

# A STUDY ON THE QUALITY OF SERVICES PROVIDED BY ONLINE FOOD RESTAURANTS WITH REFERENCE TO COIMBATORE CITY

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## Abstract:

Nowadays there has been a lot of discussion happening in regard of the development of a food delivery platform. However, as the online food delivery channel grows popular, it also brings with it entry barriers of new players, and risk of cannibalisation for the existing players. Online food delivery model has its own dynamics and presents a different set of challenges as listed under: Not keeping the price model predictable, Inconsistent food quality, Inefficiency to cope with volumes, Unreliability in delivery & logistics staff. The present paper analyses the overall factors that were conducive for restaurant that provide online services about the real needs and wants of a Customer and their preference towards factors like reasonable pricing ,good quality variety of choices, speedy delivery time. The researcher analyses to what extent these restaurants can attract local population, and especially, young population.

Keywords: Online food restaurant, Delivery channel, Inefficiency, Delivery time

## CHAPTER-I

### INTRODUCTION

#### 1.1 INTRODUCTION TO THE INDUSTRY

The food industry is a complex, global collective of diverse business that supplies most of the food consumed by the world's population. Only subsistence farmers, those who survive on what they grow, and hunter gathers can be considered outside the scope of the modern food industry.

Start-ups in India have become the new trend setters and talk of the town in the global business economy since the past few years. These companies lead by young Indians have been inspired to take up various challenges to address the concern areas of Indian consumers and extend them with various products and services at reasonable prices. The current generation is high on confidence, prefers to lead their life much more comfortably and therefore have brought valuable solutions to improve the life of others around them.

The Indian start-ups are finding that their secret ingredient for success in life is indeed, food. There are too many players today fighting to win the consumers heart literally through their stomach. Food technology is the flavour of the season for Indian start-ups. But contrary to popular opinion, it is not about IT but innovation in the food experience provided to the consumer using real food technology. It is not about fancy smartphone technology and acts but about break through food technological process used to create innovative food products and experiences to the consumers. After grocery, food deliveries are emerging as the next big frontier for India's largest e-Commerce companies. Indian food delivery market is valued at 15 billion dollars and set for an exponential growth. Food delivery has become a competitive market in India. The growth of online food ordering is a delivery platform by mobile apps has made businessmen awake and takes notice. Some of the popular food hubs like Swiggy, UberEATS, Zomato, FoodPanda and other similar apps are feeding the world online and making profits.

## 1.2 OBJECTIVES OF THE STUDY

1. To measure the level of satisfaction of customers for the food quality and services provided by the online restaurants
2. To analyse about the factors that affect the buying decision of customers.
3. To know about the present online food marketing.

## 1.3 SCOPE OF THE STUDY

The study aims to find out the consumers perception towards online restaurants and know food quality and services includes them to make purchase decisions. It also analyses on critical factors that promotes a consumer to order food

online food and also to measure the level of satisfaction derived from the services provided. The present analysis could be helpful for online restaurants to adapt to the changes taking place and adopt unique qualitative methods to be competitive in the present day to day format.

## 1.4 LIMITATIONS OF THE STUDY

- The research and its results are only applicable to the respondents of Coimbatore city and not applicable to any other places.
- The study is not generalised, the results are subjected to change according to the perception and opinion of the respondents.
- The sample size of the study is 150; only inferences were made only on the information provided by the customers.

## CHAPTER

### -II

## REVIEW OF LITERATURE

**Anh Kim Dang (2018)**, examined about, (1) how the Internet has changed consumers food-buying behaviour and identifies its associated factors; (2) consumers' concern about food safety information of online food products.

**Codruta Adina BALTESCU, Dana BOSCOR (2016)**, through this study he found out that, Ethnic restaurants are a component of a tourist destination offer. Through their profile, the menus, ambiance and environment, ethnic restaurants are targeting mainly the visitors. This article analyses to what extent these restaurants can attract local population, and especially, young population.

**H.S. Sethu, Bhavya Saini (2016)**, This study aimed to investigate the student's perception,

behaviour and satisfaction of online food shopping and provide solutions to online sellers based on the results of the research. The study reveals that good word of mouth and experiences by existing customers and online forums decides the success of web based food shopping.

**Catherine Strohbehn, Mack Shelley, Susan (2014)**, this study identified the barriers and motivational factors that influence nonsupervisory foodservice employees' decisions to perform safe food handling behaviors. Results show employees know what behaviors are considered proper to ensure the safety of food; however, real barriers exist, such as time pressures and habits that are not compatible with safe food practice.

### CHAPTER –III

#### RESEARCH METHODOLOGY

Research design is a rational and systematically plan prepared for directing a research study. Descriptive research design has been used for this study. The researcher collected both primary data and secondary data. The data collection was done using a structured questionnaire of 25 questions (including demographic information), which consisted of closed and open ended questions. The secondary data is also collected from internet, Journals, books, magazines etc. The area for this study has been Coimbatore city, due to high potential and also awareness about the study among the respondents. The researcher has collected 150 samples and convenience random sampling technique was adopted for this study. The convenient random sampling is also called as a probability sampling since the sample selection is done randomly based on the convenient of the researcher so the laws of probability can be applied.

The collected data were analysed by applying statistical techniques using EXCEL and SPSS software along with charts and graphs to reach the conclusion.

### IV DATA ANALYSIS AND INTERPRETATION

#### WEIGHTED AVEARGE:

**TABLE 4.1 COMPONENTS THAT AFFECT PURCHASE DECISION OF CUSTOMERS**

PARTICULARS	I	II	III	IV	V	TOTAL POINTS	RANK
a. The ambience of your restaurant affect your purchase decision	160	288	120	4	4	39.73	II
b. Discounts and promotions promote you to buy more food	260	272	78	6	1	41.12	I
c. The food review and ratings affect your food purchase	170	276	117	8	9	38.66	III

SOURCE: PRIMARY DATA

The above table shows the components that affect purchase decision of customers. The first and the foremost component is discounts and promotions which enables them to buy more food, with a score of 41.12 points, the second component is ambience of food restaurants with a score of 39.73 points, and the third component is food reviews and ratings with a score of 38.66 points.

Majority of the ranking is discounts and promotions which enables the customers to buy more food.

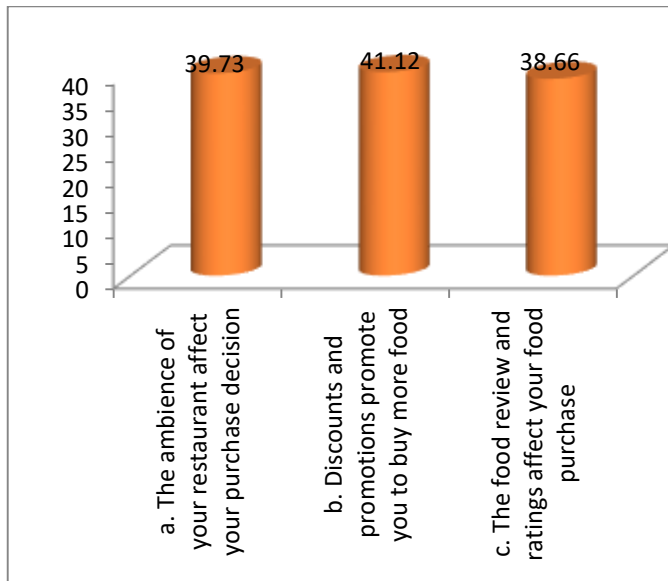


TABLE 4.2. QUALITY OF ONLINE FOOD RESTAURANTS

**INTERPRETATION:**

The above table shows the quality of the online food restaurant. The first and the foremost purpose is providing variety choices of food online and with a score of 40.86 points, the second purpose is the overall quality of the meals provided with a score of 39.46 points, the third purpose is the quality of the information given with a score of 38.36 points, the fourth purpose is the presentation of food delivered at home with a score of 38 points.

Majority of the purpose is the variety of food choices provided online.

**CHI- SQUARE ANALYSIS:**

**4.3. ASSOCIATION BETWEEN AGE AND LEVEL OF SATISFACTION WITH THE DELIVERY TIME OF THE ONLINE FOOD**

AIM: To find out the association between age and

level of satisfaction with the delivery time of the online food.

**H<sub>0</sub>: Null Hypothesis**

There is no association between age and level of satisfaction with the delivery time of the online food.

**H<sub>1</sub>: Alternative Hypothesis**

There is an association between age and level of satisfaction with the delivery time of the online food.

PARTICULARS	I	II	III	IV	level of satisfaction with the delivery time of the online food	TOTAL POINTS	RANK
a. how do you rate the overall quality of the meals provided	135	376	72	8	1	39.46	II
b. how do you rate the quality of the information given	125	360	90	8	1	38.36	III
c. how do you rate the variety of food choices provided online	200	332	72	8	1	40.86	I
d. how do you rate the presentation of food delivered at home	115	315	132	6	1	38	IV

SOURCE: PRIMARY DATA

Table 4.3 Association between age and level of satisfaction

	Value	DF	P.VALUE
Pearson Chi-Square	12.783 <sup>a</sup>	12	.385
Likelihood Ratio	14.235	12	.286
Linear-by-Linear Association	2.735	1	.098
N of Valid Cases	150		

SOURCE: PRIMARY DATA

**INTERPRETATION:**

It is found from the table that calculated value is 0.385 which is more than the significant level. So null hypothesis is accepted and alternate hypothesis is rejected. Hence, it is calculated that there is no significant association between age and level of satisfaction of delivery time of online food.

#### 4.4. ASSOCIATION BETWEEN INCOME AND PAYMENT SYSTEM OF THE RESPONDENTS

AIM: To find out the association between income and payment system of the respondents

**H<sub>0</sub>: Null Hypothesis**

There is no association between income and payment system of the respondents.

**H<sub>1</sub>: Alternative Hypothesis**

There is an association between income and payment system of the respondents.

Table 4.4 Association between income and payment system

	VALUE	DF	P.VALUE
Pearson Chi-Square	8.125 <sup>a</sup>	6	.229
Likelihood Ratio	9.684	6	.139
Linear-by-Linear Association	3.867	1	.049
N of Valid Cases	150		

SOURCE: PRIMARY DATA

**INTERPRETATION:**

It is found from the table that the calculated value 0.229 is more than the significant level. So null hypothesis is accepted and alternate hypothesis is rejected. Hence, it is calculated that there is no significant association between income and payment system.

**CORRELATION:**

#### 4.5 RELATIONSHIP BETWEEN FREQUENCY OF ORDERING FOOD ONLINE AND THE AFFECT OF PRICE ON ORDERING FOOD ONLINE

AIM: To find out the relationship between frequency of ordering food online and the affect of price on ordering food online.

**H<sub>0</sub>: Null Hypothesis**

There is no relationship between frequency of ordering food online and the affect of price on ordering food online.

**H<sub>1</sub>: Alternative Hypothesis**

There is a relationship between frequency of ordering food online and the affect of price on ordering food online

Table 4.5 Relationship between frequency of ordering food online and the affect of price

CORRELATIONS			
		FREQUEN CY OF ORDER FOOD ONLINE	RATE AFFECTI NG PURCHA SE DECISIO N
FREQUEN CY OF ORDER FOOD ONLINE	Pearson Correlati on	1	0.663
	Sig. (2- tailed)		0.05
	N	150	150
RATE AFFECTIN G PURCHAS E DECISION	Pearson Correlati on	0.663	1
	Sig. (2- tailed)	0.05	
	N	150	150

SOURCE: PRIMARY DATA

**INTERPRETATION:**

From the above table it is inferred that the calculated value (0.663) is higher than the table value (0.05). Therefore we can conclude that the frequency of ordering food online does not have any relationship between the price rates. ( $r= 0.663$ ,  $p=0.05$ ).

**CHAPTER-V****5.1 FINDINGS**

1. It is inferred that majority of the respondents (68.67%) are female.
2. It is inferred that majority of the respondents (50%) of the respondents belong to the age group 18-24.
3. It is inferred that majority of the respondents (68%) of the respondents are single.
4. It is inferred that majority of the respondents (30.67%) of the respondents are salaried.
5. It is inferred that majority of the respondents (72.67%) sometimes order food online.
6. It is inferred that majority of the respondents (47.33%) once a month order food online.
7. It is inferred that majority of the respondents (68%) prefer the online food app Swiggy.
8. It is inferred that majority of the respondents (25.33%) spend Rs 200-300 for ordering food online.
9. It is inferred that majority of the respondents (82%) order food through online portals.
10. It is inferred that majority of the respondents (77.33%) use cash on delivery.
11. Majority of the respondents have ranked the discounts and promotion enables the customers to buy more food as their first preference.
12. Majority of the respondents have ranked the variety of choices provided online as their first preference.
13. Chi-square test indicates that there is no association between income and payment decision of respondents.
14. Chi-square test indicates there is no association between age and level of satisfaction with the delivery time on the online food.

15. There is a no relationship between frequency of ordering food online and the affect of price on ordering food online.

## 5.2 SUGGESTIONS

Online restaurants can concentrate on having increased quality of foods at reasonable price. The super senior citizens are not able to adapt to the changing trends and technologies in modern food ordering systems. Thus, awareness should be created among them. The procedures for ordering food through online can be made little more user-friendly to enable the illiterate peoples to use these apps.

## 5.3 CONCLUSION

There is a great scope for online food delivery apps in India as it provides ease and convenience for the users. Though it delivers food on time it has to improve its promptness further. These online food delivery apps must extend its services to rural areas also in order to benefit the society and can improve their standards in order to survive in this competitive world. As per our study, Swiggy is in the peak, thus the other food delivery apps should come up with innovative ideas to cope up with current trends. Even though there are many drawbacks in these apps, the fact cannot be denied that they are beneficial for the society and for the economy as well. It is giving opportunities to the people to learn better about these food apps and is becoming easier for people to use them.

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