"Study on consumer buying behaviour towards online food services"

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ABSTRACT :

This study delves into the intricate dynamics of consumer behaviour within the realm of online food services. With the exponential growth of the digital economy, online food services have become an integral part of consumers' daily lives. This research aims to explore the factors influencing consumers' decision-making processes when it comes to purchasing food online. Through a thorough literature review, this study identifies key determinants such as convenience, perceived value, trust, social influence, and perceived risk. Additionally, this research employs both quantitative and qualitative methods to gather data from a diverse sample of online food service users. The findings reveal nuanced insights into consumers' motivations, preferences, and concerns when engaging with online food platforms. Understanding these factors is crucial for online food service providers to devise effective marketing strategies, enhance user experience, and build long-term customer relationships. Ultimately, this study contributes to the existing body of knowledge in consumer behaviour and offers practical implications for businesses operating in the online food service industry.

Keyword: Pricing, quality, trust, and online reviews.

Introduction:

In recent years, the landscape of consumer behaviour has undergone a profound transformation, fielded by the rapid advancement of technology and the widespread adoption of online services. Among the sectors profoundly affected by this shift is the food industry, where traditional brick-and-mortar establishments are increasingly facing competition from online food services. The convenience, variety, and accessibility offered by these platforms have revolutionized the way consumers perceive and engage with food purchases. The study of consumer buying behaviour towards online food services has emerged as a critical area of research, reflecting the dynamic interplay between technological innovation, changing consumer preferences, and market dynamics. Understanding the factors that influence consumers' decisions to opt for online food services over traditional dining experiences is essential for businesses operating in this space to develop effective strategies, enhance customer satisfaction, and drive sustainable growth. This study aims to delve into the intricacies of consumer behaviour within the context of online food services, exploring the myriad of factors that shape purchasing decisions, preferences, and attitudes. By examining the underlying motivations, perceived benefits, and potential barriers associated with online food ordering, this research seeks to provide valuable insights for businesses seeking to optimize their operations and capitalize on emerging opportunities in the digital marketplace. Key areas of investigation will include the influence of demographic variables such as age, gender, and income on consumer preferences, as well as the impact of psychographic factors such as lifestyle, values, and attitudes towards technology. Additionally, this study will explore the role of situational factors, such as time constraints, convenience, and social influences, in shaping consumers' choice of online food services. Through a comprehensive analysis of existing literature, empirical research, and qualitative data collection methods, this study aims to contribute to the growing body of knowledge surrounding consumer behaviour in the digital age. By shedding light on the complex interplay of factors that drive consumer decisions in the online food services sector, this research seeks to inform strategic decision-making and foster innovation within the industry. Ultimately, a deeper understanding of consumer buying behaviour towards online food services has the potential to not only benefit businesses and marketers but also enhance the overall consumer experience, promote economic growth, and facilitate the evolution of more sustainable and inclusive food ecosystems.

Literature review:

Mr Rahul Gupta; Mr Sanjoy Roy; Mr Karan Kumar; Mr Chirag Arora (2019) This research paper focuses on customer's perception towards online food delivery apps. The survey was conducted for a determined analysis of the given study on around 100 respondents. The research is to study and analyse the data collected from all those users who are already using the online food delivery apps. The purpose is to know about the influencing factors, their perceptions, needs, positioning of various attributes of different online portals in their mind and overall satisfaction towards online food delivery apps. Mohak Jain, Prof. Paresh Patel (2024), here the researcher focuses on identifying the driving factors that influence customers to opt for online food ordering in Gujarat. Along with that it aims to ascertain the preferences of customers regarding online food ordering service providers within the state. The culmination of these objectives will provide a nuanced understanding of the ever-evolving landscape of online food ordering in Gujarat. Through this project, the researchers hope to offer valuable insights to stakeholders in the food industry, policymakers, and academicians, shedding light on the

customer behaviours and trends in online food ordering. It is our aspiration that this study contributes to a deeper comprehension of this domain and inspires further exploration and innovation. Gopi Mistry (2020) talks about factors related to customer's ordering behaviour- like price, on time delivery, packaging, peer service provider behaviour, platform design etc. There is gradual shift in way people order food. The purpose of this research is to know what are factors that defines consumer's perception and to find most popular app in the food delivery industry.

Research Method and Design

Based on consumer responses, the survey was carried out. Consumers play a key role in studying consumer buying habits and can give insightful information about industry. In order to better understand the online food services in Nagpur city, the study focused on customers from a range of consumer who use online food services, through mobiles app, browsers and many food delivery apps. This study aims to show some important features that are directly responsible for the preference to online food delivery services industry in India this study also depends on the living standard, way of living and dependency on fast food. In order to better understand consumer preferences for online food services the study gathered responses from 150 individuals (representing various types of choices) using a standardized questionnaire.

Statement of Problem

Increasingly, consumers are turning to online platforms to order food, with a plethora of options available ranging from restaurant delivery apps to meal kit subscriptions. However, despite the growing popularity of online food services, there remains a need to understand the underlying factors influencing consumer buying behaviour in this dynamic market. This study aims to investigate the key determinants that influence consumers' decisions when purchasing food online, including factors such as convenience, price sensitivity, food quality perception, trust in online platforms, delivery reliability, and the influence of social media and online reviews. By examining these factors, the study seeks to provide insights into how online food service providers can better meet the needs and preferences of consumers, enhance user experience, and ultimately drive customer satisfaction.

OBJECTIVES

The objectives of studying consumer behaviour towards online food services typically include:

- Understanding consumer preferences: Identify the factors that influence consumers' choices when ordering food online, such as price, convenience, variety, and quality.
- Analyzing purchasing behaviour: Examine how consumers make decisions, including their frequency of ordering, average order value, preferred payment methods, and factors influencing repeat purchases.
- Assessing satisfaction and loyalty: Evaluate consumer satisfaction levels with online food services, as well as factors that contribute to customer loyalty and retention.
- Identifying market trends: Monitor emerging trends in online food delivery, such as the adoption of new technologies, changes in consumer preferences, and shifts in competitor strategies.
- Developing marketing strategies: Use insights from consumer behaviour studies to tailor marketing efforts, improve product offerings, and enhance the overall customer experience.
- Enhancing service quality: Identify areas for improvement in the online food delivery process, such as website usability, delivery speed, order accuracy, and customer service.
- Exploring demographic differences: Understand how consumer behaviour varies across different demographic segments, such as age, gender, income level, and geographic location.
- By addressing these objectives, businesses can better understand their target audience and develop strategies to attract and retain customers in the competitive online food services market.

Hypothesis

- HO: Significant Number of respondents feel that quality parameters has no impact on online food delivery services.
- H1: Significant Number of respondents feel that quality parameters have impact on online food delivery services.

LIMITATIONS OF THE STUDY

- This study is limited only to Nagpur and hence the demand and leadership for entire location cannot be generalized.
- Sampling Bias: If the sample used in the study is not representative of the target population, it can lead to biased results.
- Self-Report Bias: Reliance on self-reported data can introduce bias, as respondents may provide socially desirable responses or inaccurately recall their behaviour.
- Limited Generalizability: Findings from a specific context or demographic may not be applicable to other populations or regions, limiting the generalizability of the study.
- Technology Access: Not all consumers have equal access to technology or may face barriers such as internet connectivity or device availability, which can skew the sample.

- Temporal Bias: Consumer preferences and behaviour can change rapidly, so findings from a study conducted at one point in time may not reflect current trends.
- Cultural Differences: Consumer behaviour can be influenced by cultural factors, and these differences may not be adequately captured in a single study, especially if it's conducted in a specific cultural context.
- External Factors: External events or factors, such as economic conditions or competitor actions, can influence consumer behaviour but may not be accounted for in the study design.

Data Analysis

1.)

Age
150 responses
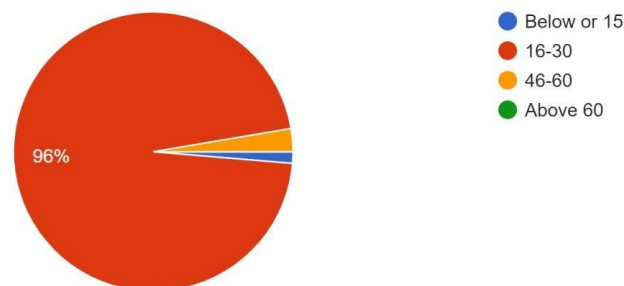
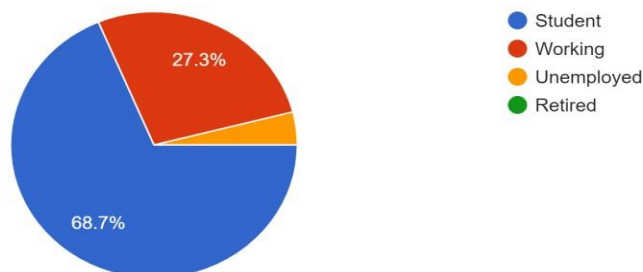| Categories	No. of responses	Percentage
Below or 15	2	2 (1.3%)
16 - 30	144	96%
46 - 60	4	4 (2.7%
Above 60	0	0

INTERPRETATION:

From the above table and pie-chart it is inferred that 2 (1.3%) of the respondents are Below or 15 year of age and the 96 % of responses are 16 - 30 and the 4 (2.7%) of response is from 46 - 60 of the age.
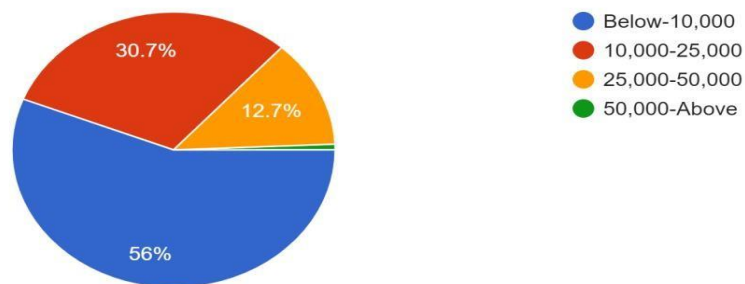
2.)

Occupation
150 responses

Categories	No. of responses	Percentage
Student	101	68.7%
Working	40	27.3%
Unemployed	9	6(4%)
Retired	0	0
Total	150	100%

INTERPRETATION:

From the above table and pie-chart it is inferred that 68.7% of the respondents are student and the 27.3% of respondents are working and the 6(4%) of respondent is from Unemployed.

3.)

Monthly income
150 responses

Categories	No. of responses	Percentage
Below - 10000	84	56%
10000 - 25000	47	30.7%
25000 - 50000	19	12.7%
50000 - Above	0	0
Total	150	100%

INTERPRETATION:

From the above table and pie-chart it is inferred that 56% of the respondents are Below - 10000 and the 30.7% of respondents are 10000-25000 and the 12.7% of respondent's incomeis around 25000-50000.

4.)

Marital status
150 responses
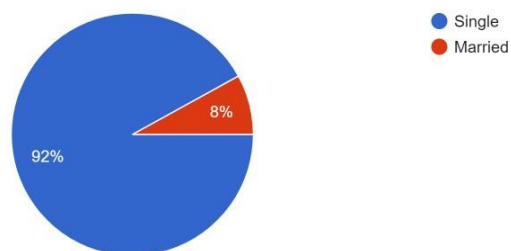
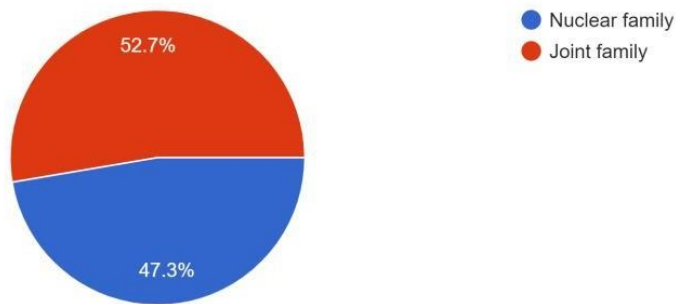| Category	No.of. Response	Percentage
Single	138	92%
Married	12	8%
Total	150	100%

INTERPRETATION:

From the above table and pie-chart it is inferred that 92% of the respondents are singleand the 8% of respondents are Married.

5.)

Family type
150 responses

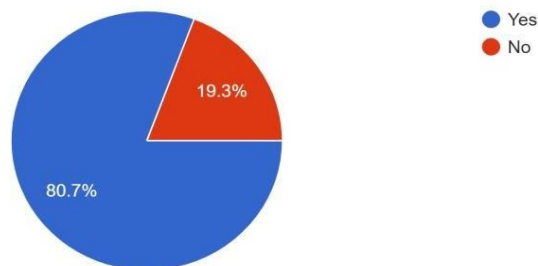| Category	No.of. Response	Percentage
Nuclear Family	71	47.3%
Joint Family	79	52.7%
Total	150	100%

INTERPRETATION:
From the above table and pie-chart gives the detail about the family type of the respondent, it is inferred that 47.3% of the respondents are live in the Nuclear Family and the remaining 52.7% of the respondent live in the Joint Family.

6.)

Do you order food online
150 responses

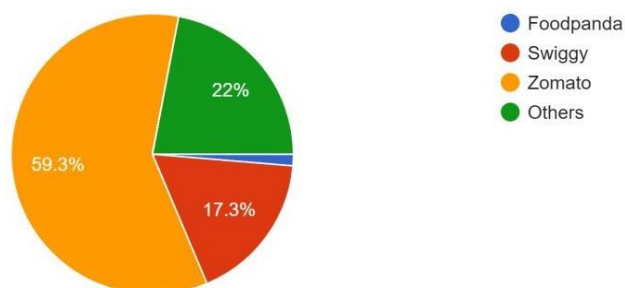| Category	No.of. Response	Percentage
Yes	121	80.7%
NO	29	19.3%
Total	150	100%

INTERPRETATION:
The above table and chart explain the details about that the respondent do order online food. It is inferred that 80.7% of the respondent do order online food and the remaining 19.3% of the respondent do not order online food or do not avail online food services.

7.)

If yes, from which company do you prefer
150 responses

Category	No.of. Response	Percentage

| Food Panda | 3 | 2 (1.3%) |
Swiggy	26	17.3%
Zomato	88	59.3%
Others	33	22%
Total	150	100%

INTERPRETATION:

The above table and chart explain the details about that which company do respondent prefer to buy online food service. It is inferred that 2(01.3%) of the respondent preferred Foodpada, 17.3% are preferred Swiggy, 59.3% preferred Zomato and the remaining 22% respondent preferred to buy online food from other company.

8.)

How often you order food online
150 responses
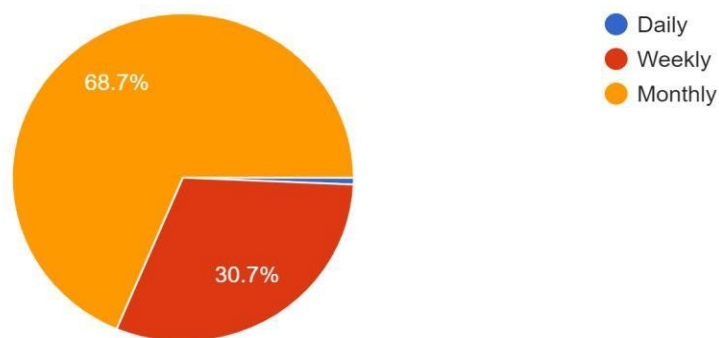
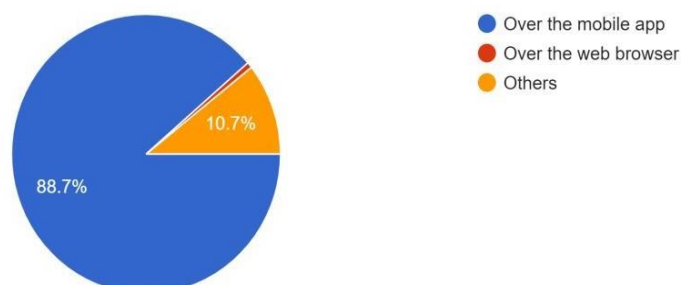| Category | No.of. Response | Percentage |
Daily	1	1 (0.7%)
Weekly	46	30.7%
Monthly	103	68.7%
Total	150	100%

INTERPRETATION:

The above table and chart explain the details about that how often do people order online food. It is inferred that 1(0.7%) of the respondent daily order online food. 30.7 respondent weekly order online food, 68.7% respondent Monthly prefer to order online food.

9.)

### In general, how do you prefer to order food
150 responses

Category	NO.of. Respones	Percentage
Over the mobile app	133	88.7%
Over the web browser	1	1 (0.7%)
Others	16	10.7%
Total	150	100%

INTERPRETATION:

From the above table and pie-chart it is inferred that how likely are you to prefer to order food. 88.7% respondent prefer to order food online over the mobile app. 1(0.7%) prefers over the web browser and remaining others 10.7% respondent prefer to order food online on the othersavailable websites.

10.)

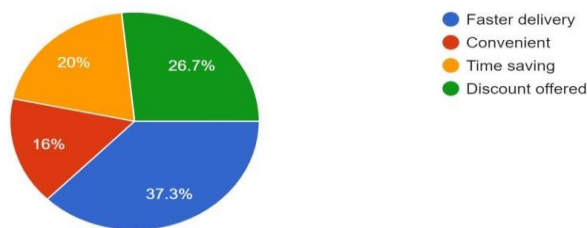Why do you prefer online food delivery
150 responses
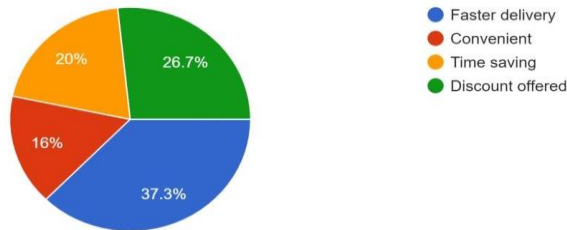
Category	No. of. Respondent	Percentage
Fast Delivery	56	37.3%
Convenient	24	16%
Time Saving	30	20%
Discount Offered	40	26.7%
Total	150	100

INTERPRETATION:

The above table and chart explain the details about that why do respondent preferred online food deliverto order online food. It is inferred that 37.3% of the respondent choose online platform to order food because of fast delivery. 16% choose because they find online food delivery convenient, 20% preferredonline food delivery because they find it time saving and the 26.7% respondent order food online becausethey find discount offered by the online platforms.

Hypothesis Testing

CHI SQARE TEST

Why do you prefer online food delivery
150 responses

Category	No. of. Responses	Percentage
Faster Delivery	56	37.3%
Convenient	24	16%
Time Saving	30	20%
Discount Offered	40	26.7%
TOTAL	150	100

(V1) = Quality Parameters

    1)   Fast Delivery

2) Convenient
3) Time Saving
4) Offers & Discounts

(V2) = Impact on Online Food Delivery
Table

Order Online		C1 Fast Delivery	C2 Convenience	C3 Time Saving	C4 Offers & Discounts	Total
Row1	Yes	56	24	30	40	150
Row2	No	94	126	120	110	450
		150	150	150	150	

	Observed frequency	Effective frequency	EF	O-E	(O-E)2
					N=600
R1C1	56	0	0	0	0
R1C2	24	0	0	0	0
R1C3	30	0	0	0	0
R1C4	40	0	0	0	0
R2C1	94	(450*150)/600	112.5	-18.5	342.25
R2C2	126	(450*150)/600	112.5	13.5	182.25
R2C3	120	(450*150)/600	112.5	7.5	56.25
R2C4	110	(450*150)/600	112.5	-2.5	6.25
	600				

(O-E)2/N	(O-E)2/E
0	0
0	0
0	0
0	0
342.5	3.044
182.25	1.62
56.25	0.50
6.25	0.055

(O-E)2/E =5.219

$X2 = 5.219$

Degree of Freedom = (R1-1) *(C-1) = 1*3 =3

Calculate X2 3df & 0.05 < = 5.219Tabulated X2 3df & 0.05
< = 7.815 Calculated X2 < Tabulated X2

HO is rejected and alternate hypothesis is accepted.

Significant respondents feel that there is impact of Quality parameters on onlinefood delivery services.

Conclusion:

Firstly, convenience emerged as a primary motivator for consumers, with the ease of ordering and delivery options playing a significant role in their decision-making process. The accessibility of online platforms and the ability to order food from a wide range of restaurants contribute to the appeal of online food services. Secondly, pricing and value perception were identified as crucial factors influencing consumer behaviour. While competitive pricing is important, consumers also consider the quality of food, portion sizes, and promotional offers when making purchasing decisions. Furthermore, the study highlighted the significance of reviews and ratings in shaping consumers' perceptions and trust towards online food services. Positive reviews and high ratings can enhance the credibility of a platform or restaurant, while negative feedback can deter potential customers. Moreover, the role of technology and user experience cannot be overlooked. User-friendly interfaces, mobile compatibility, and efficient order tracking systems contribute to a seamless experience for consumers, leading to increased satisfaction and loyalty.

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