

A Review Paper on the Factors Influencing Consumer's Intention to Use Online Food Delivery Applications

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Abstract

With the advent of technology and the internet, people's access to food has changed dramatically, making online food delivery services extremely popular and drastically altering people's lives. With features such as immediate e-billing and quick doorstep delivery, customers can now purchase their favourite meals conveniently and instantly. As a result, the Indian food-tech market has expanded to over 500 cities, and by 2026, estimates place its valuation at more than \$21.41 billion. The proliferation of these services warrants an investigation of the variables impacting the uptake of online food delivery by consumers. This research aims to answer this question by presenting the results of a descriptive study that sought to understand the idea of online food ordering and delivery and to pinpoint the variables influencing customer behaviour in this domain. This review paper examines the factors that have led to the adoption and popularity of online food delivery, drawing on a variety of sources such as news articles, journals, and articles. These factors include convenience, doorstep delivery, time and effort savings, a diverse range of options, evolving demographics and lifestyles, appealing promotional offers, simple payment methods, social media presence, and efficient customer relationship management.

Keywords: Online food delivery, lifestyle, e-commerce, food variety, convenience

Introduction

Recent enormous advances in innovation and technology have accelerated the growth of e-commerce. The boundaries between the digital and physical realms of business have become increasingly hazy as a result of e-commerce's rapid growth, giving customers unprecedented levels of comfort. Upon achieving success in several e-commerce domains such as online banking, online insurance, online ticketing, online supply chain, online learning, online health, etc. with e-food delivery services, tech start-ups are satisfying Indian consumers' hunger. In the Indian food-tech industry, a wide range of business models are commonplace, including full stack, cloud kitchen, concierge, on-demand delivery, and quick service restaurants. Online food ordering and delivery is the most popular, untested, and forward-thinking model. Online food ordering is accomplished using mobile applications or websites offered by food aggregator companies, who create an online menu featuring every food outlet. The typical way that customers travel to a restaurant or food outlet, place their orders physically, pick up their orders, and pay with cash or a credit card is fundamentally different from purchasing meals online. However, with the help of online delivery services, customers can utilize a single gateway to look up and purchase their preferred foods from their preferred grocery shop, pay online, and have their order delivered to them in a matter of clicks. Even though a small number of businesses introduced this idea a while back, an increasing number of businesses are currently operating under this framework. Additionally, a large number of restaurants and other food establishments are working with these

businesses to broaden their reach. Some international corporations, such as Pizza Hut, Domino's, and others, have established their own online food delivery system. With their creative approaches, such as meeting the needs of sick or health-conscious customers, gym-goers, home cooks, or those on special diets, new entrants are taking over the food sector. Online food ordering apps have revolutionized the way customers order food from restaurants. These apps provide convenience and ease of use, allowing customers to browse menus, select their desired items, customize their orders, and make payments all from the comfort of their own homes or on the go. This study aims to facilitate and speed up the process of ordering menus in restaurants by customers and minimize the usual errors when ordering. Moreover, these apps eliminate the need for customers to rely on restaurant waiters to serve their orders, as the entire ordering process can be done seamlessly through the mobile app. The speed and efficiency of online food ordering apps have been praised by both customers and restaurant owners. Source: This result is obtained because the application is designed to have an easy-to-understand flow for customers in order. The ordering process is faster because customers no longer need to ask and wait for the restaurant waiter to serve the order process. These apps also contribute to the operational efficiency of restaurants, particularly in the case of cloud kitchens. Cloud kitchens, also known as ghost kitchens or virtual restaurants, are establishments that focus solely on food delivery and do not have physical dine-in facilities.

Even though it is still in its infancy, online food delivery services are expanding quickly and becoming quite well-liked

among contemporary Indian consumers. These days, customers want the greatest comfort possible from a wide selection of culinary alternatives that may be delivered right to their house. People prefer to order food delivery from online portals rather than preparing meals at home since they lead fast-paced, hectic lives and don't have time to prepare meals for themselves. Customers' engagement with the online lifestyle as a result of the irresponsible lifestyle has allowed these enterprises to expand their businesses through innovation and unique technologies, improving the lives of others. According to the study of Brewer & Seby (2020) [1], it was observed that in an effort to decrease foot traffic in restaurants and to be safe, customers are choosing to place online orders rather than go out to eat due to the appearance of the pandemic novel virus COVID-19. This will add a significant number of new users and increase the platform's popularity.

Background of the Study

Northern California, US, saw the launch of World-Wide Waiter, now known as Waiter.com, as an online food ordering service in 1995. (Corcoran, 2000) [2]. Zomato, which was once known as FoodieBay, was introduced in 2008 as an online restaurant locator website in India. It was renamed Zomato in 2010 and offers food delivery and discovery services, making it the country's first online food ordering business. India saw the birth of several start-ups in 2014, including Hello Curry, Dunzo, and Swiggy. As time went on and the use of smartphones and the internet increased, numerous more online food delivery businesses were established. The authors made an effort to identify the variables that affect consumers' decisions to use online food delivery services and the level of popularity of these services. The body of research indicates that the primary determinant is the consumer's perception of the convenience of having meals brought right to his door rather than having to walk outside, wait in line, or find a spot to park. Indian consumers can now choose from a wide variety of dishes from various restaurants and kitchens, all while browsing a website or software application from the comfort of their own home and taking advantage of several discounts. The systematic organization of the variables impacting the use of online food delivery services will be facilitated by this research article.

Objectives of the Study

- i). To enhance comprehension of the online food ordering and delivery system concept.
- ii). To identify the factors that motivate customers to place online food orders

Research Methodology

Review of the literature is a research tool that aids in our comprehension of the ideas and phenomenon. This paper is solely based on previously published works. In this study, we examined the literature on online food delivery services and the variables driving customers to use them. In order to find every article published in the area of online food delivery services, we looked through internet databases including Scopus, Web of Science, Google Scholar, and their reference lists. Researchers searched for studies in this field using terms like online food delivery services, online food delivery, online food order, and consumer behaviour towards e-food ordering. 516 articles were found in the search results. Following a review, these papers were examined in the first step. Additionally, the selection criteria was limited to publications

that only addressed the topic of online food delivery services and the reasons that influence consumers to use them. In total, the researchers found 61 papers that are relevant to the subject and included them in the review.

Review of Literature

According to the study of Panse *et al.*, 2019 [3], These services have made ordering food more fun and stylish, giving customers ease and convenience and putting them in control of technology so they can obtain their favourite meal whenever and wherever they want. While still in its infancy, the online food delivery market in India is expanding rapidly, as numerous agencies have noted. The Indian online food delivery market was valued at US\$4.6 billion in 2020 and is projected to increase at a compound annual growth rate (CAGR) of more than 28.94% to US\$ 21.41 billion by 2026 (Research and Markets).

The decision of consumers to choose online food delivery services is influenced by the following important aspects.

Convenience: "Anything that adds to one's comfort or saves work; useful, handy or helpful device, article, service, etc." is the definition of convenience according to a dictionary. Prior studies indicate that Copeland coined the phrase "convenience" in 1923 and described things that are readily available, quick to purchase, and easy to obtain on a regular basis. Similar to this, convenience is defined by researchers as everything that provides value to time savings and effort reduction. Convenience is a key aspect that encourages customers to place online food orders and is also responsible for the growth of the online food delivery industry. (Kapoor, 2019; Chawan, 2015) [5]. This convenience dimension is based on the low-risk and low-in-mobilization approach to purchasing (Brown, 1989). From the beginning of time, consumers have sought to maximize efficiency and reduce effort (Kotler & Zaltman 1971; Seiders *et al.* 2000, 2005, 2007) [7, 8, 10, 9]. More precisely, the marketing research demonstrates that customers' top priorities have always been convenience and time value. Stated differently, the convenience dimension encompasses all activities that enhance the value of time and effort savings. Convenience is the key to e-commerce. It is among the primary causes of the recent explosion in online purchasing. You will be able to purchase anything you desire, pay for it using whichever method suits you best, and have it delivered in a way that suits you best when and when you shop online. Smart Insights (2022). The same has been used with regard to ordering meals online.

Lifestyle: Lifestyles have been recognized as a crucial component in defining potential customers since they characterize the social behaviours of both individuals and groups of people, as explained by Kucukemiroglu (1999) [11]. According to Michman *et al.* (2003) [12], changes in lifestyle are probably what are causing the shift in customer preferences. Examining people's values and lifestyles has become a core component of the work that social scientists and marketers perform all over the world (Chu & Lee, 2007) [13]. According to Kerviler *et al.* (2016) [14], consumers are compelled to make purchases through mobile applications due to the fast-paced nature of today's environment and the growing usage of technology. People end up ordering services since they don't have time to prepare. Dietary changes brought on by the COVID-19 pandemic have led to a rise in the use of OFDAs during the worldwide lockdown. According to Algheshairy *et al.*, (2022) [15] these changes

could negatively impact people's eating preferences and habits.

Doorstep Delivery: According to Das (2018) [16], doorstep delivery is the primary reason that persuades customers to select online food delivery services with a "time saver concept" because they provide services to customers quickly (Gawande, *et al.*, 2019) [17]. Customers don't even need to leave the house to enjoy a wide range of cuisines that are available online at different grocery stores and delivered by cutting-edge methods like drone delivery, no-touch delivery, or 30-minute delivery (Kanteti, 2018) [18]. Online food delivery services make it easier for working and schooling customers to manage their schedule so they can always acquire the food they want (Sethu, 2016) [19]. These services are widely used since they save time compared to traveling to the market, looking for what you need, placing your order, wrapping it up, and then driving back home through heavy traffic. Instead, customers may make an order with a few clicks and have their food delivered in a short while.

Offers & Discounts: Customers are becoming more frequent users of online food delivery apps due to offers like cashbacks, discounted rates, premiums, prizes, coupons, and other commercial schemes. In particular, consumers who depend on others for financial support are constantly looking for better deals (Prabhash, 2020) [20]. Price is a major factor in drawing customers because everyone wants to save money and get the most value and utility for the least amount of money (Beliya *et al.*, 2019) [21]. As a result, the majority of consumers use online food delivery services to take advantage of these offers and save money (Shareef & Baba, 2019) [22]. In an effort to find better deals, customers used to move between different service providers (Sharma *et al.*, 2019) [3]. Customers are drawn in by these online food delivery businesses' sales promotion techniques, which persuade them to place online orders rather than traditional ones.

Social Media Influence: Social media's introduction has completely changed how individuals communicate, exchange information, and make judgments about what to buy. Social media platforms' technology advancements have made it possible for users to access more content and read evaluations, which has an impact on consumer behaviour generally as well as decision-making in certain industries, including the travel and tourism sector (Khairani & Fachira, 2021) [24]. Social media is a significant factor in influencing consumers' intentions to utilize online food delivery apps. The phenomenal rise of social media and user-generated material on the web has simplified the process for customers to learn about online food delivery apps. Before selecting which food delivery service to use, consumers consult social media platforms to read user reviews, ratings, and recommendations. Potential customers can learn a lot from these user-posted online reviews, which impact their pre-purchase assessments and, in the end, determine whether or not they will employ online food delivery services.

Customer Relationship Management: These service providers are persuading clients to remain loyal to them through the use of CRM strategies. With a few clicks, a customer support system that is available around-the-clock assists in addressing concerns and providing answers to customers' questions (Gupta, 2019) [25]. Customers are always able to provide and view feedback, reviews, and ratings on the services, and they rely on the publicly available reviews, ratings, photos, and other information when selecting restaurants and foods says, Waheed & Sharma, 2018 [26]. High levels of satisfaction are being produced by using social

media platforms to engage with and draw in customers (Mehta, 2019) [27]. This is because there is constant access to information on food quality, services, promotions, deals, and fascinating feeds and uploads. (Basarir & Fatherrahman, 2018) [28].

Food Variety: Online food delivery services offer a plethora of options that appeal to customers, including a choice of interface, a variety of communication channels such as chat or call, a choice of restaurant, and flexibility in terms of location and timing (Kumar, 2020). According to a Google and Boston Consulting Group (BCG) analysis, one of the main factors influencing people's frequent usage of online food delivery services is the availability of many cuisines. With all these perks, a sizable customer base is drawn in, willing to spend more than they would if they placed their order over the phone or in person.

Other reasons have also contributed to the proliferation of customers utilizing online food delivery services, such as a rise in internet reach that has made it more common for people to use the internet constantly. Additionally, customers quickly embrace any new technology that hits the market. Many individuals were drawn to the user-friendly interface offered by these service providers because they believed it would be simple to use and hassle-free to place orders.

Conclusion & Discussion

It's fascinating how the food delivery industry has evolved from traditional manual methods to embracing online platforms, revolutionizing the way people access food. The advent of novel trends such as drone delivery, no-touch delivery, and delivery from train stations has greatly improved customer experiences by making the process more stylish and pleasurable. This transition is explained by changes in people's lifestyles and technological improvements, which have both aided in the growth of online food delivery services.

Though it is a relatively new idea, many have embraced the convenience of having prepared food delivered directly to their house. When all of these things are taken into account, it is clear that India's online food delivery market is set to grow in the years to come. The market is expected to continue growing and succeeding because of the convergence of consumer demands, technology improvements, and convenience.

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