

# A Study On Customer Preference Towards Online Food Buying In Surat City With Special Reference Through Uber Eats, Swiggy And Zomato

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**Abstract:** E-commerce in India is expected to grow from US \$2.9 billion in 2013 to a massive US \$100 billion by 2020, making it the fastest growing e-commerce market in the world! E-commerce is also observing a spurt in online restaurant & food service companies, which is expected to range \$2.7 billion by 2019. This white paper explores drivers of the growth of such online food delivery companies in India, the recent competition and how this affects the brick-and-mortar restaurant business in India. A highly advanced online ordering system has fundamentally altered the restaurant's ethos and provided individuals all around the world with a brand-new, incredible comfort zone. The purpose of this paper is to study on consumer preference towards online food buying in Surat city with special reference through Uber Eats, Swiggy And Zomato. Surat being the fastest city of Gujarat this study is conducted in Surat city and descriptive research design is used for the study. A well-structured questionnaire is designed and the sample size for the study is 100 samples.

**Index Terms - Customer preference, Online Food service, Uber Eats, Swiggy & Zomato.**

## I. INTRODUCTION

Online food delivery is overall a new concept in the services sector. It has transformed the hospitality industry, which is witnessing metamorphic changes at every stage. The format of home delivery or the takeaways have increased a lot more customers in locations such as malls, offices and big-party orders for residential complexes. People missing breakfast on the way to work, order-in. People who wish a better choice of corporate lunch or party, order in too. Everybody seems to be in awe of the online food order and delivery option for the convenience and instant source of food at home. Besides, the convenience of ordering groceries from your mobile app or web browser has certainly taken away some market share from the trusted 'kirana' or the mom-n-pop stores. India is the 6th largest grocery market in the world, but the organized sector as run by some of the online businesses stated above makes up only for 5-8% market share of the grocery business. The vast majority is still owned by these local markets and the mom-n-pop stores. This has some obvious impacts on the brick-and-mortar formats of in-dining restaurants as more people prefer to have restaurant-style cuisines right in the privacy of their homes or workplaces, but the impact is not so much as it may appear to be. The fast food business in India is only about 2 decades old, and remains largely unorganized. The role of mobile apps and also web-based system of ordering food cannot be undermined at this point. With more people using smart phones, increasing literacy and access to the Internet, the fortunes waiting to be reaped from the business of home delivery are just a click away!

**CUSTOMER PREFERENCE:** Customer Preference is a marketing concept that measures customers' knowledge of a brand's existence. At the aggregate (brand) level, it refers to the proportion of customers who know of the brand. Customer preference remains fundamental to customer life as the interaction initiation point to the brands. The approach takes into account sources of brand equity - customer awareness, customer/brand loyalty, and image (perceptions/associations) in the minds of customer.

**UBER EATS:** Uber Eats (previously stylized as Uber EATS) is an American online food ordering and delivery platform launched by Uber in 2014 and based in San Francisco, California. Users can order food from participating restaurants on their website or with a Smartphone/tablet application (only IOS and Android). Uber was founded in 2009 by Garrett Camp (also the founder of Stumble Upon), and Travis Kalanick. The company made its foray into food delivery in August, 2014 with the launch of the UberFRESH service in Santa Monica, California. In 2015, the platform was renamed to UberEATS, and the ordering software was released as its own application, separate from their app for Uber rides.

**SWIGGY:** Swiggy is an online food ordering and delivering service based in Bengaluru, Karnataka, India. It was founded in 2014 by Nandan Reddy, Rahul Jaimini, and Sriharsha Majety. Swiggy is operated by Bundl Technologies Private Limited in over 25 cities in India. Its total valuation in the market is \$1.3 billion and its total funding amount is \$465.5 million. Swiggy was founded in August, 2014 by Nandan Reddy, Rahul Jaimini, and Sriharsha Majety. In August of 2014, Swiggy began operations by signing up a few restaurants in Koramangala, Bengaluru. Soon enough, the first team of Hunger Saviors came into action to deliver food within 40 minutes. Shortly after, Swiggy raised its first round of funding and launched the app in May of 2015. Fun fact: The technology that delivers great food right to your doorstep was completely developed in-house!

**ZOMATO:** Zomato is an Indian restaurant search and discovery service founded in 2008 by Deepinder Goyal and Pankaj Chaddah. It currently operates in 24 countries. It provides information and reviews on restaurants, including images of menus where the restaurant does not have its own website. The restaurant search and discovery platform began its operations under the name, Foodiebay. In November 2010, the brand was renamed as Zomato. By 2011, Zomato launched in Bengaluru, Pune, Chennai, Hyderabad and Ahmedabad. With the introduction of .xxx domains in 2011, Zomato also launched zomato.xxx, a site dedicated to food porn.

## II. REVIEW OF LITERATURE

A study conducted by (**Rathore & Chaudhary, 2018**) reveals that the development of the Internet augmented the e-commerce industries in a country like India. Online food delivery has become a new trend for gen X. Development of E-commerce services has made Online food ordering services, a convenient option for consumers. It helps the consumers in saving their time of visiting the restaurant physically and can order food as and when they want it, depending upon their convenience.

A study done by (**Das, 2018**) concludes that Zomato has showed to be a better service provider in comparison to other online food delivery service providers, because of its on-time delivery and attractive discount vouchers.

A study finished by (**H.S.Sethu & Saini, 2016**) reveals that online food delivery services help the students in their better time management. It was also found that ease of availability of the desired food and easy internet access are the major reasons for choosing the online food delivery channel. A study done by (**Lan Hong, 2016**) reveals that the online food delivery market is not properly developed. Many modifications are still required.

(**Chavan & Teli, 2015**), concluded in the study that the use of smart device-based interface for customers to view order and navigate has helped the restaurants in handling orders from customers immediately. The potential of smart phone technology in fulfilling and wireless communication and improving business situation and service industry. Their study states that this system is suitable, actual and easy to use, which is likely to improve the overall restaurant business in coming times.

(**Bhavna Singh, 2015**) said in the study that Food panda has been present in the Indian market since May 2012. Food panda first major move was acquisition of Tasty Khana, which was launched in the city of Pune in 2007. Together with Tasty Khana and JUST EAT, it is now present in over 200 cities and partners with over 12,000 restaurants. She also talked about JUST EAT was launched in Denmark in 2001 and was traded publicly on the London Stock Exchange. Their Indian business was launched as Hungry Bangalore in 2006. It was renamed in 2011 when JUST EAT acquired a majority share in the business. Today, the company partners with over 2,000 restaurants.

## III. OBJECTIVES OF THE STUDY

1. To know preference of customer on online buying food in 7 zone of Surat city.
2. To check awareness among customer regarding online buying food.
3. To know which application is preferred more by consumer.

#### IV. RESEARCH METHODOLOGY

- a. **Research Design:** In this paper Descriptive Research design has been used to find out the answer to who, what, when, where, and how questions.
- b. **Collection of Data:** Here there was a collection of data through primary source by using questionnaires.
- c. **Sampling Size:** In this paper, sample size i.e., 100 respondents.
- d. **Sampling Method:** In this paper the method was convenience, non-probability sampling.
- e. **Sampling Frame:** In this paper, respondent of Adajan Patiya, Chowk Bazar, Katargam, Kapodra, Udhna Gam, Vesu, Anjana of Surat city are considered as sampling frame.
- f. **Survey Tool:** In this paper, face-to-face Structure Questionnaires are used.
- g. **Data Analysis:** In this paper, the data collected through questionnaire are analysed by following techniques:

1. Tables 2. Percentages.

#### V. SCOPE OF THE STUDY

This study would give the company a clear understanding about the customer feedback as well as their satisfaction level and also to understand what the competitors are doing in order to increase their sales by this research the company can improves on their strategy and also improving on service strategy so that the customer not just satisfied but delighted.

#### VI. RESULTS AND DISCUSSION

Q1. Do you prefer online food service?

*Table VI.1 Online food service preference*

	Frequency	Percentage
Yes	98	98%
No	2	2%
<b>Total</b>	<b>100</b>	<b>100%</b>

**INTERPRETATION:** From Table VI.1, i can interpret that out 100 sample 98 sample that is 98% of sample do prefer online food service while other 2% of people prefer to get food physically.

Q2. Which mobile application or online mobile portal you prefer?

*Table VI.2 Mobile application or online mobile portal preference*

	Frequency	Percentage
Zomato	33	33.62%
Swiggy	35	35.34%
Uber Eats	29	29.74%
Other	1	1.3%
<b>Total</b>	<b>98</b>	<b>100%</b>

**INTERPRETATION:** From Table VI.2, i can see that Swiggy is highest mobile application preferred by 35.34% people. 2nd highest application preferred by respondent is Zomato, 33.62% of people preferred Zomato. while uber eats is only preferred by 29.74% people which is least among all three application.

Q3. How often do you order food online in a typical week?

*Table VI.3 Order food online in a typical week*

	Frequency	Percentage
Once in A Week	46	46.93%
Twice in A Week	35	35.71
3 To 4 Times in A Week	13	13.26
5 To 7 Times in A Week	3	3.06
>7 Times in A Week	1	1.02
<b>Total</b>	<b>98</b>	<b>100%</b>

INTERPRETATION: From Table VI.3, I can say that normally people use to order food once in a week through online as out of 98 people 46 people nearly 47% of people buy once in a week through online. only 3 and 1 person out of respondent order 5 to 7 times and >7 times in a week respectively which is about 3% and 1%.

Q4. On what occasions do you order food through online?

*Table VI.4 occasions do you order food through online*

	Frequency	Percentage
Business Events	18	18.37
Special Occasion	30	30.61
Romantic	9	9.18
Social	23	23.47
Don't Want To Cook	58	59.18
<b>Total</b>	<b>98</b>	<b>100%</b>

INTERPRETATION: From Table VI.4, I can say that normally people use to order online when they do not want to cook, out of 98 respondent 58 respondent nearly 59% of respondent buy food when they do not want to cook. 30 respondent order on special occasion and 23 respondents out of total respondent order food on social event.

Q5. How much you spent on these services in a single order?

*Table VI.5 spent on these services in a single order*

	Frequency	Percentage
0-200	17	14.28
201-500	52	53.06
501-1000	26	26.53
More Than 1000	3	3.06
<b>Total</b>	<b>98</b>	<b>100%</b>

INTERPRETATION: From Table VI.5, I can say that normally people use to order of Rs 201-500. 53.06% of respondent order between 201-500 Rs. Out of respondent 26% of respondent are spending 501-1000 per order. Only 3.06% of respondent spend more than 1000 on online buying of food.

Q6. What type of payment mode you usually prefer?

Table VI.6 Payment mode

	Frequency	Percentage
Internet Transaction	09	9.01
Cash on Delivery	69	69.27
Credit/Debit Card	20	20.72
Other	0	0
<b>Total</b>	<b>98</b>	<b>100%</b>

INTERPRETATION: From Table VI.6, I can say that people use to order using cash on delivery more 69% of respondent order through COD service and 20% of respondent use credit card and debit card service to order food through online. Lastly 9% of respondent use internet transaction.

Q7. How much you rate for service?

Table VI.7 Rate for service

	Uber Eats	Swiggy	Zomato
1star	2	2	2
2star	3	1	5
3star	27	24	36
4star	24	39	21
5star	18	18	19
<b>Total</b>	<b>74</b>	<b>84</b>	<b>83</b>

INTERPRETATION: From Table VI.7, I can say that Zomato is rated as 3 star while Swiggy is rated as 4 star and uber eats rated as 3 star it means majority of people prefer Swiggy more as 46% of respondent of Swiggy has rated Swiggy as 4star while 43% of people out of respondent of Zomato rated Zomato as 3star and 37% of respondent out of total respondent of uber eats voted as 3 star to uber eats.

Q8. Rate the challenges you face while ordering food online?

Table VI.8 Challenges you face while ordering food online

	Completely Disagree	Disagree	Neutral	Agree	Completely Agree
Site is slow	23	42	24	8	3
Site is not opening	29	45	19	4	3
Service follows up is poor	14	39	38	7	2
Delivery time is more	15	34	28	19	4

INTERPRETATION: From Table VI.8, I can depict that usually people do not face any problem with site is slow 65% of respondent have no problem or less problem, while 24% of respondent are not able to decide but 11% of respondent have some or more problem. Talking about site is not opening 74% of respondent do not face any problem or less problem, while 7% of respondent have more problem or some problem with this problem. Talking about service follow up 38% out of total respondent are not able to decide, while 43% of people are satisfied and 9% of respondent are not satisfied. While 23% of respondent have problem with delivery time, while 49% of respondent have no problem.

**PERSONAL DETAILS:**

Gender		
Male	65	65%
Female	35	35%
Age		
0-19	38	38%
20-39	52	52%
40-59	10	10%
60 Above	0	0%
Occupation		
Student	82	82%
Service	2	2%
Business	12	12%
Professional	2	2%
Self Employed	2	2%

**VII. CONCLUSION:**

The online platform has drastically changed the food delivery service industry. It has created new businesses, such as Zomato, Uber EATS and Swiggy. It has also helped to enhance the customer experience with traditional food delivery service companies, such as major fast food restaurant chains, thereby impacting the customer preference toward the food delivery service industry as a whole. I would like to say that all the 3 companies Swiggy, Uber EATS and Zomato are doing well. But at some point, they differ from each other where competition is at high. here customer get benefit and company can also earn well it's like win-win situation for both.

In conclusion, there is a market for online food delivery service as consumers seek for ways to solve their problems. To be successful in the market, business owners must understand the needs of their customers and provide the services that match their needs. Sale promotions and word of mouth play significant roles in encouraging service trials.

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