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A Study on Consumer Perception of Online Purchase of Food Delivery Service

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Introduction:

In recent times, in our country, anyone can witness that people have started using internet and mobile apps more and more (Vinaik et. al., 2019). The contemporary lifestyle of urban Indians leads them to go for online food delivery system also (Trivedi, 2018) and the recent studies claims that online food ordering is increasing in Indian market day by day(AyushBeliya, 2019). Online food delivery service is a process by which a store or a restaurant delivers different cuisines to a customer through its website or App. Different mobile applications like Zomato, Swiggy, Uber eats etc. are available through which customers place order easily to get their favorite cuisine at their door steps (Jacob et.al., 2019). In connection with the previous studies, this research paper has the objectives to explore the factors affecting the perception of customers towards different online food delivery services at Kolkata, to study how customers' perception vary with different mobile apps for online food delivery services considering the above mentioned explored factors and to determine effect of perception on post purchase recommendation for on-line food delivery service.

Literature Review

Trivedi(2018), in his study, revealed that online food ordering and delivery is a low cost process to have cuisines as per customer choice. According to Das(2018), Zomato is perceived as the best service provider because of their in time delivery and discount offers.Gupta(2019) identified customer comfort as a major factor that influences customer towards online food delivery services.Lee et.al. (2019) stated about the usage of technology viz. Unified Theory of Acceptance and Use of Technology 2(UTAUT2) for identification of information quality of variables viz. performance expectancy, effort expectancy, social influence, facilitating conditions, hedonic motivation, price value, and habit as other determinants for online food delivery services. Brinda (2020) pointed out that different promotional activities of different apps and customer comfort are the principal reasons for the growth of online food ordering. According to Shah and Prusty (2019), food delivery apps are convenient, economical and widely available service to consumers. Rathore and Chaudhary (2018) pointed out that pricing, discount offer; on time delivery and convenience are some factors that affect the customers' perception regarding online food delivery.

This study finds the research gap unlike the other researches. In this study, a scope is there to compare different brands of online food delivery services on the basis of perception of customers considering different factors viz. convenience, promotion, service quality etc.

Methodology:

An exploratory research has been conducted to identify the components related to customer preference for different online food services through literature review and pilot survey. The exploratory research has been followed by conclusive research to establish the relation between independent variable and dependent variables. Primary data have been collected by conducting questionnaire survey with 44young aged individuals at Kolkata on the basis of stratified random sampling. In this paper, firstly, a factor analysis has been applied to identify the major factors and related perceptual scores (Factor Scores) of customers. In the

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next phase, a MANOVA has been applied to understand the effect of brands of online food delivery services on perception of customers considering different factors. A logistic regression has been conducted to determine the effect of perception related to different factors on customers' recommendation for online food delivery services.

Data Analysis and Results:

A factor analysis has been conducted to explore factors by reducing 14 components into three major factors. KMO and Bartlett's test shows the sampling adequacy (0.78) and significance in the test of sphericity respectively. Factor 1 is identified as "Convenience" that includes eight components like lesser price, product availability and free home delivery, easier process, easy to access; trouble free, easy access to information and on time product delivery. Factor 2 is identified as "Experience" that includes three components viz. reliability of the service, availability of user reviews and well-designed attractive websites. Factor 3 has been identified as "Promotional activities" that include other three components viz. offers, advertisement and distribution of some specific product. In the next phase of analysis, MANOVA has been conducted considering the perception of customers relating to above factors as dependent variables depending on brands of online food delivery service as independent factor. Box M test proves that observed covariance matrices of dependent variables are equal whereas Levene's test shows homogeneity of data. Therefore, MANOVA is conducted and it is found that perception related to 'Promotional Activities' are influenced by brand. A binary logistic regression has been conducted to understand the effect of perception related to different factors (continuous independent variables) on customers' recommendation (categorical dependent variables)

Discussion & Implications

This study explored some factors that attract people especially to younger generation towards online food ordering. The duration of any business becomes long lasting depending on the customers' perception regarding the product or service delivered by the business organization. This study has established that perception related to promotional activities significantly varies with brands of online food delivery service whereas perceptions related to the convenience and experience does not vary with the different brands. On the other hand, customers' post purchase behavior or customers' recommendation depends significantly on customer experience regarding the service promotional activity or convenience have no significant effect on post purchase behavior of customers. The study can be helpful for the businesses that are into the online food ordering system or new business entrants who want to make business strategy can get some clue for the purpose from this paper.

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