Opportunities in service marketing: A Study on Online Food Ordering Using Web Based Apps

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Abstract- Online food ordering is contributing high growth and high profit in Indian industry. Ministry of Indian food processing industries is taking numerous initiatives to encourage investment in this sector. In this study we discussed about various features and 4 p’s of swiggy, zomato and food panda and also discussed about how online food ordering is contributing in India’s growth. From Service gap and conceptual framework swiggy and food panda is trying to reduce service gap between customers.

Key words: Food, India, Service, Swiggy, Zomato, Food panda

I. INTRODUCTION

Frequent growth of wireless technology and mobile devices is creating a huge impact on our life. Business and companies are undertaking their business with internet. Hospitality industry is also utilizing these opportunities, by providing online food ordering service to customers. Nowadays many restaurants have focus for quick preparation and speedy delivery rather than offering a rich dining experience. So restaurants are approaching popular food service apps like swiggy, zomato, uber eats etc. With these online food ordering method, food is ordered online and delivered to the customer. These is made possible through the use of wireless technologies. They can order foods from their work place, home, at the time of travelling also. Online ordering satisfies the needs of busy customer living in cities.

II. OBJECTIVE OF THE STUDY

i) Various features involved in online food service.

ii) 4p’s of service marketing of online food ordering apps like swiggy, Food panda and zomato.

III. LITERATURE REVIEW

• Dr. Neha Parashar Ms. Sakina Ghadiyali (2016 ) – IN THEIR STUDY ON CUSTOMER ATTITUDE AND PERCEPTION TOWARDS DIGITAL FOOD APP SERVICE found that compare to other service, online food delivery service reaches 30 percent in market, this sector contributes 64.80% in GDP. The market size of food industry in India is expected to reach Rs 42 lakh crore in 2020 as per the reports by BCG. Important variable from the study is Behavior of customer and social economic characteristic of customer. As a result 40% of customers prefer cash on delivery as a payment mode. And they felt that facilities of customer play a major role in making a purchase from an app.

• AS PER THE STUDY ON ADOPTION AND SATISFICATION LEVEL OF CUSTOMER TOWARDS ONLINE FAST FOOD ORDERING by Dr. Parvampal Singh, Dr. Ramneek Kaur (2018) found that Time , easy accessibility, multiple choices and payments options are some of the factors which plays a major role in online ordering. From their research Fast food is highly purchased by customers compare to other items. Result shows that majority of people eat fast food once in a month, Pizza is the most preferred item in fast food. As per this study out of total population only 65% of the respondents preferred to buy the fast food through online.

• AS PER THE STUDY ON CUSTOMER PERCEPTION OF ELECTRONIC FOOD ORDERING by Sheryl E. Kimes (2011) found that through electronic ordering customer feel easy and much comfort, Pizza is the most commonly ordered category in online. From their research most common ordering channel through online that gives 53.7 percent. As a result 48.5 % of respondents order their food in online. That nearly half of the respondents had placed their order in restaurant food using an electronic channel.

• AS PER THE STUDY ON KEY SUCCESS FACTOR OF ONLINE FOOD ORDERING SERVICE by Zulkarnain Kedah (2015) found that online food ordering satisfies the needs of busy individuals. So they place their order online and receive delivery within a few minutes. Conceptual framework of this study is information quality, website design, security, payment, delivery, customer service and food quality. In this research
data has been collected from Pizza Hut, McDonald’s, Domino’s, Nando’s, Papa John’s and Room Service Deliveries. Results shows that online food ordering companies have to provide clear information to customer, website design, security/privacy and easy payment system to their customers in order to increase the level of customer satisfaction.

IV. ADVANTAGES OF ONLINE FOOD ORDERING
- The main advantage is mode of payment, Customers can pay after receiving food on their door steps and they can also pay on Debit cards.
- Delicious food can also be served in online food ordering.
- Customers can edit their food categories, address and also easy to track their orders.
- Quick and easy order cancellation process.
- Offers and discounts are the main feature of online food ordering.
- Online food ordering system works 24*7.

V. DISADVANTAGES OF ONLINE FOOD ORDERING
- Biggest problem in online food ordering system is place or exact location of the customer. It is very difficult to deliver food in remote areas.
- Food may not be good as it appears in food ordering app.
- Limited menu choices only available in food ordering app.

VI. VARIOUS FEATURES IN ONLINE FOOD ORDERING
A. LOCATION BASED TRACKING: Mostly customers place their order in nearby restaurants. And they also expect the apps to have accuracy on locations to avoid any complaints regard street no, lane, etc. Hence these apps must able to identify customer geographical regions.
B. LOYALTY REFERRAL PROGRAM: Mobile ordering app almost stores every detail of customer and their order histories. Loyalty programmed is given to frequently used customer. Programmer like free Lunch and some movie ticket. It can create loyalty rewards on particular brand.
C. CUSTOMIZED SERVICE: Customizing make a customer feel special and everybody like personalization in everything. From the past orders of customers, company should provide their suggestion in earlier. So customers feel that company is providing best possible services.
D. EASY PAYMENT OPTIONS: Customer seek that easy method of payment as cash on delivery, net banking, debit/credit card and mobile wallet. And customers are afraid of hackers and unethical attacks while transferring their funds. Companies make some security measures to their customers.

E. ONLINE TRACKING: Zomato, swiggy and food panda are offering tracking option. This feature helps customer who place their order while travelling. It can also help the delivery person in case they have not chosen the wrong route.

VII. 4P’S OF SWIGGY SERVICE MARKETING

Product
Swiggy is one the most popular delivery companies to supplies food and beverage to its customer. Customer ordering and delivery the food become a hassle free option because of swiggy. The company has seven hundred and fifty restaurants on its platform. And they receive seventy thousand orders on monthly basis.

Place
Swiggy has its headquarters at Bangalore and corporate office at Hyderabad and Gurgaon in Haryana. Swiggy takes order for food delivery from listed restaurants on its portal. Swiggy has a strong and wide spread distribution network. Nearly 800 employees are working on field. Swiggy has taken the help of social media platform like twitter, Facebook, Instagram, and YouTube.

Price
Swiggy has tie-up with restaurants and offer a minimum of 15%-25% as a commission. This charge has helped in increasing its distribution channel. And they also charge a minimum delivery fee for their customer.

Promotion
Swiggy adopted several plans to create future brand awareness. Word mouth publicity and customer is the greatest advertising tool. They update offers in page.

VIII. 4 P’S OF ZOMATO SERVICE MARKETING

Product
While ordering zomato provides with restaurant details, their image, rates, menus and even portal for customer feedback. The main service in marketing mix includes point of
sale(POS) system, restaurant search and delivery, white label app. White label is the product or service produced by one company and it is used by another company. Zomato tie up with 1.5 million restaurants across all the countries where it operates.

**Price**

Zomato does not charge for restaurant to place their details on zomato website. Restaurant advertising in zomato website or application is the major source of their revenue. Advertising includes banner of restaurant which gives maximum visibility of the users. In percentage revenue restaurant advertising includes 85%, event advertising includes 5%, and event ticket sales include 10% of the revenue.

**Place**

Zomato is an online service; it is available in 25 countries which includes India, Australia, USA, Chile, Malaysia, UAE, Portugal, South Africa and many more. Its app provides various languages to their users like English, Italian, Spanish, Portuguese, Turkish, Slovak, Indonesian, Polish and Italian. Their headquarters at Gurgaon, Haryana, India. Nearly 2500 employees are working on field. Zomato has taken the help of social media platform like twitter, face book and Instagram.

**Promotion**

Zomato use their strategy as a content marketing strategy. Content marketing aim to advertise through images. They focus all segments of people. Zomato have interlinked with Paytm.

**IX. 4 P’S OF FOOD PANDA SERVICE MARKETING**

**Product**

Food panda ensure that healthy, tasty and unique experience in eating without the hassle of travelling.

**Place**

It is an international company that allows placing a food orders from local restaurant. Their network is spread in 43 countries. And headquarters in Berlin, Germany. Food panda tie ups with 40000 restaurants in global market. Its distribution network includes more than 2000 partners like MasterKalandar, Baskin Robbins, Nirulas, Subway and Pizza Hut etc. They have trained employees to meet with customers demand successfully.

**Price**

Food panda adapted the value added pricing policies, it offers reasonable price for quality products. And they have also adapted the competitive pricing policy to face competition from several brands. And they are making the service more affordable for better revenues. They charge minimum of 10%-15% of commission from restaurants.

**Promotion**

A Publicity event has to be launched in popular malls, television, radio, cinema, magazines, newspaper, train, bus hoarding and billboards. On December 2015 food panda made a deal with Indian online railway system. It helps customers to place their orders while travelling. The company offering something new and innovative products at festivals time, to maintain the loyalty of customers. Even Food panda updates their regular offers in Facebook page. It also has an innumerable follower on twitter.

**X. INDIA’S GROWTH IN ONLINE FOOD SERVICE**

Indian online food service has a strong growth in basis of daily orders. During September, average of 400000 orders are place on daily basis. It is possible because of players like swiggy, zomato, uber eats, food panda. Online food tech is growing day by day. Food ordering platforms take the average time to deliver meals in 47 minutes on December 2016; on 2017 it will take 42 minutes to deliver. This technology helps the players to boost their customers to place a more orders

**XI. SERVICE GAP IN ONLINE FOOD ORDERING**

**DELIVERY GAP:** Delivery gap affects the brand image of the company. Company failed to train their employees, put guidance in right way. As result employees are not able satisfy the need of customer.

**COMMUNICATION GAP:** Some promises made by company through advertising media. When over promising does not match the actual service delivery, it creates a communication gap.

**KNOWLEDGE GAP:** Knowledge gap means customer expectation of the service and company provision of the service. When knowledge gap exits companies are trying to meet wrong or non-existing customer needs. In customer oriented business it is important to have a clear understanding of customer needs.

**POLICY GAP:** It means lack of maintaining or failure to maintain the details of existing customer. This gap may see consumer seeks a similar product with better service.

IJSRCSAMS

Volume 7, Issue 5 (September 2018)
Delivery Time - “swiggy schedule” service has been launched. This service allows the customers to pre-order their meals up to 48 hours in advance. And offering zero delivery charges in return. If the delivery happened to be late from the promise time, customer will get 20% cashback. They deliver the food within 45 minutes. They charge a delivery fee of Rs 25-30 when order during festival time and rainy days. Average food delivery time of zomato is approximately 38 minutes. Even zomato has also introduced new service like “pre-order” system. Zomato expand their service delivery in 17 new cities in India. Food panda has launched “Express Guarantee” service. This service promises customers to refund their amount, if the food delivery fails within 45 minutes. This service was initially tested in Delhi, and later it was introduced in Pune also.

Offers- Compare to other apps food panda has some better offers. Restaurants also have a better deal with food panda over swiggy.

No of Restaurant- Swiggy and food panda has tie up with many restaurant rather than zomato. Zomato has only minimum restaurant in their website.

Mobile App- swiggy, zomato and food panda are compatible in all phones like iPhone, android mobiles and windows.

XII. CONCLUSION

The ultimate objective of developing this system is customers can reach the products on internet as well as sellers can reach to customers in the same way. Many restaurants and food companies become popular because of making a tie up with online food ordering services. But some MSME food companies are not available in the website of online food ordering, companies like swiggy offering a minimum commission on 15%-25% it is not possible for small entrepreneur. After FSSAI order swiggy, zomato and food panda have delisted 10500 restaurants from their website, because the restaurant don’t have food safety regulators approval it is reported by Times of India. From conceptual framework, comparing all variables swiggy and food panda are providing best service quality to their customer. And they maintain only limited gap in customer’s satisfaction.

REFERENCES