The Study of Interest of Consumers In Mobile Food Ordering Apps

Anita Vinaik, Richa Goel, Seema Sahai, Vikas Garg

Abstract: Because of busy life style Mobile food Apps have emerged as a trend. Every other person prefers to order food online rather than cooking at home. Technology has played a major role in introduction and advancement of mobile food Apps. Apps such as Zomato, Swiggy, Foodpanda, Uber eats, Fasoo, etc. are the most commonly and frequently used apps by the consumers. Mobile food Apps have tie-ups with many restaurants and act as a link between restaurants and people. There are many factors which leads to increase in their sales such as convenient to use, easy payment methods, variety of food and restaurants, delivery time, customer services, etc. In this paper, a survey is conducted to understand the interest of consumers in mobile food Apps which will further help us to understand the consumers awareness of mobile food Apps, viable factors considered by the consumers while ordering food from a particular app, expectations of the consumers while ordering from a new app and various methods and factors on the basis of which food apps can be compared. It was found that majority of the respondents are aware and use these apps, avail the benefits of these apps, order food on a regular basis, certain factors which they consider most important in an app, what challenges they face while ordering food from an app and what additions and changes they want in a new food app. This study was useful in understanding the role that apps play in today’s world and how it has changed the food service industry.

Index Terms : Technology, consumer awareness in mobile food apps, viable factors, expectations of the consumers, methods and factors, challenges

I. INTRODUCTION

With the emergence of 21st century, we could see India at a rising pace. Young minds of the country are exceptionally excelling in the era of latest technology and innovations. Working class wants to perform well in their organizations and technology is playing a vital role in helping them in achieving the same. The things which seemed to be impossible are now becoming possible because of the technological advancements. Today, various kinds of businesses are setting up online stores because of technology. Various factors such as cheaper smartphones and cheaper internet data packs, people have started using more of mobile phone apps. The apps have made a lot of things convenient for the users. Online food delivery can be defines a process of delivery of food or take out from a restaurant or a local food joint through a web page or mobile App. The customers can order food from their favorite restaurants, their choice of cuisines, can decide whether to get it delivered to pick up from the restaurant and can choose to pay from various modes such as cash on delivery, debit card, credit card, or any other mobile wallet.

II. LITERATURE REVIEW

According to D’Incau D. and B. Anckar (2002), Mobile commerce has been emerging as one of the important aspects of every person’s life. Mobile commerce has also, in a way, given freedom to most of the people.

Scharl and Dickenger (2005) stated that One of the most important key factor in mobile marketing communication is through sending text messages. Factors such as time, location-sensitive and personalized information to promote goods and services helps in promoting mobile marketing.

According to Tsang and Liang(2004), This study focuses on the attitude of the consumers towards advertising, internet advertising and mobile marketing. In 1970s, consumers had a very negative impact on the consumer.

Persaud and Azhar(2012) stated that Mobile phones have become a very integral part of every human being’s life. Though humans adopt mobile phones to improve their social, professional and private lives, it also helps the marketers in marketing their product. To deliver mobile marketing campaigns, the marketers should concentrate on the mobile marketing chains including technology, people, processes and costs. For participating in mobile marketing, brand loyalty is the basis for it.

Kimes(2011) said that The amount of increase in online food ordering is because of convenience and control. Almost half of the populations has ordered food online. Personal interaction with restaurant employees, satisfaction level of consumers after ordering food online and changed behavior of the consumers regarding food mobile ordering Apps shows the perception of consumers for mobile food ordering apps.

Parashar and Ghiadiyali(2002) stated that A huge rise in digital technologies have given rise to the industry because of which Zomato has become one of the most popular online food ordering service. With the boom in the digital industry, market size of food is expected to reach 42 lac crore by 2020. These apps should also be trustworthy. One more major reason for the customers getting attracted towards these apps are the special offers given to them. The best way for the marketer to promote these apps is through social media.

J. Das(2018) has studied, analyzed and compared the top 4 food delivery apps namely, Zomato, Swiggy, Foodpanda and Uber eats. Providing better discounts” and “better choices of restaurants”, Zomato is positioned at the top by the customers. Zomato is also positioned at the top by the customers while considering on delivery on time and good customers service. In both the situations, customers ranked Uber eats at the last position.

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According to Sethu and Saini(2016), the online food ordering apps were analyzed by the researcher on the basis of certain characteristics. Majority of the consumers were aware about purchasing on the internet and found that it is very convenient to use internet. Boyer and Hult(2005) said that the Behavioral Scoring Model which says that the companies analyzes the feedback surveys of the customers, studies their purchasing behavior and patterns and predict the future purchasing behaviors of the customers. This research model comprises of few elements which helps the company to achieve good results. According to G. See-Kwong(2017), the food delivery system in India has been growing at a larger pace due to technology. From making orders on call to ordering online and satisfying all the needs of the customers and making changes according to the changing needs of the customers. Now everything can be delivered to the customers at their doorstep. According to Adithya R., Singh, Pathan and Kanade(2017), a food menu is set in the online food ordering system so that the customers can place their orders successfully and with this they can also track their orders. Also, various facilities are also provided by these apps for making its access convenient for the customers.

Donkoh and Quainoo(2012) stated that the Customers perceptions about food and services are very important for the food and service industry because it helps them to identify the needs and preferences of the customers and satisfy them. In this study the perception of the customer were judged on various factors.

Dang and Tran(2018) said that Internet has played a major role in increasing the awareness of the online food delivery apps. Through internet, people can search about foods and restaurants, compare their prices and their services and have easy access to them. Internet has made all these things convenient for the customers.

Kanteti(2018) stated that Startups have become the trend setters in India and are ruling the economy since past few years. These companies are started by tech savvy young individuals. These young individuals having fresh brains and new and innovative ideas starts different kinds of businesses with the help of technology. According to Hossain(2000), With the changes in attitude of the consumers, technology and demographics in our society, there needs to be changes in food delivery systems in order to serve the customers well.

Yang Fan(2014) stated that Web App and Android Apps have been developed in recent years after the development of information technology. As compared with the desktop App, the advantages of web App are that there is no need of updating or installation and browsers can be easily visited. The advantages of android App are the development of powerful framework, convenience, wide market place for app distribution.

Leong Wai Hong(2016) stated that People have managed their task easily and efficiently because of technological advancements. Management system helps in reducing human manpower task, helps in reducing the time, and further helps in generating report for management purpose by fully utilizing the system.

### III. RESEARCH METHODOLOGY

The objectives of this study can be summarized as follows:

a) To understand the consumers awareness regarding the mobile food Apps.

b) To understand the viable factors considered by the customers while using food Apps.

c) To find out the expectations of the customers while ordering food from a new food App.

d) To understand the various methods of comparing online food Apps.

### IV. RESEARCH FINDINGS AND ANALYSIS

#### A. Objective 1- To understand the consumers’ awareness of mobile food applications

**Observations:** In terms of gender, from the total of 134 male respondents who were surveyed, 125 were aware about the online food app and had knowledge about the food apps and from the total of 166 female respondents, 160 of them were aware about the online food app and had knowledge about the food apps. This means that the awareness and knowledge about the food apps is gender neutral.

#### Table: Observations in terms of gender, of online food app awareness

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aware</td>
<td>125</td>
<td>160</td>
<td>285</td>
</tr>
<tr>
<td>Aware &amp; Knowledge</td>
<td>124</td>
<td>159</td>
<td>283</td>
</tr>
</tbody>
</table>

**Observations:** In terms of occupation, out of 286 respondents, maximum number of respondents (123) were aware about the online food app from mobile app.

#### Table: Observations in terms of occupation, of online food app awareness

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aware</td>
<td>125</td>
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<tr>
<td>Aware &amp; Knowledge</td>
<td>124</td>
<td>159</td>
<td>283</td>
</tr>
</tbody>
</table>

**Observations:** In terms of age, out of 285 respondents, maximum number of respondents who ordered food from online app are students (201) followed by professionals (60).

**Observations:** In terms of monthly expenditure, out of 283 respondents, Rs.1000-1500 is the amount which is spent by maximum number of respondents (123) while ordering food from mobile app.

#### Table: Observations in terms of monthly expenditure, of online food app awareness

<table>
<thead>
<tr>
<th>Monthly Expenditure</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aware</td>
<td>125</td>
<td>160</td>
<td>285</td>
</tr>
<tr>
<td>Aware &amp; Knowledge</td>
<td>124</td>
<td>159</td>
<td>283</td>
</tr>
</tbody>
</table>

**Observations:** In terms of internet usage, out of 286 respondents, maximum number of respondents who use internet for online food apps, 121 were males and 143 are females. The proportion of male and female users of mobile food apps is almost equal.

#### Table: Observations in terms of internet usage, of online food app awareness

<table>
<thead>
<tr>
<th>Gender</th>
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<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
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<td>124</td>
<td>159</td>
<td>283</td>
</tr>
</tbody>
</table>

**Observations:** From the total of 264 respondents, who use online food apps, 121 were males and 143 are females. The proportion of male and female users of mobile food apps is almost equal.
Observations: From the total of 264 respondents, who use online food apps, maximum number of people who use food apps (211) lies in the age bracket of 18-28 years followed by the age bracket of 29-40 years (45).

Observations: From the total of 263 respondents, who use online food apps, majority of the respondents (121) spend Rs.1000-1500 on monthly basis on ordering food from mobile apps followed by Rs. 500-1000 spent by 69 respondents.

Observations: From the total of 264 respondents, who use online food apps, maximum number of respondents who use food apps are students (184) followed by professional (58).

Awareness of different food apps: Awareness of Foodpanda on gender

<table>
<thead>
<tr>
<th>Awareness of the following food apps: Foodpanda</th>
<th>gender</th>
<th>total</th>
</tr>
</thead>
<tbody>
<tr>
<td>yes</td>
<td>184</td>
<td>55</td>
</tr>
<tr>
<td>Expected Count</td>
<td>193.5</td>
<td>12.0</td>
</tr>
<tr>
<td>% of Total</td>
<td>63.9%</td>
<td>11.4%</td>
</tr>
<tr>
<td>no</td>
<td>80</td>
<td>35</td>
</tr>
<tr>
<td>Expected Count</td>
<td>83.5</td>
<td>13.5</td>
</tr>
<tr>
<td>% of Total</td>
<td>31.8%</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

Observations: Out of 44% of males, 33.5% were aware about the Foodpanda app and out of 55.6% females, 44% of them were aware about Foodpanda. This shows that the awareness among females is a little higher as compared to males.

B. Objective 2: To understand the viable factors considered by consumers while using food applications

Mark the following statements according to your perspective of what are the pros and cons of using the online food apps.

Hypothesis:
H0: There is no significant difference between the dependent variables (factors) and independent variable (monthly expenditure). (p>0.05)
H1: There is a significant difference between the dependent variables (factors) and independent variable (monthly expenditure). (p<0.05)

We can conclude that statement 2,3,5 and 7 are significant with respect to monthly expenditure on food apps which means that these factors affect the monthly expenditure whereas statement 1,4,6 and 9 are insignificant with respect to monthly expenditure on food apps which means that these factors have no affect on monthly expenditure of people on food apps.
C. Objective 3: To find out the expectations of the customers while ordering food from new food applications

Hypothesis:

H0: There is no significant difference between means of different monthly expenditure groups (μ1=μ2=μ3=…=μk).

H1: There is a significant difference between means of different monthly expenditure groups. (at least one μ is different)

We can conclude that factors such as 24*7 Availability, Home cooked food and Include small outlets are significant with respect to age. This means that these factors have a direct impact on different age brackets.

Observations: The respondents were asked to choose from the above factors of what new features a customer would want in a new mobile app. After calculating the mean of the ranks, 24*7 Availability got the lowest rank of 1.13, which means that it is the most wanted factor that people would want from a new app. After 24*7 Availability, other factors in order of preferences of the customers in newly launched app are Delivery from more than one restaurant by combining orders, Home cooked food, Include small outlets, Loyalty points, Membership and others. From this we can analyze that customers wants the food apps to provide them with food and restaurant of their choice 24*7. They do not want to compromise in their choice of food. Also, providing 24 hour service will be profitable for the food apps as well as the restaurants because people now-a-days are living a hectic life so they will prefer to order food rather cooking at any time of the day.

D. Objective 4: To understand the various methods for comparing different food applications

Hypothesis:

H0: There is no significant difference between means of different monthly expenditure groups (μ1=μ2=μ3=…=μk).

H1: There is a significant difference between means of different monthly expenditure groups. (at least one μ is different)

We can conclude that factors such as 24*7 Availability, Home cooked food and Include small outlets are significant with respect to age. This means that these factors have a direct impact on different age brackets.

Observations: The respondents were asked to choose from the above factors of what new features a customer would want in a new mobile app. After calculating the mean of the ranks, 24*7 Availability got the lowest rank of 1.13, which means that it is the most wanted factor that people would want from a new app. After 24*7 Availability, other factors in order of preferences of the customers in newly launched app are Delivery from more than one restaurant by combining orders, Home cooked food, Include small outlets, Loyalty points, Membership and others. From this we can analyze that customers wants the food apps to provide them with food and restaurant of their choice 24*7. They do not want to compromise in their choice of food. Also, providing 24 hour service will be profitable for the food apps as well as the restaurants because people now-a-days are living a hectic life so they will prefer to order food rather cooking at any time of the day.

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V. CONCLUSION

After doing the analysis, it was found that majority of the respondents were aware about the food apps. Also, majority of them used food apps for ordering food. Zomato is the most known and used food app followed by Swiggy, Foodpanda, UberEats and Fasoos. Majority of the respondents are using the food app from last 1-2 years. After doing the factor analysis, factors which are considered most important by the respondents with respect to their monthly expenditure are convenient to use, easy payment method, longer delivery time and receiving the expected order and with respect to age are good customer service, receiving the expected order and lesser restaurants. There is a difference in perceptions of respondents regarding monthly expenditure and different age groups.

Few of the major finding according to this study are:

- There are still a lot of people who do not use any kind of digital payment method.
- There are a lot of scope in the future for cashless society.
- People are mostly influenced by convenience and offers provided for switching to cashless modes of payments.
- There is still a lot to be done to digitalise India.
- People don’t feel safe sharing their financial and personal information over the internet.
- People face various problems while using digital payment methods.

REFERENCES

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AUTHORS PROFILE

Dr. Anita venai with 19 years of work experience in academics and 4 years in corporates: presently working as professor at Amity business school has written 11 text books in Various subjects in IT having 12 case studies published in European case centre also more that 30 research papers in Various national and international journal

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The Study of Interest of Consumers In Mobile Food Ordering Apps

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