food delivery apps.
- Quality concerns and home cooked food are major restraints for respondents while ordering food online

III. Conclusion

The analysis of responses clearly indicate that Students and young adults upto age of 25 years are major customers of food delivery apps in Jalgaon city. The service providers should frame their marketing strategies keeping in mind the young customer base. It is also observed that majority of people prefer to order food through Zomato rather than Swiggy this may be due to the fact that Zomato started providing service to the customers first and Swiggy entered Jalgaon at a later date. Customers have established a brand loyalty towards Zomato. Majority of people in Jalgaon still have home cooked meals and order snacks and refreshments through food delivery apps. It can be concluded that ordering food through food delivery apps have their own advantages and limitations. Study shows that variety of food and payment option along with food tracking are major influencing factors for ordering food from online food delivery apps. Whereas prefereance to home cooked food and quality concerns are few of the factors which restrict the customers from ordering food from online food delivery apps.

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