

Antecedents and Outcome of Consumption Pattern and Challenges towards Digital Food App Services

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ABSTRACT

“E” generation era has generated a tremendous level of excitement in digital services. Digital services are anything that can be delivered through information such as internet. The Internet has opened a window of opportunity to almost anyone because of its ability to make viable the conduct of business in cyberspace, or by connecting people worldwide without geographical limitations. Consumers can order goods and services virtually anywhere, 24 hours a day; 7 days a week without worrying about store hours, time zones, or traffic jams. The papers throws a light on assessing the impact of the variables such as consumption pattern and consumer buying behaviour is responsible for increasing the awareness level among the customers. Nearly 129 samples have been taken for assessment from the urban areas of puducherry.

Keywords: Digital services, awareness level, consumption pattern, buying behaviour.

INTRODUCTION:

In today's world service sector contributes 64.80% in GDP. Digital services has revolutionised the food industry and motivated the customer to order their choice of preference through online and getting cooked meals to their door step. Our research indicates that online penetration of the total food-delivery market broke 30percent in 2016. It is also believed that the penetration rates will grow further as the market matures, eventually reaching 65percent per year.

BACKGROUND OF THE STUDY:

According to Serhat Murat Alagoz & Haluk Hekimoglu (2012), e-commerce is rapidly growing worldwide; the food industry is also showing a steady growth. In this research paper they have used the Technology Acceptance Model (TAM) as a ground to study the acceptance of online food ordering system. Their data analysis revealed that the attitude towards online food ordering vary according to the ease and usefulness of online food ordering process and also vary according to their innovativeness against information technology, their trust in retailers and various external influences.

According to H.S. Sethu & Bhavya Saini (2016), their aim was to investigate the student's perception, behaviour and satisfaction of online food ordering and delivery services. Their study reveals that online food purchasing services help the students in managing their time better. It is also found that ease of availability of their desired food at any time and at the same time easy access to internet are the prime reasons for using the services. According to Sheryl E. Kimes (2011), his study found that perceived control and perceived convenience associated with the online food ordering services were important for both users and non-users. Non-users need more personal interaction and also had higher technology anxiety to use the services.

According to Leong Wai Hong (2016), the technological advancement in many industries has changed the business model to grow. Efficient systems can help improve the productivity and profitability of a restaurant. The use of online food delivery system is believed that it can lead the restaurant's business grow from time to time

and will help the restaurants to facilitate major business online.

According to Varsha Chavan, et al, (2015), the use of smart device based interface for customers to view, order and navigate has helped the restaurants in managing orders from customers immediately. The capabilities of wireless communication and smart phone technology in fulfilling and improving business management and service delivery are increasing. Their analysis states that this system is convenient, effective and easy to use, which is expected to improve the overall restaurant business in coming times.

According to Hong Lan, et al, (2016), 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 criterion, with the joined 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.

OBJECTIVES OF THE STUDY:

- To study the perception of the customers towards the socio economic factors.
- To highlight the hindrance factors of the customers in using the digital app services.

METHODOLOGY:

A structured questionnaire was prepared with basic demographic factors about customer awareness and challenges towards digital food apps. 129 samples were collected and used for analysis purpose. For the present study, simple random sampling is adopted and the respondents for this study are the customer from Puducherry region. Percentage analysis and weighted average method are used to analyze the data for the present study.

ANALYSIS AND INTERPRETATION:

Table 1: Age and Food App Awareness

Category	Particulars	Number	Percentage
Gender	Male	94	27
	Female	35	73
	Total	129	100
Age	20 – 25 years	115	89
	25 – 30 years	8	6
	30- 35 years	4	3
	Above 35 years	2	2
	Total	129	100
Consumption	Less than 1000	74	57
	1000-1750	28	22
	1750-2500	12	9
	2500-4000	9	7
	More than 4000	6	5
	Total	129	100

To understand the behaviour of customer regarding usage of food delivery apps, socio-economic characteristics of the customer were studied. From the table it is found that majority of the customers are from the age group of 20 to 25 years and it is found that app has attracted the youngsters and technology oriented people. The research also highlights that 57 % of the customers have ordered the food less than 1000 times in a year.

Table 2: challenges in using food app services

Factors	w	Highly satisfied		Satisfied		Neutral		Dissatisfied		Highly dissatisfied		Total	Rank
		X ₁	X ₁ w ₁	X ₂	X ₂ w ₂	X ₃	X ₃ w ₃	X ₄	X ₄ w ₄	X ₅	X ₅ w ₅		
Payment issues	5	54	270	41	205	30	150	20	100	11	55	780	1
Delivery charges	4	30	120	42	168	10	40	30	120	18	72	520	2
Cost effectiveness	3	10	30	10	30	39	117	26	78	35	105	360	3
Bad experience site is slow	2	9	18	13	26	25	50	38	76	40	80	250	4
Ease & convenience	1	26	26	23	23	25	25	15	15	25	25	114	5

By using weighted average method it is found that the customer rank first hindrance factor as payment issues and delivery charges as second issues.

SUGGESTIONS:

- From the study it is found customer feels inconvenient in using the food app. Hence it is suggested to the firms to make app as user friendly. The special apps should be created in a convenient way for the consumers to place orders and for the company to attract further more consumers, high preference should be given in customer usage.
- It is found from the study that the Customers experience more difficulties when the site is slow while ordering the food in app. Hence the restaurant operators should resolve the problem by using some techniques to place the order quickly and effectively.

CONCLUSION:

The purpose of this online food ordering system is basically to save the time of the customers especially when he/she has to invite people for any occasion. This study found that online food ordering is reasonably popular among the residents of Puducherry. Nearly 90 percent of the respondents were aware of the electronic food ordering. Customers between 20 to 25 years of age ordered more electronic food and it was often ordered as they want to enjoy during the weekends. 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. Similarly, customers who were uncomfortable with technology may be reluctant to try an electronic self-service site because they may be afraid of getting delay in ordering. Hence the restaurant should tangle and resolve the problem as earlier. This study has shown that perceived control and convenience are the key for the customers to use online ordering. It is also found that digital services in food industries will sustain its upper hand in forth coming years.

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