

Adoption and Satisfaction Level of Customers Towards Online Fast Food Ordering

Dr. Parampal Sing¹, Dr. Ramneek Kaur²

¹Associate Professor, ²Assistant Professor, MBA Department, GNIMT, Ludhiana (India)

ABSTRACT

The rise of virtual shopping trends among the customers is witnessed with manifold increase in the Online buying pattern of the customers, be it the traditional items, electronic ones or daily consumables, there has been a tremendous response to the online shopping. Even the organisations encourage this mode of shopping as it reduces their overall cost, hence making room for profits. This study primarily focusses on the adoption and the satisfaction Level of the customers towards Online Food Ordering. Two prominent fast food chains Pizza Hut and Dominos have been taken as a reference for carrying out this study, The prime objective of the study was to identify the factors that are accounted for by the customers while ordering Fast food online. Among the factors the most important was the ease of making an order and the promotional sops that are associated with online food ordering. The study is based on app based and online delivery strategies of pizza hut and domino's.

Keywords: Virtual shopping, Online ordering, Delivery Strategies

I. INTRODUCTION

Online shopping in one form or another has proven to be a success mantra for the business world, it has proved to be beneficial for the customers as well. Time crunch, easy accessibility, multiple choices and payments options are some of the factors that have been instrumental in making online ordering popular. Fast food coupled with online ordering options has proved to be very popular amongst the masses. Restaurants can offer electronic ordering both through their own online or mobile site and through sites that serve multiple restaurants, and some restaurants also accept orders via text message or through Facebook (although that channel is little used so far). Previous research study showed that 23 percent of the 326 largest chains in the U.S. offered online food ordering, and experienced increased sales as a result of accepting electronic orders.² Online ordering was most frequent in the fast casual segment (48.5% of all restaurants) and the quick service segment (22.0%). Pizza (60.7%) and sandwich (61.9%) chains were most likely to accept electronic ordering, and Mexican restaurants are also active in this area (44.4%). Customers have embraced electronic ordering. It was further observed that 43 percent of survey respondents had ordered food online using a computer, and 23 percent had ordered food via text message. The present study tries to figure out the factors that have resulted in the adoption of the online ordering specially in terms of fast food and the subsequent satisfaction level of the customers. The internet based requesting framework is one of the best servicers that has greatest rapid sustenance of restaurants. With this approach, sustenance is requested on the web and conveyed to the client.

II. REVIEW OF LITERATURE

Brief backdrop related to the online ordering of fast food is given in this section of the paper. *Berta 2016* surveyed the utilization of cell applications and online charge structures in noncommercial dinners transporter. The findings were substantiated with the research work by *Kubde, et.al.* The paper focussed on the claim that consumers preferred online ordering specially in their vicinity due to convenience and to avoid the situation of long lines and charging inconvenience. *Zhang, et.al.* (2014) explained the working of delivery industry which often got over-burden in some hot internet offering seasons, which causes buyers' disappointment. Under such a situation, the e-retailer can use two inverse techniques, i.e. to set-up either a low cost with a pre-declared markdown valuing (PMDP) procedure, or a high cost with a pre-reported markup evaluating (PMUP) methodology for the hot offering time frame. *Okumus 2014* in his study revealed that people are considerably more liable to embrace cellphone dietapps on the off chance that they gave the impression to be helpful and charming. Social standards seem to play a sizable position in receiving telephone applications. individuals with better individual imaginativeness have a tendency to apply such applications more noteworthy routinely. *Singh (2013)* studied the consequences on value, time and speculation on home delivery technique underneath unmistakable strategies convincing that shortest way and settled time. *Borchers 2012* discusses the conveyance administration of pizzas stock delivery organization Britt Hunt Co. It surveys that the endeavors of executive of appropriation, Doug Sanford, for enhancing the booking of supporter conveyances. *Mitra, 2012* explained that with the present enormous commercial center in India, Domino's Pizza India had come to be the third commercial center inside what's to come. In accordance with Domino's CEO, Patrick Doyle, the satisfaction of Domino's Pizza altered the menu and formula carefully and gave an option to customers to order online, which was well perceived by the customers. **York 2009** reviewed that pizza take-out eatery networks which incorporates Pizza Hut and Domino's were attempting to pointedly develop the quantity of customers who arrange pizzas on line set up through advanced cell calls. The organizations encouraged utilization of refunds and distinctive promoting motivators to blast online requests. *Gregg 2008* studied the chain of leading pizza companies to adopt the alternative means of reaching their customer base using the mobile apps and text messages for ordering

III. OBJECTIVES OF THE STUDY

1. To evaluate the perception of the customers towards online / app based delivery strategies.
2. To know about satisfaction level of pizza delivery of both Dominos and Pizza hut.
3. Reasons for adoption of app based and online ordering of fast food

IV. RESEARCH METHODOLOGY

Exploratory Research Design is found to be appropriate for this study as it helps to explore the research area with the possibility of new ideas and provide better understanding of the problem. The universe of study is customers of both companies. The sample of the study is 200 customers who used the app based/ online fast

food ordering options. The primary data of the study is collected through structured questionnaire and personal interviews. Whereas the secondary data of the study is collected from journals, magazines, articles, websites and publications etc. To arrive at the meaningful results statistical tools as Correlation and Chi square test have been used. Means scores and percentages have been calculated at the appropriate places.

V. RESULTS AND FINDINGS

The demographic variables such as gender, age group and occupation have been appropriately calculated in the table 1.1

S.No	Particulars	No. Of respondents	%
GENDER			
1	Male	105	52.5%
2	Female	95	47.5%
AGE			
3	Below 18	40	20%
4	18-28	105	52.5%
5	28-40	40	20%
6	40 above	15	7.5%
OCCUPATION			
7	Student	120	60%
8	Business	10	5%
9	Service	15	7.5%
10	Housewife	55	27.5%

Above table show that 52.5% respondents are between 18-28 age group, 20% belong to 28-40, 20% respondents are below 18 and remaining 7.5% belongs to 40 above age group. Occupation wise 60% respondents are student, 27.5% are housewives, and 7.5% are belongs to service group and 5% are doing some kind of business.

Regarding the frequency of eating fast food following results were obtained as given in the table 1.2

S.No	Particulars	No of respondents	%
1	Once a month	75	37.5
2	1-3 times	65	32.5
3	3-6 times	60	30
	Total	200	100

Interpretation: The chart concludes that 37.5% respondents eat fast food once a month, 32.5% eat 1 to 3 times a month and remaining 30% eat 3 to 6 times a month. To find out the correlation on the bases of gender the Pearson correlation coefficient of -0.038 signifies Weak negative correlation. (Table 1.3)

Correlations			
		GENDER	FREQUENCY
GENDER	Pearson Correlation	1	-.038
	Sig. (2-tailed)		.591
	N	200	200
FREQUENCY	Pearson Correlation	-.038	1
	Sig. (2-tailed)	.591	
	N	200	200

Among the fast food pizza came out to be the most preferred food and in pizza the preference of the respondents towards particular brand indicated that 55% preferred Domino's and 45% preferred Pizza hut. In order to find the difference in the responses of the male and female respondents chi square test was used by formulating the working hypothesis that there is no significant difference in the responses of the male and female respondents (H_0). The results have been given in the table 1.4

GENDER * PLACE Crosstabulation				
		PLACE		
		DOMINOS PIZZA	PIZZA HUT	
GENDER	MALE	Count	46	56
		Expected Count	56.1	45.9
	FEMALE	Count	64	34
		Expected Count	53.9	44.1
Total		Count	110	90
		Expected Count	110.0	90.0
		Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square		8.247 ^a	1	.004

The chi square value of $\chi^2 = .004$ that is less than significant level i.e. .05 so the Alternate hypotheses are accepted. There is a significant difference in the responses of males and females respondents. In terms of the factors that influence the buying behavior of the respondents the results are given in the table 1.5

S.NO	Particulars	No of respondents	%
1	Price	35	17.5
2	Taste	65	32.5
3	Delivery efficiency	30	15
4	Reliability	25	12.5
5	Brand name	45	22.5
	Total	200	100

Above table depicts that 32.5% eat fast food because they love the taste, 27.5 said delivery efficiency and reliability is important while, 22.5% respondents said brand name is important while 17.5% of respondents prefer fast food because of price. In order to find the preference of the respondents towards the mode of buying fast food then results have been given in the table 1.6

S.No	Particulars	No of respondents	%
1	Mobile apps	80	40
2	Online	50	25
3	Drive to store	70	35

	Total	200	100
--	-------	-----	-----

It can be clearly seen from the table that 40% respondents use mobile apps to order fast food , 35% said they drive to store to order and 25% use online website of fast food. In total 65% of the respondents preferred to buy the fast food through online modes. The correlation coefficient value of .126 show that this a weak positive correlation. In terms of online mode of ordering the respondents gave following reasons as given in the table 1.7

S.No	Particulars	No of respondents	%
1	Food freshness	55	27.5
2	Delivery speed	65	32.5
3	Product variations	35	17.5
4	After sale service	20	10
5	Convenience	25	12.5
	Total	200	100

It can be interpreted that 32.5% respondents said delivery speed, 30% said product variations and convenience(Online or mobile app) is essential in delivery, 27.5% people said food freshness is very essential in delivery and 10% people said after sale services is essential. It was observed that 100% of the respondents were aware of the promotional strategies of the fast food outlets primarily pizza hut and Domino's. Regarding the awareness of the promotional activities carried out by Pizza hut and Domino's, the resulted have been appended in the table 1.8

Pizza Hut				Domino's			
S.NO	Particulars	No of respondents	%	S.No	Particulars	No of respondents	%
1	Wednesday 50% off	150	75	1	30 minute or free	105	52.5
2	Triple treat box	35	17.5	2	Everyday value offer	40	20
3	Magic pan box	15	7.5	3	Buy two get one free	55	27.5
	Total	200	100		Total	200	100

Above chart shows that 75% respondents are aware about Wednesday 50% off, 52.5% respondents are aware about 30 minute or free, 27.5% about buy two get one free of Domino's, 20% about everyday value offer and 17.5% about triple treat box and 7.5% about magic pan box of pizza hut. Regarding the mode of payment 38.5% of respondents use plastic money(debit and credit card), 37.5% respondents use cash to make payment for order and 24% online transfer of money. The overall satisfaction levels of the respondents show that 98% respondents are satisfied with the delivery of both companies and 2% are dissatisfied. The chi square value of 4.248 with p value .034 indicates a distinctive difference in the responses of male and female respondents.

VI. CONCLUSION

The most important findings of the study can be summed as majority of people eat fast food once in a month, with Pizza being the most preferred fast food. Out of the various factors that are instrumental in deciding the fast

food, taste and brand name turn to be the important ones. Majority of the respondents prefer using mobile app to order fast food in fact total 65% of the respondents preferred to buy the fast food through online modes. The reasons for buying online came out to be 32.5% respondents preferred delivery speed, 30% product variations and convenience(Online or mobile app) 27.5% people said food freshness and 10% people said after sale services were essential. Pizza hut and Domino's were the most preferred brand for buying pizza online and most of the respondents were aware about the promotional strategies of the companies. Respondents preferred to use plastic money for ordering fast food and majority of the respondents were satisfied with the delivery of both companies but the satisfaction level of male and female respondents were different.

REFERENCES

- [1.] Ayesha, Tabassum and Rahman, Tasnuva. (2012). Differences in Consumer Attitude towards Selective Fast Food Restaurants in Bangladesh: An Implication of Multi-attribute Attitude Model. *World Review of Business Research*, 2: (3).
- [2.] Berta, dina. *FoodService Director*. Mar2016, Vol. 29 Issue 3, p37-37. 1p.
- [3.] Borchers, Andrew; Sanford, Doug; Fredenberger, Oct2013 Bill. *Journal of Critical Incidents*. , Vol. 6, p163-165. 3p.
- [4.] Carsten Hirschberg, Alexander Rajko, Thomas Schumacher, and Martin Wrulichnov 2016, *The changing market for food delivery*, <http://www.mckinsey.com/industries/high-tech/our-insights/the-changing-market-for-food-delivery>
- [5.] Cebrzynski, Gregg. 7/28/2008 *Nation's Restaurant News*. Vol. 42 Issue 29, p82-82.
- [6.] Dwek, Robert. 7/27/2000 *Marketing Week*. , Vol. 23 Issue 26, p22. ½
- [7.] Esper, Terry L.; Jensen, Thomas D.; Turnipseed, Fernanda L.; Burton, Scot.2003, *Journal of Business Logistics*. , Vol. 24 Issue 2.
- [8.] Kubde, Purnima; D'Mello, Desiree; D'souza, Stephina; Falcao, Carrin; Thomas, Jocelin. Apr2016 *International Journal of Computer Applications*. , Vol. 139 Issue 1-14, p9-11. 3p
- [9.] LaTour, Kathryn A.; Carbone, Lewis P. Nov2014, *Cornell Hospitality Quarterly*. Vol. 55 Issue 4, p342-353. 12p. DOI: 10.1177/1938965514521689.
- [10.] Okumus, Bendegul; Bilgihan, Anil; Ozturk, AhmetBulent. Aug-Sep2016, *Journal of Hospitality Marketing & Management*. Vol. 25 Issue 6, p726-747. 22p. DOI: 10.1080/19368623.2016.1082454.
- [11.] Ottenfeld, Marshall; Haug, Ralph; Bernstein, Donald. 2009 *Leadership & Organizational Management Journal*. , Vol. 2009 Issue 4, p34-43. 10p
- [12.] Randhawa, Rajinder Singh; Birari, Abhijeet; Joshi, Asmita. Dec2014, *IUP Journal of Supply Chain Management*. Vol. 11 Issue 4, p43-65. 23p.
- [13.] Shahid, Saad; Khan, ShamilaNabi. Spring2016 *Lahore Journal of Business*. Vol. 4 Issue 2, p23-50. 28p
- [14.] Zhang, Juzhi; Gou, Qinglong; Yang, Feng; Liang, Liang. Apr2016, *International Journal of Production Research*. Apr2016, Vol. 54 Issue 7, p1899-1918. 20