

INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE  
04<sup>th</sup> International Conference on Marketing, Technology & Society 2020



## A Study on the impact of Digital Marketing Communication on consumers: In reference to Online Food Delivery

Prakash Borah<sup>1</sup>  
Anuj Verma<sup>2</sup>  
Meenakshi Verma<sup>3</sup>

### Abstract

With the advent of Internet and IT enabled sectors, there has been a substantial impact on the lives of common people across the cross section of the society. The creation of virtual stores has resulted in the sale of the products virtually anywhere and everywhere. The products are now available across these virtual stores 24x7, devoid of any topographical or temporal constraints.

Considerable research has been carried out to understand the impact of Digital Marketing on Online food delivery across the globe, but very less empirical research has been done in India. This research paper tries to bridge this gap. Based on the disparities identified during the process of Literature Review, this study aims to help the marketers of the online food delivery systems to frame an appropriate Digital Marketing platform. This study also makes a foray into understanding the consumer perceptions and their buying behaviour pertaining to ordering food online. Study shows that ordering food over the telephone is still the most commonly used method in spite of the high mobile food delivery apps. Perhaps the most essential aspect of online delivery is accuracy second only to convenience and ease of ordering for the customers. This study takes into account the major shortcomings of other researches carried out in this field and tries to help both the marketers and the consumers through empirical research.

The primary motive of this research paper is to identify the factors affecting consumer's online food buying behaviour and the impact of internet on consumers buying behaviour.

**Keywords:** Digital marketing, online food delivery, IT, constraints, ease of ordering, convenience.

### 1. Introduction:

India's diversified culture consisting of different states and regions within gives rise to major food diversity amongst Indians. Indians conventionally are fond of home cooked food, prepared by their mothers or their wives. The onset of nuclear families, working women have given way for restaurants to flourish. In addition, the advent of Internet followed by numerous food apps have also increased the consumption of food from the restaurants. In turn, the online food delivery apps have helped the consumers to avoid long queues at the restaurant. With this new system in place the customers can order food at their convenience without having to venture outside their homes. Hence food can now be delivered in time from anywhere and at any time.

With the rising influence of western culture, the food consumption patterns typically in Indian urban families have also been affected. The entry of new and modern players in the food industry in the likes of Dominos, Mc Donalds, KFC have also played a key role in bringing about momentous change in lifestyles.

For the smooth functioning of these restaurants they are facilitated with online food menu which is created in each mobile application. Mobile apps like Zomato, Swiggy, provide a wide array of dishes from nearby restaurants so that the customers can easily place orders at their convenience. These mobile

<sup>1</sup> Assistant Professor, Reva University, Bengaluru, [prakash.borah@reva.edu.in](mailto:prakash.borah@reva.edu.in)

<sup>2</sup> Assistant Professor, Symbiosis International University, Nagpur, [anujverma04@rediffmail.com](mailto:anujverma04@rediffmail.com)

<sup>3</sup> Assistant Professor, Symbiosis International University, Nagpur, [meenakshianujverma@gmail.com](mailto:meenakshianujverma@gmail.com)

applications have an inbuilt tracking mechanism which helps the customers to speed up the delivery process online by tracking their previous orders and also the restaurants from which the food will finally be delivered. The applications also provide online payment option or cash on delivery. The apps also have provision for feedback, where the customers can provide real time feedback regarding the food, can rate the food and give their suggestions. Information pertaining discounts are also made available on these apps. In most of the cases the prices are low in comparison to offline ordering. Some studies also accentuate the fact that after the introduction of these apps there has been a significant increase in the restaurants and food business, since the take away and home deliveries have increased in number.

Without a doubt, the increased reach and usage of internet across the country has affected the tastes and preferences of Indian consumers pertaining to online food delivery.

## 2. Literature Review

**Palaniswamy**, Consumer conduct has experienced noteworthy changes in advanced condition. There has been an expansion and improvement in computerized innovations and channels. Today, customers are investigating, assessing and purchasing everything from garments, apparatuses, contraptions, staple, protection, to enormous tickets thing like autos and homes on the web. This is going on the grounds that web, versatile and online life teach the clients in the enlightening, intriguing, revelling and participative way independent of item class.

**Ahuja, M. K., Gupta, B., & Raman** in their study expressed that advanced promoting correspondence is intuitive in nature which is seen as a critical convenience by the intended interest group over the customary advertising correspondence.

**Rangaswamy and G.H. Van Bruggen**, in their examination additionally revealed advanced promoting correspondence channels as fit for creating input alongside being intelligent and quantifiable.

**Priti S. States** that online review and comment plays a significant role in placing the product and brand name in customer's mind, which results into customer response as purchase. Customers goes through various review, comments, advertisement, image, and audio etc., that get publish in different social media mechanisms, which influence customers buying decision.

**Amrita Pani & Mahesh Sharma** study revealed that next generation customers are very dynamic in terms of their purchase decision, brand preference, lifestyle. Business organization needs to be proactive in designing their communication strategies. Digital promotion provide solution for designing attractive promotional strategies which helps in attracting and penetrating target market.

For the purpose of the present study it is hypothesized as below:

**H1:** Traditional marketing Communication is more effective than Digital communication in influencing the consumer buying habit of online food.

**H2:** Digital Communication has equal effect on online food purchasing habit of females and males.

## 3. Research Methodology:

The study is based both on the primary and secondary data. The sources of secondary data include the office records, annual reports of the Corporations. In addition, the basis of secondary data is also taken from published form. The published forms are articles from the standard journals and the literature from reputed books and annual reports of various research agency. The primary data also provides for the core analytical framework of the study. Primary data has been gathered by interviewing the population.

### *Sample Design:*

The Sample of 234 respondents is taken in the present study. It includes a mix of population. Demographic segmentation has been done taken into consideration in regards to gender, age gap experience and education qualification.

## 4. Test of Hypothesis

**H1:** Traditional marketing Communication is more effective than Digital communication in influencing the consumer buying habit of online food.

ANOVA<sup>a</sup>

<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
1 <i>Regression</i>	398.770	2	199.385	4.314	.082 <sup>b</sup>
<i>Residual</i>	231.105	5	46.221		
<i>Total</i>	629.875	7			

a. Dependent Variable: Consumer

b. Predictors: (Constant), Traditional, social

Since F value is more than the tabulated hence null hypothesis is rejected.

H2: Digital Communication has equal effect on online food purchasing habit of females and males

## Chi-Square Tests

	<i>Value</i>	<i>df</i>	<i>Asymp. Sig. (2-sided)</i>	<i>Exact Sig. (2-sided)</i>	<i>Exact Sig. (1-sided)</i>
<i>Pearson Chi-Square</i>	.000 <sup>a</sup>	1	1.000		
<i>Continuity Correction<sup>b</sup></i>	.000	1	1.000		
<i>Likelihood Ratio</i>	.000	1	1.000		
<i>Fisher's Exact Test</i>				1.000	.833
<i>Linear-by-Linear Association</i>	.000	1	1.000		
<i>N of Valid Cases</i>	4				

a. 4 cells (100.0%) have expected count less than 5. The minimum expected count is 1.00.

b. Computed only for a 2x2 table

Since P value is > than level of significance we can conclude that there is no relation between gender and Digital Communication

Hence null hypothesis is rejected.

## 5. Conclusion

Digitalization has opened a new way of active communication channel between the organization and their consumers. Social media is being viewed as a more effective channel in comparison to traditional media. Consumers are getting highly influenced by online reviews and opinions. This has triggered a chain reaction among the organizations who have developed inclination for digital media as more and more consumers are spending time browsing net. Moreover, given the level of competition organizations are coming up with innovative and interactive advertisement to gain the attention of the consumers. Thus, we can conclude that digital promotion has significant effect on the consumer buying behaviour.

References:

- Palaniswamy, R. (2004), Impact of gender differences on online consumer characteristics on web-based banner advertising effectiveness. *Journal of Services Research*, 4: 45-74.
- Rangaswamy and G.H. Van Bruggen (2005); —Opportunities and challenges in multichannel marketing: An introduction to the special issue, *Journal of Interactive Marketing*,
- Ahuja, M. K., Gupta, B., & Raman, P. (2003): An Empirical Investigation of Online Consumer Purchasing Behaviour [Electronic version]. *Communications of the ACM*, 46(12ve), pp. 145-151. Retrieved 18 April 2005 from <http://portal.acm.org/cacm/ve1203>.
- Choi Ju, Young, Kim, Kyung Hee and Kim Mi Sook (2007). "Cosmetic Buying Patterns And Satisfaction Among Female University Students In China, Japan, And Korea." *Journal of the Korean society of Clothing and Textiles*, Volume 31, Issue 12, pp. 1772-1783.

Hypothesized Path	Estimate	C.R.	p
Functional DCM interaction → Purchase Intention	0.484	6.145	0.000
Hedonic DCM interaction → Purchase Intention	0.118	1.123	0.117
Functional DCM interaction → Brand Attitude	0.421	5.215	0.000
Hedonic DCM interaction → Brand Attitude	0.218	2.278	0.028
Brand Attitude → Purchase Intention	0.398	6.366	0.000

Results show that Functional motive has a significant positive effect on consumers' Brand Attitude and Purchase Intention. However, influence of Hedonic motives on purchase intention could not be proved, though hedonic motives do positively influence Attitude towards the Brand. Further, attitude towards brand was found to significantly influence purchase intention.

## 5. Implications of The Study

With the advent of social media, e-commerce and user generated content, marketers are obliged to introduce new channels of marketing communication that provide authentic and useful information to the consumers at all the phases of their buying cycle. This had led them to embrace DCM communication to provide its target audience consistent and relevant content. The findings of this study have identified the important drivers for consumers to interact with the content a firm provides to them. The consumers value functional aspects more than hedonic aspects when they are searching for valuable content. Hence firms should try to develop more informative content than entertaining content. At the same time, as every consumer is unique with varying preference, firms should also not ignore providing content to satisfy the hedonic gratifications of the consumers. As content created and distributed by firms clearly affects the attitude of consumers towards the brand and their purchase intentions, marketers should not shy away from this crucial digital marketing and relationship tool. However, this study has its limitations. This study has been conducting using one industry where content is often sought by consumers. Therefore, the results of the study could not be generalised to other industries. As research studies in the field of content marketing is scarce, this study has drawn many concepts from adjacent fields of literature such as social media marketing, User generated content, and advertisement. Thus some of the unique features of DCM may have been overlooked while generating assumptions and scales. Future researches should try to overcome these limitations. Nonetheless, this study contributes to the growing literature of content marketing.

## 6. References

1. Ajzen, I., & Fishbein, M. (1980). Understanding attitudes and predicting social behavior. Englewood Cliffs, N.J: Prentice-Hall.
2. Babin, B. J., Darden, W. R. and Griffin, M. (1994). Work and/or fun: Measuring hedonic and utilitarian shopping value. *Journal of Consumer Research*, 20(4), pp. 644-656.
3. Calder, Bobby J., Edward C. Malthouse, and Ute Schaedel (2009), "An Experimental Study of the Relationship between Online Engagement and Advertising Effectiveness," *Journal of Interactive Marketing*, 23, 4, 321–31.
4. Childers, T. L., Carr, C. L., Peck, J., & Carson, S. (2001). Hedonic and utilitarian motivations for online retail shopping behavior. *Journal of Retailing*, 77(4), 511- 535. [https://doi.org/10.1016/S0022-4359\(01\)00056-2](https://doi.org/10.1016/S0022-4359(01)00056-2)
5. Hollebeek, L. D., & Macky, K. (2019). Digital Content Marketing's Role in Fostering Consumer Engagement, Trust, and Value: Framework, Fundamental Propositions, and Implications. *Journal of Interactive Marketing*, 27-41. doi:<https://doi.org/10.1016/j.intmar.2018.07.003>
6. Holliman, G., & Rowley, J. (2014, October). Business to business digital content marketing: marketers' perceptions of best practice. *Journal of Research in Interactive Marketing*, 8(4), 269-293.
7. Koiso-Kanttila, N. (2004). Digital Content Marketing: A Literature Synthesis. *Journal of Marketing Management*, 20(1-2), 45-65. doi:10.1362/026725704773041122
8. Lou, C., Xie, Q., Feng, Y., & Kim, W. (2019, November 18). Does non-hard-sell content really work? Leveraging the value of branded content marketing in brand building. *Journal of Product & Brand Management*, 28(7), 773-786. doi:10.1108/JPBM-07-2018-1948
9. Muehling, D. D. (1987). An investigation of factors underlying attitude-toward-advertising-in-general. *Journal of Advertising*, 16(1), 32–40. <https://doi.org/10.1080/00913367.1987.10673058>
10. Pulizzi, J. (2014). The Rise of Storytelling as the New Marketing. *Publishing Research Quarterly*, 28(2), 116–123. doi:10.1007/s12109-012-9264-5

- 
11. Pulizzi, J. (2017, January 18). Coca-Cola Bets the Farm on Content Marketing: Content 2020. Retrieved July 30, 2020, from <https://contentmarketinginstitute.com/2012/01/coca-cola-content-marketing-20-20/>
  12. Rowley, J. (2008). Understanding digital content marketing. *Journal of Marketing Management*, 24(5-6), 517-540. doi:10.1362/026725708X325977
  13. Taiminen, K., & Ranaweera, C. (2019). Fostering brand engagement and value-laden trusted B2B relationships through digital content marketing: The role of brand's helpfulness. *European Journal of Marketing*, 53(9), 1759-1781. doi:0.1108/EJM-10-2017-0794