

Consumers Perspective Towards Online and Offline (Restaurant) Food Services

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Abstract: The study of consumer perception towards online and offline (restaurants) food ordering service is very important to the marketers because it enables them to understand and predict the behavior of the consumers towards the services... It is concerned not only with the consumers but also with the restaurant owners who may find it to be profitable. The purpose of this study is to analyze the consumer perception and satisfaction levels towards the usage of "Online Food Ordering Applications" and the services provided by it. The data was predominantly compiled based on the structured questionnaire. Convenience sampling technique was used. Data was collected from primary and secondary sources. Chi-square test was used as statistical tool to analyze the data. Findings reveal that there is a positive response about towards the usage of Food Ordering Applications like Swiggy, Zomato, Uber Eats, Food Panda etcetera and avail its services. The people today have become more conscious towards their health that they order food from reputed restaurants. Technology has made life more convenient that with just a press of a button, the food arrives at your doorstep.

1. INTRODUCTION

We are living in a digital age in which we are almost doing everything over the internet. In today's world service sector contributes 64.80% in GDP. With the increased use of technology, the number of people engaging in ordering food through applications/internet portals has become a very popular means. This innovative way of ordering food has left the traditional way behind. It has also led to a tremendous number of business opportunities for expansion and diversification. The concept of ordering food online began back in 1995. Thus, online ordering project illustrates how to supervise for good performance and better services for the users. All over the world, the food delivery already accounts for the £83million, 1% is from the total food market and including the 4% restaurants and fast food chains. But of 2015, and the years that followed, these services have grown exponentially giving rise to many new companies that specialize in delivering food to the people. Also, many major companies have also expanded their business to provide such services.

At times when circumstances do not permit us to go out, we prefer to order food online using the various applications/web portals. The reasons may be heat or cold or rain. The revenue earned by India according to 2019 statistics is US \$8167mn from the 189.1mn users. The revenue is expected to show an annual growth rate of 9.1% resulting in a market volume of US \$11,569mn by 2023.

The market's largest segment is restaurant-to-consumer delivery with a market volume of US \$7477mn in 2019. Business and health professional who seek to influence consumer's food purchasing decisions through digital marketing would benefit from additional insight about the characteristics of users and non-users of food related mobile applications. There are various options available to a consumer for ordering food online. The customer is provided with a wide range of discounts and various benefits that made them attracted to the practice.

Internet makes life simple and innovative. People are doing business online and trade has become more easy and fast due to this. Internet provides new ways to promote business. Website becomes the essence of online business as to show their services and products. Internet gathers all competitors and consumers in one place. It brings new lane to promote, advertise products and services in market.

Online consumers are always seeking new products, new attractiveness and the most important thing being price compatibility with their budget. The internet is the best way to save time and money through purchasing online within their range of budget at home or in anywhere. They also use internet for comparison of prices of goods and services, news, visit social networks and search information and so on.

Consumer behavior is relatively a recent revolution in the industry that applies the insights from all social and sciences to finance. It is the study of consumer's psychology while making decisions on how to spend their resources, be it time, money or effort. This system also greatly lightens the load on the restaurant's end, as the entire process of taking orders is automated.

3.1 Population and Sample

It includes respondents from the region of Secunderabad. Sample frame are the respondents using the various online and offline food ordering services. Convenient sampling method was used for the survey. The sample size is 110.

3.2 Data and Sources of Data

For this study primary and secondary data has been collected. The primary data was collected from the respondents by administering a structured questionnaire and also through observations and interviews with the respondents. Apart from the primary data, the secondary data is being collected through journals, previous projects and internet was used for this study.

3.3 Theoretical framework

The topic of consumer perception is one of the most extensively studied topics by researchers and marketers in the past and is still being studied. Prior literature provides us with a rich knowledge on which to build a research framework. With the help of journals and articles over the websites, the study was taken up regarding the Customers Perception towards using Mobile Applications to order food or to eat at the restaurant itself.

The present online ordering food economy allows users to apply a single tap of their mobile phone to order from a wide array of restaurants, so the team wants to check some literature to understand in what reason online food delivery is quite important for the people in this century.

Online food delivery market is immature, yet there are some obvious problems that can be seen from consumers' negative comments. In order to solve these problems, we can neither rely merely on the self-discipline of online food delivery restaurants nor the supervision and management of online food delivery platforms. Only by taking laws as the criteria, with the joint efforts of the online food delivery platforms and restaurants, the government departments concerned, consumers and all parties in the society, can these problems be solved and a good online take away environment can be created.

As more and more people in the developing countries are moving towards the cities, urban food and nutrition issues are becoming increasingly relevant. Consumers have specific needs and expectations with respect to their food. With intensive urbanization, large volumes of food move through the systems and the food systems themselves are becoming increasingly complex. With these changes in the Indian population more individuals stay in different cities for the purpose of studies and employment and the busy schedules of both the husband and wife in the family, the demand for online food ordering have developed and going up steadily. As proposed in the background study, excellent customer service is vital in customer satisfaction and is the prerequisite for initiating and developing long term relationship. The restaurant industry in India is at a learning curve and many full-service restaurants are not capable of delivering quality services and therefore does not contribute to customer satisfaction and lose to competition. Hence it is important to identify criteria for excellent service in full-service restaurant that can be used to serve as a bench mark to enable restaurant to initiate and develop customer's relationships differentiated offering and retention etc., resulting because of customer satisfaction. The purpose of this study is to measure the perceptions of customers regarding food ordering services among them.

FACTORS INFLUENCE THE CUSTOMER'S PREFERENCE TOWARDS ORDERING FOOD

1. Time and delivery: Time is the most important factor in any form of business or service, as time and delivery go hand in hand. On-Time Delivery is a frequently used KPI (Key Performance Index) to take account of a supplier's delivery performance based on commitment. Early delivery equals less time waste and hence it influences the consumer as everyone in this dynamic world no one wants to spend on non-productive things, getting food within few minutes depicts the relation of time and delivery as how important these to the consumer as well as the seller. The 24*7 services do a major impact as the consumer is not restricted to the certain time limit.

2. Convenience: Convenience is the biggest factor driving online food ordering, followed by affordability, a new study by primary research firm Chrome Data Analytics said. Consumers do not have to leave their home nor travel to find and obtain food online. As this factor also plays a vital role in influencing the consumer in using online food services, as improper convenience becomes the major bane which hinders the consumers into actually going and buying food. Convenience offers the consumer to have a sense of control and an authority over what to buy, the next it also helps in the selection of products on a wide variety on the internet. It is also as secure and even more than the traditional methods, getting better prices also influences the consumer to buy food online.

3. Easy Accessibility: Perceived ease of use, refers to the degree to which a person believes that using a particular system would be free of effort. This is also the major importance of online food ordering is that due to its easy accessibility in nature, within just a few clicks you get what you want onto your door step, this is what the consumer desires the most, Opening the application in the mobile phone or browsing through the browser on your laptop and order in no less than 2 minutes. Bunch of people use this just because of the accessibility, as they want as less hassle as there could be. Though some areas still do not contribute much to online food ordering due to some reasons which may include, improper internet availability in rural areas, or may be because of less advancement of technology in their reach but all of this obstacle are getting sorted out on rapid range so major flock of people can enjoy these services.

4. Flexibility: It is appreciated by everyone, as things being flexible enjoy a lot of perks and online food ordering is a very example of it. No matter where you are, at what time you want you can order this is what the consumer desires as things being worked out according to their needs and wants. All of the applications and web browsers are being designed with adjustments according to the consumer's needs and making their experience as flexible as possible. The introduction of various features in the concept of online food ordering like that of cash on delivery, door delivery, customized food order etc. is thus adding to the context of the food ordering.

5. Ease of Payment: Hassel free payments are the need of the hour and this what the consumer wants the most, usually, people avoid using online services is mainly because they do not want to get entangled in the conundrum of payments. Introducing various method of payment has led in getting people's trust and thus enhancing the business of a lot of companies

II RESEARCH METHODOLOGY

NULL HYPOTHESIS (H0): There is no significant difference between gender and preference of the customer.

ALTERNATIVE HYPOTHESIS (H1): There is significant difference between gender and preference of the customer.

NULL HYPOTHESIS (H0): There is no significant difference between gender and prefer to visit a restaurant.

ALTERNATIVE HYPOTHESIS (H1): There is significant difference between gender and prefer to visit a restaurant.

STATISTICAL TOOLS: Chi square Test was used to analyze the data. To analyze the significant difference of gender and customer preferences through ordering food.

3.1 DEMOGRAPHIC INFORMATION

Demographic information of the study sought to ascertain the general information about the respondents involved in the study with regard to their age, gender and occupation.

TABLE NO.3.0.1 AGE GROUP OF THE RESPONDENTS.

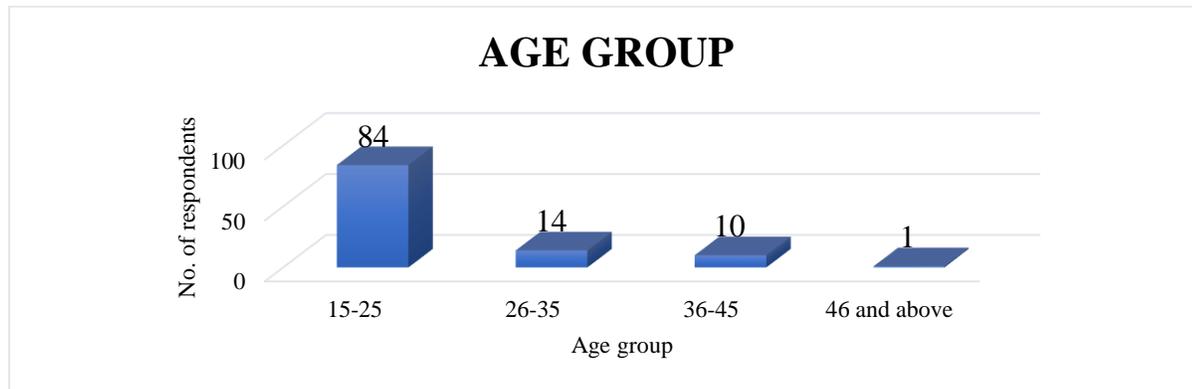


FIGURE 3.0.1

Interpretation: From the above information we can depict that out of the 100% of the respondents 78% of the respondents belong to the age group of 15-25, 13% of the respondents belong to the age group of 26-35, 9% of the respondents are above 40.

TABLE NO.3.0.2 GENDER OF THE RESPONDENTS

GENDER	NO. OF RESPONDENTS	PERCENTAGE
Male	56	51
Female	53	49
GRAND TOTAL	109	100

AGE GROUP	NO. OF RESPONDENTS	PERCENTAGE
15-25	84	78
26-35	14	13
36-45	10	9
46 and above	1	1
GRAND TOTAL	109	100

OCCUPATION	NO. OF RESPONDENTS	PERCENTAGE
Student	71	65
Others	7	6
Employee	31	28
GRAND TOTAL	109	100



FIGURE 3.0.2

Interpretation: Out of the total respondents, 51% of the respondents are male and 49% are the female.

TABLE NO.3.0.3 OCCUPATION OF THE RESPONDENTS

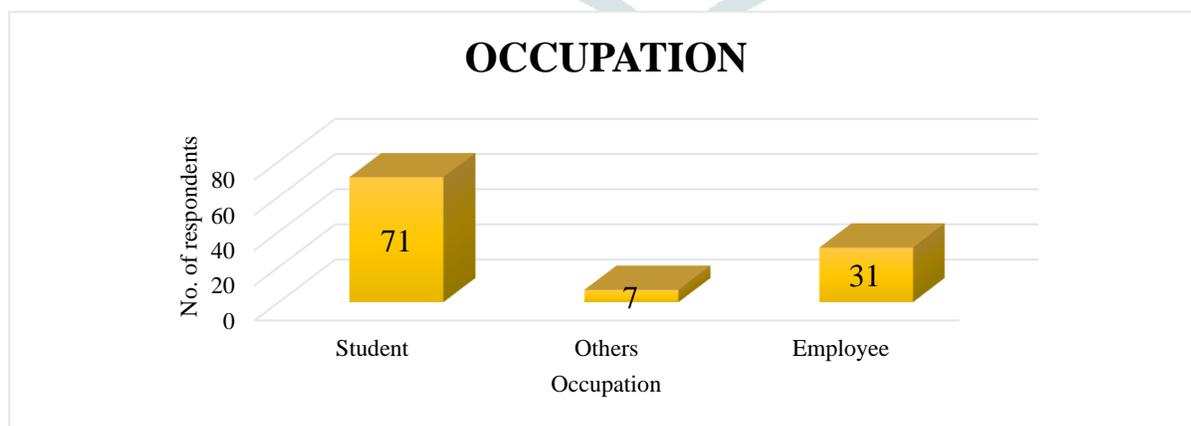


FIGURE 3.0.3

Interpretation: From the above information, we can depict that 65% of the respondents are students, 28% of the respondents are employees and 6% of the respondents are of other category.

TABLE NO. 3.1.1: PREFERENCE OF CUSTOMERS

PREFERENCE	NO. OF RESPONDENTS	PERCENTAGE
Dine-In	44	40
Ordering food online	47	43
Take Away	18	17
GRAND TOTAL	109	100



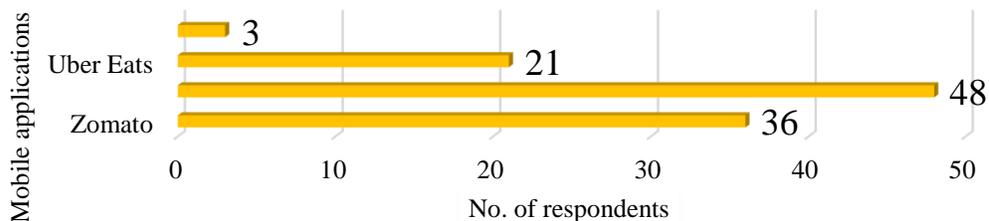
FIGURE 3.1.1

Interpretation: Majority of the people prefer to order food online whereas the number of people who opt for a take-away is the least. Many respondents chose to eat at a restaurant. The number of people who choose a take-away is the least compared to ordering online and dine-in. Out of the total respondents, 43% prefer ordering food online, out of which 40% of the respondents show their preference towards Dine-in. Only 17% of the respondents would prefer Take Away.

TABLE NO.3.1.2: PREFERENCE OF MOBILE APPLICATIONS.

MOBILE APPLICATIONS	NO. OF RESPONDENTS	PERCENTAGE
Zomato	36	33
Swiggy	48	45
Uber Eats	21	19
Others	3	3
GRAND TOTAL	108	100

PREFERENCE OF MOBILE APPLICATIONS

**FIGURE 3.1.2**

Interpretation: The above information depicts that the Swiggy food application is used by the highest number of respondents and Zomato is the second most used food application by the people and there are other applications like Uber Eats which are less used. Uber Eats is the least used application when compared to Swiggy and Zomato. There are also other applications which are not very well recognized but provide similar services. Out of the total respondents, 45% of the respondents prefer to order food through Swiggy, 33% of the respondents opt for Zomato, 19% of the respondents use Uber Eats and only 3% of the population prefers to use other food applications.

TABLE NO.3.1.3: TIME OF ORDERING FOOD

PART OF DAY	NO. OF RESPONDENTS	PERCENTAGE
Afternoon	28	26
Evening	42	39
Morning	1	1
Night (Midnight included)	38	35
GRAND TOTAL	109	100

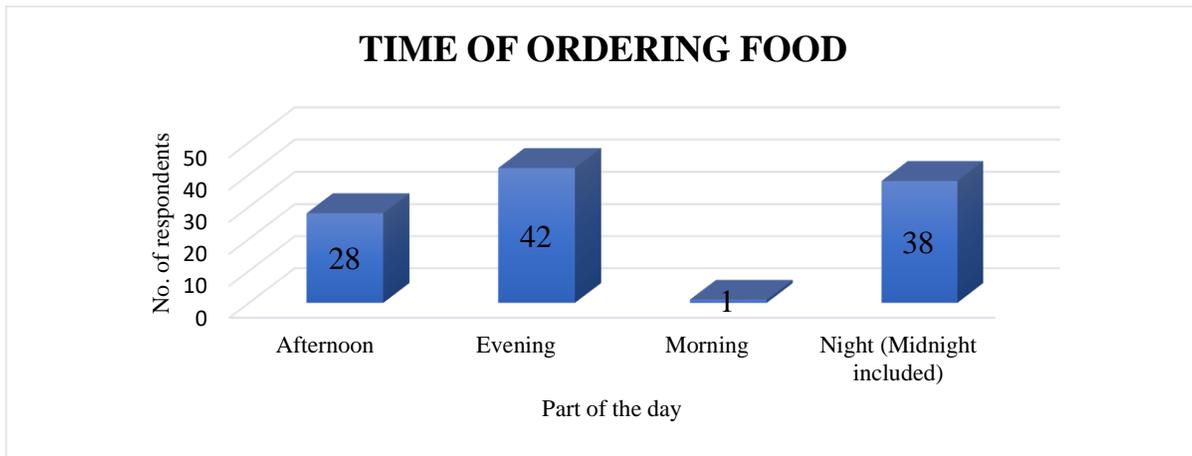


FIGURE 3.1.3

Interpretation: The above information depicts that the people who order food through mobile applications order more in the evenings. The orders received during this part of the day are the highest. The orders received in the morning and afternoon is comparatively less. Also, the number of orders received in the morning is the least when compared to other parts of the day. Out of the total respondents, 39% of respondents prefer to order food online in the evening and 35% of the people prefer to order food during the nights (midnight).26% of the respondents prefer to order food online in the noon time and only 1% of the respondents prefer to order food in the morning.

TABLE NO.3.1.4: PAYMENT METHOD

PAYMENT METHOD	NO. OF RESPONDENTS	PERCENTAGE
Card	40	37
Cash	39	36
E-Wallets	29	27
GRAND TOTAL	108	100

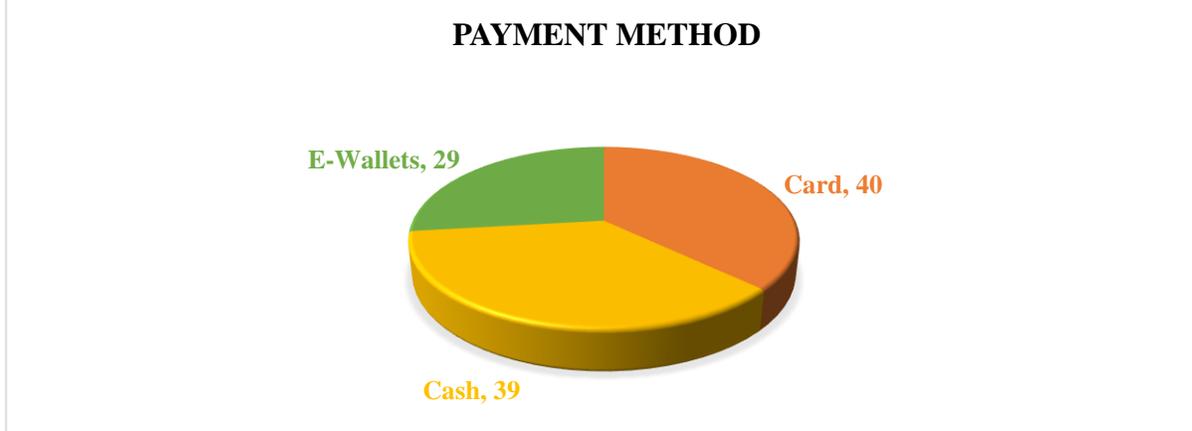


FIGURE 3.1.4

Interpretation: The above information depicts that the respondents use different modes of the payment but most of the respondents pay through the cash and card. The majority of the respondents use cards to facilitate payments. The next alternative is cash. However, there's only a difference of 1% in the respondents who choose card over cash. Out of the total respondents, 37% of the people choose to pay through card and 36% of the people use cash as the mode of payment. 27% of the respondents prefer to pay through E-wallets.

TABLE NO.3.1.5: SATISFACTION OF HAVING FOOD AT RESTAURANTS

SATISFACTION LEVEL ON A SCALE OF 1 TO 5	NO. OF RESPONDENTS	PERCENTAGE
1	1	1
2	6	6
3	39	36
4	46	42
5	17	16
GRAND TOTAL	109	100

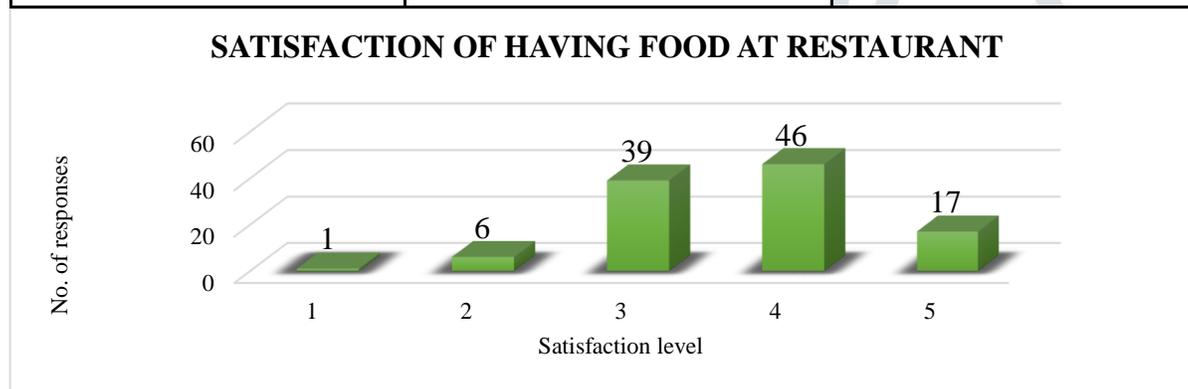


FIGURE 3.1.5

Interpretation: The above information gives a view that most of the respondents are quite satisfied with their experience of having their meal at a restaurant. Though, a few people don't seem to be quite satisfied. A negligible percentage of people (1%) are not satisfied to have their meal at a restaurant. Out of the total respondents, 42% of respondents have given a rating of '4' on a scale of 1-5 for having meal at a restaurant and 36% of the people gave '3'. 16% of the respondents gave a rating of '5' and only 1% of the respondents gave a rating of '1'.

TABLE NO.3.1.6: SATISFACTION OF ORDERING FOOD ONLINE

SATISFACTION LEVEL ON A SCALE OF 1 TO 5	NO. OF RESPONDENTS	PERCENTAGE
1	1	1
2	5	5
3	34	31
4	46	42
5	23	21
GRAND TOTAL	109	100

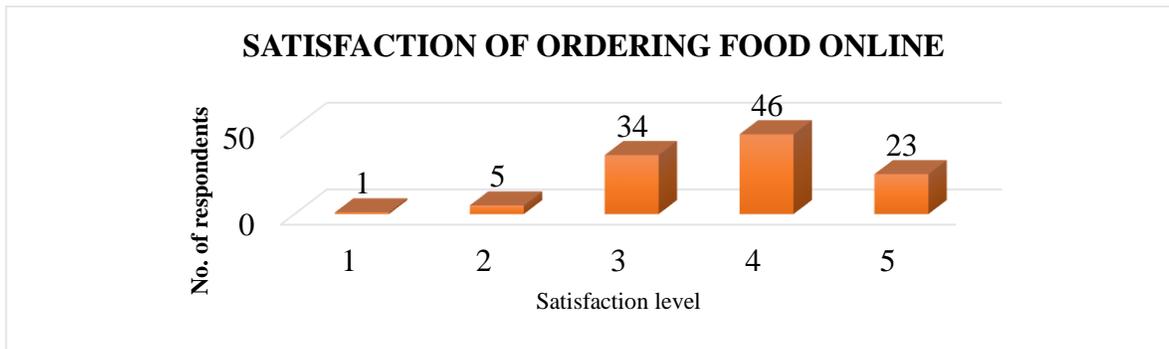


FIGURE 3.1.6

Interpretation: The above information depicts that majority of the people prefer to order food online. Most of the respondents were satisfied with their online ordering experience. A very less number of people were not satisfied or had a poor experience ordering food online. A fair number of people gave a neutral rating. Out of the total respondents, 42% of respondents have given a rating of ‘4’ on a scale of 1-5 for ordering food online and 31% of the people gave a rating of ‘3’. 21% of the respondents gave a rating of ‘5’ and only 1% of the respondents gave a rating of ‘1’.

CHI-SQUARE:

TO FIND THE IMPACT OF GENDER AND PREFERENCE OF THE CUSTOMERS OBSERVED FREQUENCIES

TABLE NO.3.1.7: Level of significance of gender and preference of the customers

ROW LABELS	MALE	FEMALE	GRAND TOTAL
Always	6	7	13
Never	6	6	12
Occasionally	44	40	84
Grand Total	56	53	109

NULL HYPOTHESIS (H0): There is no significant difference between gender and preference of the customer.

ALTERNATIVE HYPOTHESIS (H1): There is significant difference between gender and preference of the customer.

Level of significance = 5%

Degree of freedom = (r-1) (c-1)

$$= (2-1) (3-1) = 2$$

Calculation of independent expected cell frequencies

ROW LABELS	MALE	FEMALE	GRAND TOTAL
Always	7	6	13
Never	6	6	12
Occasionally	43	41	84
Grand Total	56	53	109

Therefore

Probability	0.911662623
Level of significance	0.05
Degree of freedom	2
Chi stat	0.184970577
Chi tab	5.991464547

As calculated value is less than the tabulated value, accept the null hypothesis.

CONCLUSION: There is no significant difference between gender and preference of the customer.

TO FIND THE IMPACT OF GENDER AND PREFER TO VISIT A RESTAURANT OBSERVED FREQUENCIES

TABLE NO.3.1.8: Level of significance of gender and their preference to visit a restaurant.

Gender/Preferences	Dine-In	Take Away	Grand Total
Male	43	13	56
Female	35	18	53
Grand Total	78	31	109

NULL HYPOTHESIS (H₀): There is no significant difference between gender and their preference to visit a restaurant

ALTERNATIVE HYPOTHESIS (H₁): There is significant difference between gender and their preference to visit a restaurant

Level of significance = 5%

Degree of freedom = (r-1) (c-1)

$$= (2-1) (2-1) = 1$$

Calculation of independent expected cell frequencies

Gender/Preferences	Dine-In	Take Away	Grand Total
Male	40	16	56
Female	38	15	53
Grand Total	78	31	109

Therefore

Probability	0.202487404
Level of significance	0.05
Degree of freedom	1
Chi stat	1.624342105
Chi tab	3.841459

As calculated value is less than the tabulated value, accept the null hypothesis.

CONCLUSION: There is no significant difference between gender and their prefer to visit a restaurant.

III. SUGGESTIONS:

- Accessibility to order food online through various applications should be facilitated through various electronic gadgets.
- Restaurants operators should increase online ordering through simple addition of new distribution channels to attract the customers.
- As most of the customers use mobile phones to order food online, the interactivity should be enhanced.
- Customers face a lot of challenges as the mobile applications may cause errors. Thus, the restaurant operators must know some techniques to facilitate quick placing of orders.
- Restaurants should focus on giving their customers the best quality service.
- More and more customers should be encouraged to order food online.
- Since many people are not accustomed to place orders online, they should be made aware of these services.

IV. CONCLUSION:

After studying the customers' perception of online and offline (restaurant) food services it is understood that every system has its strengths and weakness. The purpose of this online food ordering system is basically to save time of the customers especially when he/she has to invite people for any occasion. The purpose to visit a restaurant is to spend Quality time with their family.

The chief reason of online ordering is convenience. The single most important attribute of online ordering is accuracy. Nearly 73 percent of the respondents were aware of the online food ordering. Customers between 15-25 years of age ordered more online food and it was often ordered as they didn't want to cook especially during the weekends. Currently cash on delivery is the most preferred option of payment by the respondents but other digital techniques are also in the growth stage.

This study has shown that perceived control and convenience are keys to customer use of online ordering which leads to higher satisfaction. My findings indicate that restaurant operators should focus on giving their customers higher levels of perceived control and convenience, since these are associated with a higher intent to use online ordering in the future. Young customers are more likely to use online, mobile or text ordering. Young customers place a greater value on convenience and speed than older users do. To conclude customers will appreciate not having to wait and other waiting customers may be motivated to try online food ordering.

V. BENEFITS OF ONLINE FOOD ORDERING SERVICES

- Time factor – Even if you are late to home (after a tight business schedule), one can avail food within minutes of ordering at the doorstep.
- For now, only big restaurants only offer online food ordering with the highest culinary standards. So no need to worry about hygiene since big players of the food & beverage industry is indulged.
- Cash can be paid on delivery of dishes at the doorstep. Online payment facilities are also available at selected restaurants only.
- Comparatively online food ordering cost is lesser. If you are moving out with your family of four members in a luxury car to a luxury restaurant, it may cost more compared with online food delivery.
- Even on festival days, these online food delivering services are available giving maximum flexibility on dine-in for customers.
- Time to time discount offers is available having too many options for customers to have an eye on online food delivering.

VI. DRAWBACKS OF ONLINE FOOD ORDERING SERVICES

- Change of environment – The main difference between the online food ordering and dining in a restaurant is the environment around us. If one person eats within the home, he may not feel a change in environment and refreshment. But comfort is really high in terms of online food take away. If he dine-in a luxury restaurant with superb design and light music, that environment gives better refreshment compared to the other.
- Biggest problem ever facing by food ordering app is the place or exact location of the customer. It's very difficult to deliver food in a remote area because of the absence of restaurants in, particularly remote areas.
- Facing Low Food Delivery Budget Because of its feasible for long distances.
- Limited Number of menu choices.
- Food may not be good as it appears to be in food ordering app.

VII. LIMITATIONS OF THE STUDY

- The present research is restricted to the twin cities Hyderabad and Secunderabad.
- Data collected to analyze the consumer's review on food ordering services was confined only to a sample size of 110.
- Respondents could not spend much time to give the appropriate information.
- Few of the questionnaires filled by the respondents were incomplete and few have misinterpreted the question's
- Only the middle class and the higher category consumers were taken into consideration but not the poor and lower sections of the society.

