

# A STUDY RELATING TO BUYING BEHAVIOUR OF CONSUMERS WITH RESPECT TO SELECT ONLINE FOOD AGGREGATORS IN CHENNAI CITY

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**ABSTRACT:** The development of the internet has made the online food ordering services effortless for people who want to get the food delivered at their doorstep. Even though consumers continue to go to hotels/restaurants, they feel very convenient in ordering food online as it eases them from visiting the restaurants directly. Ordering food online has made it easier for consumers to search for a favourite restaurant, choose from the available items and place their orders with just a few clicks on their smartphones. Ordering food through internet is conceptually different from other sources of ordering food, as it promotes a one to one communication between the seller and the end user with round the clock customer service. Technology has played an indispensable role in revolutionizing the food delivery service from phone-based to online ordering to quench the consumers' ever-changing demands, making its way to the top. Today, the business of food delivery services is one of the fastest growing segments of the e-commerce industry. E-Commerce has made the interactivity with the consumer effortless in the form of customer support services where the consumer questions on delivery, payment, product, policies and other customer concerns are also addressed effectively. Consumer's preference is the main factor for business owners to indulge in online delivery services as to further satiate customer demands and needs. Online food delivery system is particularly prescribed in countries that are still developing as technology and consumer preference keep modifying.

**KEY WORDS:** E-commerce, online food delivery services

## I. INTRODUCTION

The increased use of the internet and advanced technologies associated with it, have given rise to several opportunities on the web enabling many businesses and companies to carry out their transactions with ease. One such business which has emerged successfully not only in western countries but also in India is the online food ordering system. It is possible to order any type of food through the internet and have the same delivered at the doorstep.

The rising penetration of the internet usage has created a new wave of online services including ordering food online which is one of the latest services used widely by the present generation. Many metropolitan cities including Chennai have adapted this new culture of ordering food online. Online food ordering system is a process in which one can order various foods and beverages from the local restaurants or hotels nearby the location of the user through the use of internet from the specified food delivery applications or websites, from home or any place, any time and the order is delivered to the said location. As there is an enormous usage of these food delivery applications which become the most convenient service to everyone along with the lucrative offers and discounts, there can be no doubt that this might even become a habit to the present and future generations.

Aggregators build on the traditional model for food delivery, offering access to multiple restaurants through a single online portal. By logging in to the site or the application, consumers can quickly compare the menu, prices, and reviews from peers. The aggregators collect a fixed margin of the order, which is paid by the restaurant, and the restaurant handles the actual delivery. Indian online food delivery market exhibits a tremendous potential and attracting huge investments. The Indian online food delivery market is totally driven by the young population base, increasing digitization, the high use of the smartphones, rising disposable income of people in the region, a rising proportion of women in the working population and adoption of aggressive marketing strategies by the food start-ups. The major purchase decision factors influencing online ordering of food chosen for the study are information quality, performance expectancy, effort expectancy, social influence, facilitating conditions, hedonic motivation, price value, habit and continuous buying intentions.

## II. REVIEW OF LITERATURE

An article published in the **Financial Express (2019)** has narrated the reason behind people ordering food from the food delivery apps. As per local circles survey conducted, the reports say that it is not the lucrative discounts offered by the food delivery apps that trigger the people to order food online. It is the convenience factor that draws the people where 81% of the people use the food apps for this reason and only 10% of the people are using it for offers and coupons. Just 5% of population order food online as they find better selection options on such platforms. A remarkable number of consumers have also said that their chief concern while ordering food online is food quality and beyond half of the respondents believe that the food quality is deteriorated due to factors like packaging and transit. Cases have been reported where some food joints were found to be subpar, with little focus on hygiene and quality and thousands of restaurants have been delisted by Zomato and Swiggy which were found guilty of not complying with the FSSAI complaints.

The survey also received multiple complaints from prominent restaurants accusing these applications of price distortion by lowering prices artificially. Some even expressed concerns about the fact that a sizeable portion of the food was being delivered from cloud kitchens instead of actual restaurants.

Anh Kim Dang et al (2018) have analyzed the consumer preference and attitude regarding online food products in Hanoi, Vietnam. The study aimed to examine how the internet has changed consumer's food buying behaviour and identify the factors associated with it and consumers concern about the food safety information of online products. The results revealed that the majority of the participants reported using the internet to search for food products. The most crucial factors influencing food purchases through the internet were convenience and price. Only one-third of participants selected products based on accurate evidence about food safety certification or food origin. The majority of participants were concerned about the expiration date, while brand and food licensing information were often neglected.

### III. OBJECTIVES OF THE STUDY

- To study the relationship between minimum amount spent per order on ordering food online and monthly family income.
- To study the influence of purchase decision factors in ordering food online through select food aggregators.
- To examine the consumer buying behaviour regarding online ordering of food through select food aggregators.

### IV. RESEARCH METHODOLOGY

The data was collected from both primary and secondary sources. The primary data was collected through issue of questionnaires directly to the respondents. The target population for the current study was the general public in Chennai city who were using select online food delivery applications. The sample design used for the study is convenience sampling. The sample size of the study was restricted to 100. Data analysis was done through IBM SPSS STATISTICS by way of Chi-square test, One sample t-test, and Descriptive statistics.

#### CHI-SQUARE TEST FOR ASSOCIATION BETWEEN MINIMUM AMOUNT SPENT PER ORDER ON ORDERING FOOD ONLINE AND MONTHLY FAMILY INCOME

$H_0$  - There is no significant association between minimum amount spent per order on ordering food online and monthly family income.

$H_1$  - There is a significant association between minimum amount spent per order on ordering food online and monthly family income.

**Table 1: Chi-Square test values for association between minimum amount spent per order on ordering food online and monthly family income**

Monthly Family Income	Minimum amount spent per order on ordering food online				Total
	Below Rs.500	Rs.500 - 1,500	Rs.1,500 – 2,500	Above Rs.2,500	
Below Rs.25,000	25	7	1	0	33
	69.4%	26.1%	3.0%	1.5%	100.0%
	35.8%	19.7%	25.0%	28.6%	29.1%
Rs.25,001 - Rs.50,000	16	13	1	0	30
	52.9%	41.8%	3.9%	1.3%	100.0%
	31.2%	36.0%	37.5%	28.6%	33.2%
Rs.50,001 - Rs.75,000	9	9	0	0	18
	54.2%	42.2%	1.2%	2.4%	100.0%
	17.3%	19.7%	6.3%	28.6%	18.0%
Above Rs.75,000	8	9	1	1	19
	45.1%	48.4%	1.1%	1.1%	100.0%
	15.8%	24.7%	31.3%	14.3%	19.7%
Total	58	38	3	1	100
	56.4%	38.6%	3.5%	1.5%	100.0%
	100.0%	100.0%	100.0%	100.0%	100.0%
Chi-square value = 40.513					
p-value =< 0.036*					

## INFERENCE

The above table highlights the results of Chi-Square test relating to minimum amount spent per order on ordering food online and monthly family income. The chi-square test value and p-value of these two factors are 40.513 &  $\leq 0.001$ . The p-value is  $<0.01$  and statistically significant at 1% level. Therefore, it is concluded that there is a significant association between minimum amount spent per order on ordering food online and monthly family income.

## ONE-SAMPLE T-TEST FOR THE PURCHASE DECISION FACTORS INFLUENCING CONSUMER TOWARDS ORDERING FOOD ONLINE

$H_0$  - The purchase decision factors do not influence the consumer towards ordering food online.

$H_1$  - The purchase decision factors influence the consumer towards ordering food online.

**Table 2: One-sample t-test for the purchase decision factors influencing consumer towards ordering food online**

	Mean	SD	t	p
Overall Score of Performance Expectancy	3.8883	.66143	126.219	$<0.001^{**}$
Overall Score of Effort Expectancy	4.1741	.64348	139.277	$<0.001^{**}$
Overall Score of Social Influence	3.4375	.91195	80.932	$<0.001^{**}$
Overall Score of Facilitating Conditions	3.9176	.73406	114.587	$<0.001^{**}$
Overall Score of Hedonic Motivation	3.6515	.84299	93.003	$<0.001^{**}$
Overall Score of Price Value	3.8894	.89547	93.257	$<0.001^{**}$
Overall Score of Habit	2.8693	1.03505	59.520	$<0.001^{**}$
Overall Score of Continuous Buying Intentions	3.2945	.87906	80.467	$<0.001^{**}$

## INFERENCE

The above table shows the results of one-sample t-test for the purchase decision factors influencing the consumer towards ordering food online. Since the p-value of entire factors are  $<0.01$ , therefore, it is concluded that the purchase decision factors namely performance expectancy, effort expectancy, social influence, facilitating conditions, hedonic motivation, price value, habit and continuous buying intentions significantly influence the consumer towards ordering food online.

## PREFERENCE OF MEAL ORDERED ONLINE

The following table shows the ranks for the meal preferred by the respondents

**Table 3: Descriptive statistics of preference of meal**

	N	Mean	Mean Rank
Breakfast	100	1.80	4
Lunch	100	2.79	2
Snacks	100	1.98	3
Dinner	100	3.43	1

## INFERENCE

The above table shows the preference of the type of meal ordered online by the respondents. The descriptive statistics indicates that majority of the respondent's preferred meal to order online was 'Dinner' (3.43) followed by 'Lunch' (2.79), 'Snacks' (1.98) and 'Breakfast' (1.80).

## V. FINDINGS OF THE STUDY

- There is a significant association between minimum amount spent per order on ordering food online and monthly family income.
- The purchase decision factors influence the consumer towards ordering food online.
- Majority of the respondent's preferred meal to order online was 'Dinner' (3.43) followed by 'Lunch' (2.79), 'Snacks' (1.98) and 'Breakfast' (1.80).

## VI. CONCLUSION

In today's world of technology and digitalization there is an imperative need for the people to keep abreast of the new changes and innovations in all spheres of life. With rapid economic and technology development, the living standard of the people has improved. In almost every aspect of life, technology has made a mark and has changed the traditional ways of doing things which has made life easier and more convenient. The increased usage of smart phones among people has made them do things like from buying and selling of goods online to paying electricity bills, telephone bills, etc., anywhere and anytime with the help of internet which has now become the part of everyday life of everybody. Earlier, the concept of ordering food through telephone with an exclusive number had by the restaurants was in vogue and the restaurants used to provide free home deliveries. But now, with the technological development, food is ordered within seconds with the help of mobile applications and delivered at the doorstep at the earliest where ease, convenience and attractive offers are the chief factors which act as a good reason for the consumers to choose the services offered by the online food aggregators.

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