



IMPACT OF NETWORK-BASED FOOD DELIVERY COMPANIES ON SMALL TO MEDIUM HOTELS

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ABSTRACT: The emergence of the internet, together with the development of associated technologies, has had a huge influence on people's lives all over the world. One of the most important implications for marketers has been the rise of virtual stores that offer things and services online. Consumers may now buy products and services almost anywhere, 24 hours a day, seven days a week, regardless of geographical or temporal limitations. Digital services are any services that may be supplied over an information infrastructure such as the internet in various forms, such as apps, web pages, social media, and so on. Many marketers agree that successfully implemented internet marketing will improve client spending and loyalty to both online and offline products. This is mostly because, in contrast to other traditional mass media that only use one-way communication, the internet offers the important advantage of two-way communication and the capacity to transmit information fast and affordably. However, small and medium-sized eateries believe that online food delivery services are abusing their strong market positions. The group of eateries stated that internal sourcing of orders, in-house kitchens, and deep discounting were killing off tiny eateries. This study sheds light on the influence that online food delivery companies have on hoteliers, given their dual impact of good and bad on eateries. Both primary and secondary data have been taken into consideration for the purposes of the study. Secondary data comes from online sources, while primary data is gathered from Mangaluru city's hotels.

KEYWORDS: Restaurants, hotels, services, *network delivery services*.

INTRODUCTION:

From phone-based to online ordering to meeting customers' ever-changing needs, technology has significantly contributed to the revolution of the meal delivery business, propelling it to the top. Because of their reliance on technology, consumers are now able to accomplish anything online, even have prepared meals delivered right to their door. This has resulted in changes in customer preferences. People are moving toward more online purchasing options and ways to make purchases that require less time and money around the country. The technique of ordering takeout or delivery from a nearby restaurant or food cooperative via a

website or app is known as online meal delivery. A patron will look for their preferred eatery, typically narrowed down by culinary specialty, and select from the menu items. The market has changed recently, and with more people using the internet, an online meal delivery system is becoming essential. In an attempt to increase revenue, restaurants are also providing online meal delivery services. There is now no way to downplay the importance of smartphone applications and web-based meal ordering systems. The potential riches from the home delivery industry are now only a click away due to the growing number of people utilizing the internet. Regarding internet marketing, most marketers concur that if done right, it would undoubtedly boost consumer spending and loyalty to both online and offline products. This may be mostly attributed to the internet's substantial advantage over other traditional mass media that only uses one-way communication: two-way communication. Information can be transferred swiftly and affordably over the internet. Small- to medium-sized eateries, on the other hand, believe that online meal delivery services are abusing their strong market positions. According to the restaurant consortium, internal sourcing of orders, in-house cooks, and excessive discounting are killing out tiny eateries. The following goals guide the way the study is conducted: to maintain this awareness.

OBJECTIVES OF THE STUDY:

1. 1. To ascertain hoteliers' opinions on network based food delivery services.
2. Gain insight into how small and medium-sized restaurants are affected by online meal delivery services.

METHODOLOGY:

In accordance with the goals stated in the study, primary and secondary data were employed for analysis. A questionnaire was used to gather primary data for the study, while websites were used to gather secondary data. The replies are gathered using the non-probability convenience approach. Mangaluru city's modest to medium-sized eateries served as the sampling. 50 randomly chosen samples were asked a standardized series of questions during the interview process.

DATA ANALYSIS AND INTERPRETATION:

Here is an organizational chart of the survey findings. The demographic profile of the respondents is provided in the first part. In this part, 50 responses are taken into consideration and the data is categorized.

Table 1: Gender wise distribution of respondents

Gender	No. of respondents	Percentage
Male	41	82

Female	9	18
Total	50	100

Male respondents make up the majority.

Table 2: Age wise distribution of respondents

Age group	No. of respondents	Percentage
Below 30	10	20
31-40	25	50
41-50	4	8
51and above	11	22
Total	50	100

The age range of 31 to 40 comprises the majority of the responders.

Table 3: Formal education qualification

Qualification	No. of respondents	Percentage
No formal education	05	10
SSLC Or below	23	46
PUC	11	22
Graduation	5	10
Other	6	12
Total	50	100

46% of the respondents only hold an SSLC or less in their educational background.

Table 4: Monthly turnover

Income	No. of respondents	Percentage
Below 50000	15	30
50000-100000	19	38
100000-150000	6	12

Above 150000	10	20
Total	50	100

Of those surveyed, 38% have a monthly turnover between 50000 to 100000.

Table 5: Time period

Years	No. of respondents	Percentage
Less than 1 year	1	2
1-2 year	14	28
2-3 year	15	30
More than 3 years	20	40
Total	50	100

40% of the participants have been operating their hotel business for over three years.

Table 6: Knowledge of the network based food delivery services

Elements	No. of respondents	Percentage
Yes	50	100
No	0	0
Total	50	100

Because of advertisements and delivery boys who spoke with hoteliers, 100% of respondents were aware of online meal delivery services.

Table 7: Association with the network based food delivery companies

Elements	No. of respondents	Percentage
Yes	45	90
No	5	10
Total	50	100

Majority i.e 90% of those surveyed work for online meal delivery services, specifically with Uber Eats, Swiggy, and Zomato.

Table 8: Customers preference for online delivery

Elements	No. of respondents	Percentage
Yes	10	20
No	40	80
Total	50	100

According to study conducted 80% of the respondents' customers already requested for network based meal delivery services.

Table 9: Average number of orders

Elements	No. of respondents	Percentage
Zomato	25	56
Swiggy	10	22
Uber Eats	3	7
FoodPanda	0	0
Other	7	15
Total	45	100

Since this particular question is only posed to establishments that have embraced online meal delivery services, the total in this case does not equal 50. According to the above table, 56% of respondents who offer online food delivery services receive the greatest number of orders from Zomato.

Table 10: walk in customers per day

Elements	No. of respondents	Percentage
Below 100	23	46
101-200	15	30
201-300	10	20
301-400	0	0
401-500	1	2

500 and above	1	2
Total	50	100

According to the survey, 46% of the respondents saw fewer than 100 walk-in customers per day on average.

Table 11: No. of orders per day for home delivery

Elements	No. of respondents	Percentage
Below 50	30	60
51-100	10	20
101-200	5	10
Above 200	0	0
Total	45	100

Here the total is not equal to 50 because the particular question is asked only to the restaurants who have adopted online food delivery services. According to the survey the restaurants tied up with online food delivery companies will get at least 30 order per day for home delivery.

Table 12: Decline in daily walk in customers

Elements	No. of respondents	Percentage
Yes	30	60
No	20	30
Total	50	100

According to 60% of respondents, the number of people who stroll in every day has reduced since online meal delivery services were introduced.

Table 13: Increase in sales after adopting online food delivery

Elements	No. of respondents	Percentage
Yes	45	100
No	0	0
Total	45	100

Since only establishments that have embraced online meal delivery services are asked this specific question, the total in this case does not equal 50. According to poll, every single respondent stated that their

sales have gone up since they started offering online meal delivery since they are receiving more orders in addition to walk-in clients.

Table 14: plan to associate with the online food delivery companies

Elements	No. of respondents	Percentage
Yes	0	0
No	5	100
Total	5	100

Here the total is not equal to 50 because the particular question is asked only to the restaurants who have not adopted online food delivery services. 100% of the respondents do not have any plan to tie up with the online food delivery companies, Because the companies charge high commission and also because of the delay in payment.

Table 15: problem with regard to online food delivery

Elements	No. of respondents	Percentage
Delay in payment	12	27
Decrease in dining	9	20
Time constraint	5	11
Other problems	10	22
No problems	9	20
Total	45	100

Here the total is not equal to 50 because the particular question is asked only to the restaurants who have adopted online food delivery services. Out of 45 respondents 9 respondents have no problem with regard to online food delivery, and 10 more respondents are having other problems like lack of stock, high commission and 87% of the respondents are having the problem with regard to delay on payment.

Table16: benefits from online food delivery

Elements	No. of respondents	Percentage
Yes	40	80
No	5	10

May be	5	10
Total	50	100

- ❖ 80% of the respondents have an opinion that they get benefited from online food delivery services.

MAJOR FINDINGS OF THE STUDY:

- ❖ Male respondents make up the majority.
- ❖ The age range of 31 to 40 comprises the majority of the responders.
- ❖ 46% of the respondents only hold an SSLC or less in their educational background.
- ❖ Of those surveyed, 38% have a monthly turnover between 50000 to 100000.
- ❖ 40% of the participants have been operating their hotel business for over three years.
- ❖ Because of advertisements and delivery boys who spoke with hoteliers, 100% of respondents were aware of online meal delivery services.
- ❖ Majority i.e 90% of those surveyed work for online meal delivery services, specifically with Uber Eats, Swiggy, and Zomato.
- ❖ According to study conducted 80% of the respondents' customers already requested for network based meal delivery services.
- ❖ According to the study, 56% of respondents who offer online food delivery services receive the greatest number of orders from Zomato.
- ❖ According to the survey, 46% of the respondents saw fewer than 100 walk-in customers per day on average.
- ❖ According to the survey the restaurants tied up with online food delivery companies will get at least 30 order per day for home delivery.
- ❖ According to 60% of respondents, the number of people who stroll in every day has reduced since online meal delivery services were introduced.
- ❖ According to poll, every single respondent stated that their sales have gone up since they started offering online meal delivery since they are receiving more orders in addition to walk-in clients
- ❖ 100% of the respondents do not have any plan to tie up with the online food delivery companies, Because the companies charge high commission and also because of the delay in payment.
- ❖ 87% of the respondents are having the problem with regard to delay on payment.
- ❖ 80% of the respondents have an opinion that they get benefited from online food delivery services.

SUGGESTIONS:

- It's important to properly inform hotel owners of the benefits of working with online food delivery services.
- To encourage small and medium-sized restaurants to work with online meal delivery services, they need to make quick money transfers.
- If restaurants have enough inventory to fulfil orders on time, their sales will increase.

Conclusion

The retail, finance, insurance, and healthcare sectors are no longer the only ones using digital technology. In the restaurant industry, multiple factors are at play. Today's consumers expect not only fresh food that is in season, but also unique dining experiences. Even restaurants can handle more inquiries when they have fewer staff members. An online meal ordering system enables restaurants and mess menus to be set up, allowing customers to place orders fast. With the opportunity for businesses and restaurants to edit the online restaurant menu and submit images, potential customers can easily view and place orders whenever it's convenient for

them. But it's clear that online services have an impact on small and medium-sized eateries, and sometimes these businesses can't keep up with the demand for food that customers place on these platforms. This implies that there are benefits and drawbacks to these internet services for small and medium-sized restaurants.

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