

AN INSIGHTFUL REVIEW ON ONLINE FOOD DELIVERY

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ABSTRACT

By utilizing convenience and smartphone technology, online food delivery (OFD) companies have revolutionized the way people buy meals from outside of their homes. Even though they make up a sizable share of these partner establishments, little is known about the nutritional value of the food they provide. Additionally, there is limited understanding of how OFD platforms influence consumer choices. The results reveal that optimism and innovativeness have a more pronounced impact on certain demographic groups, such as younger individuals, males, those with higher incomes, and those with higher education levels. Conversely, feelings of insecurity and discomfort tend to be more prevalent among older adults, females, individuals with lower incomes, and those with lower education levels.

Keywords: Food delivery, Practical implication, Progress, Factors.

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INTRODUCTION

The concept of delivering food directly to consumers' homes is not a recent innovation. In ancient and medieval times, this service primarily catered to the upper social classes; however, over the years, it gradually included lower classes as well. Street peddlers began supplying products directly to homes, primarily offering raw or minimally processed goods, such as potatoes, meat, eggs, and dairy products in Polish cities. In recent years, large grocery companies have expanded their offerings to include home delivery of nearly all food products [1, 2]. This trend is attributed by experts to developments in technology and culture. There has been a discernible cultural shift away from traditional domestic cooking as a

result of women's increased desire for professional success. Technologically, the rise of the internet and the widespread use of mobile devices have significantly influenced this shift.

As a result, consumers can now order meals from their favorite restaurants using mobile apps, having their lunches delivered to locations such as parks, river embankments, or tennis courts. This conversion practically converts the entire city into a gastronomic space, which makes it notable in the perspective of urban gastronomy. According to Majdan, 55% of those who visited meal delivery services ordered Italian food, mostly pizza; 13% got Asian food; and 12% ordered American food, such as burgers. The

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expansion of e-commerce and the internet in recent decades has resulted in a sharp increase in the number of businesses providing home delivery services. Unlike traditional and “click & collect” purchases, which involve customer participation, or door-to-door sales, home delivery requires companies to handle the selection, preparation, and delivery of ordered goods to customers' homes or nearby locations [3].

The term "food environment" refers to the physical, economic, political, and sociocultural settings in which people engage with the food system and make decisions regarding the purchase, preparation, and consumption of food. The proliferation of online food delivery (OFD) platforms, whose usage doubled between 2018 and 2020, is upending the current food environment. OFD platforms are defined as “websites or smartphone applications that allow customers to select menu items from food outlets to order meals prepared away from home for pickup or delivery by freelance couriers.” Nearly 30% of younger generations (ages 15 to 34) utilize these OFD platforms, recently identified as their primary users. Young people are reported to consume food prepared outside the home more than any other age group and spend just under AUD 2000 per year on such meals.

FOOD DELIVERY SERVICES

Online food delivery ordering services, or OFDOs, allow consumers to order food online or through mobile applications or websites, either directly from nearby restaurants or through middlemen. Customers can request meal delivery to their doorstep or a specified area. Food chain restaurants like McDonald's, KFC, Pizza Hut, and Domino's, as well as a variety of smartphone applications like Foodpanda, FikiFoo, HiFood, EatEasy, and Delivers.pk that act as middlemen for several restaurants, can be classified as OFDO service providers.

Technology in the food sector has advanced beyond conventional manufacturing and preservation methods to OFDO services, which let customers quickly look for their favorite restaurants, choose from a menu of options, and specify where they want their orders delivered. The proliferation of OFD ordering service businesses has been fueled by the development of internet technology and the increasing popularity of cellphones [4-6]. The Food sellers may now increase order accuracy, boost productivity, build stronger customer relationships, and reach a wider audience thanks to this change in the foodservice sector.

GROWTH OF ONLINE FOOD DELIVERY

Online Food Delivery (OFD) is emerging as a revolutionary alternative for accessing freshly prepared meals. The growth of the Internet and related digital technologies, such as portable devices, has driven significant social and cultural change in this space. Over the past few years, OFD has grown exponentially. As per the "Online Food Delivery Services Global Market Report 2020–30," the worldwide OFD market is anticipated to rise at an annual growth rate of 11.51%, from \$107.44 billion in 2019 to \$154.34 billion in 2023. These third-party meal delivery services are usually restricted to cities, though. Many restaurants have resorted to AI and drone-based delivery channels, which represent another form of OFD, in an effort to increase the geographic reach of OFD services [7].

Online food delivery services have existed for quite some time. Initially, several chain restaurants created websites for take-out orders, but these services were confined to their own locations. Individual restaurants soon followed suit by developing their own delivery websites. Furthermore, in the early 21st century, food retailers started to offer online delivery. But during the past ten years,

the popularity of generalist online food delivery services that combine orders from multiple restaurants has only increased. Consumers who utilize online food delivery services exhibit some distinct characteristics. 86% of orders are usually delivered to the customer's home, and 74% of sales take place on weekends [8]. Moreover, in 2017, 43% of people who placed an online food delivery order said it took the place of a dining out meal, an increase from 38% the year before. This implies that the emergence of internet channels has led to a tendency of gradual cannibalization. Online meal delivery service proponents frequently assert that their services give eateries additional revenue. In fact, according to a poll of several thousand restaurateurs, 60% of them said that providing online delivery increased sales [9].

FACTORS SHAPING FOOD DELIVERY

These include: Availability, Prices, Vendor product and properties, Marketing and regulation, Accessibility, Affordability, Convenience, and Desirability [10, 11]

PRACTICAL IMPLICATIONS

This study goes beyond theoretical contributions and offers practical insights for practitioners, retailers, service providers, and marketers. The results highlight key areas that professionals should focus on to reshape their strategies. The findings strongly support the notion that technology readiness is essential for influencing consumers' intentions to adopt specific technologies, such as Online Food Delivery Order (OFDO) services.

Restaurant owners and OFDO service providers must consider technology-related personality traits among consumers—specifically innovativeness, optimism, discomfort, and insecurity—that can affect their readiness to adopt OFDO services. To encourage the use of OFDO services, providers should enhance the positive drivers of technology readiness (i.e., innovativeness and optimism) while addressing the negative

influences (i.e., discomfort and insecurity) that may hinder adoption. The study's statistical findings show that innovativeness and optimism positively correlate with consumers' readiness, while discomfort and insecurity negatively impact their intention to use OFDO services [12, 13].

Furthermore, regularly adding value to their solutions is a good way for OFDO service providers to draw in hopeful customers and win over pessimistic ones. They must also systematically evaluate their unique services to identify factors that either enhance or detract from consumers' willingness to use OFDO services. Every facet of technology readiness is essential to comprehending customer behavior, and when designing online services, particular consideration should be paid to each component.

In the online space, food is presented alongside other commodities but remains intangible for consumers. They must rely on the website's descriptions and photos to determine the quality of the meal because they are unable to see, smell, touch, or taste it. OFDO service providers can encourage optimism and innovation by utilizing eye-catching graphics, engaging information, and creative design [14]. Enhancing visual appeal requires the use of powerful components including eye-catching background images, web videos, eye-catching graphics, imaginative logos, eye-catching product displays, and an overall visually appealing presentation. These components can help alleviate complications for consumers and boost their optimism.

Additionally, OFDO service providers can help mitigate consumers' discomfort with adopting OFDO services by improving website layout and functionality, as these elements are crucial in evaluating a site. A well-organized website enhances user experience through clear structure, arrangement, and easy navigation. OFDO service providers can increase consumer

comfort by offering an intuitive layout, clear information, and navigation aids to help users move seamlessly between webpage sections. Including readily accessible contact information can facilitate quicker communication and guidance for consumers. Websites should also be user-friendly, providing keyword search options and price comparisons to empower consumers to make informed decisions without external assistance. Customization options that allow consumers to adjust the website layout, colors, font sizes, etc., further enhance user experience. Demonstrating products from different angles is a cost-effective way to alleviate discomfort and boost intentions to use OFDO services.

Demographic factors significantly influence consumers' attitudes towards adopting new technology. The findings reveal that males, younger individuals, those with higher education, and higher-income groups tend to be more optimistic and innovative and have positive intentions towards adopting OFDO services. Conversely, females, older adults, those with lower education levels, and low-income individuals may experience discomfort and insecurity, preferring more traditional forms of communication and interaction over using technology [15-17].

Organizations targeting segments with low technological engagement should focus on strategic solutions, such as enhancing communication with these consumers. For example, developing advertising strategies aimed at minimizing uncertainty can help build trust among those who feel insecure

about new technologies. Utilizing well-known endorsements can enhance credibility and trust in the new technology offered by a company [18]. Financial security is also a critical factor in converting insecure buyers into optimistic ones. OFDO service providers should prioritize secure, straightforward, and user-friendly payment processes to alleviate insecurity and foster positive readiness towards using OFDO services.

CONCLUSIONS

Online food delivery services have experienced rapid growth and expansion over the past decade, showing no signs of slowing down. The findings showed that there is a considerable association between customer satisfaction and all four independent variables (pricing, delivery service, time, security/privacy, and time), with delivery service showing the largest correlation. They can improve their interactions with customers by using the research to their advantage. Finally, this study's conclusions can provide strategic insights for multinational corporations hoping to grow their OFDO services in emerging regions.

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