

# The Study of Perspective of Hoteliers Towards Outsourcing of Delivery Services with Special Reference to Online Food Delivery Apps in Mumbai

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## **Abstract**

Finding the greatest online service provider, however, would be challenging given the large number of companies offering this service in various shapes and forms. In today's quick-paced society, when people continuously seek comfort and convenience, the food business has undergone significant transformation, mirroring shifts in the social, economic, and demographic makeup of the nation. In the modern world, getting high-quality meals delivered to one's door in a timely manner while also using an app is nothing less than an extravagance that one may enjoy after a long day at work. Some of the elements that influenced the promotion of the online meal delivery system include an increase in disposable income, an increase in work pressure, the nuclear family system, easy access to the internet, and an increase in smart phones. Thus, the quickest delivery methods in restaurants and the use of internet platforms have given kids plenty of opportunities, which has led to increased growth.

**Keywords:** Hoteliers, Outsourcing, Delivery Services, Online Food Delivery Platforms

With rising urbanisation and an unceasing influx of people from rural areas moving to cities, the restaurant and food delivery business has undergone a significant transformation in recent years. The current pandemic crisis has enhanced the necessity for this online system, which has in turn sparked a growth in restaurant online delivery via food delivery applications. With the rise of smartphones and food delivery apps, ordering takeaway and eating in has become a ritual in modern society. E-commerce has grown significantly, making it a subject that is always vital to research. Even in traditional industries, reputable offline businesses have agreed to use new internet sales channels in an effort to boost their profits. Changes brought forth by digitization may also be seen in the online meal delivery system. The method by which hotels deliver the ordered meals to clients' doorsteps is through online food delivery apps. There are numerous apps available that enable users to look for the restaurants and foods they most enjoy. Additionally, it enables restaurants to swiftly reach customers, increase their services, and develop their business.

India's food delivery systems have grown significantly during the past few decades. It is a suitable method for the public to quickly order and receive their preferred dishes at their front doors. It offers a variety of

advantages, including ready-to-eat food, time savings, and greater customer support with appealing packages. Each day, numerous new businesses enter this market.

Finding the greatest online service provider, however, would be challenging given the large number of companies offering this service in various shapes and forms. In today's quick-paced society, when people continuously seek comfort and convenience, the food business has undergone significant transformation, mirroring shifts in the social, economic, and demographic makeup of the nation. In the modern world, getting high-quality meals delivered to one's door in a timely manner while also using an app is nothing less than an extravagance that one may enjoy after a long day at work. Some of the elements that influenced the promotion of the online meal delivery system include an increase in disposable income, an increase in work pressure, the nuclear family system, easy access to the internet, and an increase in smart phones. Thus, the quickest delivery methods in restaurants and the use of internet platforms have given kids plenty of opportunities, which has led to increased growth

### **Objectives of study**

1. To study the perspective of hotel owners towards online food delivery apps.
2. To study the linkages of hoteliers with different and mostly used online food delivery apps .
3. To know the benefits received by hotel owners by outsourcing delivery to online companies.
4. To Examine the challenges faced by hotel owners after outsourcing delivery to partners.
5. To highlight the service related factors or USP of delivery partners responsible for outsourcing.

### **Hypothesis of study**

H0: There is no significant difference in the benefits of outsourcing and Location of restaurant.

H1: There is significant difference in the benefits of outsourcing and Location of restaurant.

H0: There is no significant association of challenges faced by hotel owners and kind of delivery company.

H1: There is significant association of challenges faced by hotel owners and kind of delivery company.

### **Review of Literature**

Hossain F, Adelaja AO (2000), The marketing and distribution of food in the restaurant industry is constantly changing, moving from traditional purchase methods to online food delivery systems. Business owners are offering many alternative systems, including online shopping, phone-based ordering, home delivery, pick-up, and drive-through services.

Çavuşoğlu M (2012), Human customs and preferences have changed over time as a result of the global spread of information and technological advancements. The business and economic worlds have also been continuously impacted by the internet, where virtual businesses and e-commerce are now readily accessible and items like clothing, books, and even food can be purchased online.

Ha DN (2013), Due to the ongoing growth of internet enterprises, innovations in the restaurant industry have also led to an increase in online food ordering. To make the ordering procedure simpler for their customers, business owners use a variety of strategies while offering online ordering services to their clients. For customers to place orders, restaurants are increasingly developing their own websites, smartphone apps, and/or SMS messaging. There are smartphone applications like Zomato that provide information about various eateries so that users may place orders while saving time and effort. Additionally, it was mentioned that customers value the ease and convenience because it avoids the difficulties associated with bad weather or traffic when ordering food online.

Kimes S (2011), Online meal ordering is a full self-service system that gives clients discretion over the speed at which they place their orders, reducing the number of interpersonal encounters they have. Customers are offered a variety of ordering options using various technologies that are convenient for their daily life. Additionally, it has been proposed that greater levels of control will result in greater customer satisfaction because happy customers are more likely to refer the business to others. Online meal ordering is said to have numerous advantages, but there are also disadvantages that business owners should be aware of. As previously said, there aren't many personal encounters while ordering food online, which may not be ideal for those looking for a personal connection.

**Research Methodology**

**Research Design:**

It is descriptive as well as exploratory research design as it quantitatively describes the status of hotel owners in relation to location, type of business and linkages with delivery partners. Exploration of new areas with respect to benefits, challenges and factors determining outsourcing are also considered.

**Data Collection:**

Primary data is collected from all types and size of Ala Carte restaurants located in selected region. Sampling technique is Cluster cum convenience sampling , geographical area is navi Mumbai Dependent Variables are Perception and Perspective of Hotel Owners towards Benefits, Challenges, and service related factors involved in outsourcing and Independent Variables are Location of business, Type of Restaurant, Kind of Online food delivery company.

Sample size is 52 restaurants which is selected on cluster cum convenience basis.

**Data Analysis**

H0: There is no significant difference in the benefits of outsourcing and Location of restaurant.

H1: There is significant difference in the benefits of outsourcing and Location of restaurant.

Dimensions	Location	N	Mean	SD	Test of Homogeneity		ANOVA	
					Levene's Statistic	p-value	F Value	p-value
Outsourcing delivery helps in saving time	Navi Mumbai	19	3.75 ab	1.00	0.766	0.305	4.4	0.013*
	Mumbai central	18	3.56 b	1.045				
	Mumbai western	15	3.61 a	1.123				
Helps in increasing number of customers	Navi Mumbai	19	3.67 a	1.56	0.012	0.999	6.8	0.002**
	Mumbai central	18	4.44 b	1.07				
	Mumbai western	15	3.56 a	1.156				

Helps in cost saving and increases focus on core business focus	Navi Mumbai	19	3.56 ab	0.844	1.179	0.297	2.990	0.011*
	Mumbai central	18	3.99 b	1.880				
	Mumbai western	15	3.78 a	1.145				
Helps in saving efforts of managing delivery wing	Navi Mumbai	19	3.56 ab	0.888	2.777	0.178	3.678	0.022*
	Mumbai central	18	3.99 b	1.057				
	Mumbai western	15	3.74a	1.567				
Delivery companies are cooperative in sharing information	Navi Mumbai	19	3.83ab	0.947	1.124	0.567	4.897	0.005**
	Mumbai central	18	3.77 b	1.888				
	Mumbai western	15	3.78 a	1.136				
Delivery companies helps in advertising business	Navi Mumbai	19	3.80 ab	0.937	1.130	0.324	4.941	0.007**
	Mumbai central	18	3.95 b	1.087				
	Mumbai western	15	3.72 a	1.131				
Delivery companies take adequate care in customer service and satisfaction	Navi Mumbai	19	3.89 ab	0.937	1.678	0.567	4.789	0.004**
	Mumbai central	18	3.94 b	1.089				
	Mumbai western	15	3.70 a	1.136				

Since P value is less than 0.05 in almost all cases of benefits obtained by outsourcing of food delivery to third parties and it differs as per location so there is significant difference in the location experiences of benefits of outsourcing. Along with advertising and other merchant tools, food delivery outsourcing offers items like table management and online ordering for enterprises. It is designed to support eateries in thriving in the online market. The primary objective of food delivery outsourcing is to link clients with restaurants. They strive to give diners the greatest possible experience at every restaurant listed on their website.

H0: There is no significant association of challenges faced by hotel owners and kind of delivery company.

H1: There is significant association of challenges faced by hotel owners and kind of delivery company.

Dimensions	Delivery partner	N	Mean	SD	Test of Homogeneity		T Test	
					Levene's statistic	P value	t value	P value
Customer service is in hands of delivery companies	Zomato	32	3.87	1.199	2.564	0.321	2.789	0.018*
	Swiggy	18	3.59	1.456				
Order delivery is completely in their hands so can't track the performance	Zomato	32	3.84	1.789	2.678	0.145	2.642	0.009**
	Swiggy	18	3.76	1.444				
Management of information becomes difficult after outsourcing	Zomato	32	3.80	1.204	1.567	0.177	2.700	0.009**
	Swiggy	18	3.45	1.380				
There are clashes of agreement with delivery companies	Zomato	32	3.89	1.894	2.323	0.167	2.756	0.006**
	Swiggy	18	3.59	1.310				
Expenditure has increased after outsourcing	Zomato	32	3.88	1.165	1.875	0.170	2.777	0.003**
	Swiggy	18	3.59	1.456				

Note: \*\* implies significant at 1 % level

Since P value is less than 0.05 in all the cases of challenges of outsourcing experienced by hotellers so we can say that there are different challenges faced by hotellers in terms of swiggy and zomato. Any food delivery service's ultimate goal should be to increase its market share by giving clients the best value at the lowest price. Players in the food delivery sector have raised the bar for marketing to the point where clients have an abundance of options despite growing competition. This affects brand loyalty and makes the client base unstable. Businesses that deliver meals are implementing marketing strategies and approaches to boost engagement in an effort to reduce client turnover.

## Conclusion

Customers can easily place orders as they like using the online meal ordering system, which sets up a food menu online. Online customers can readily follow orders if there is a food menu. The management keeps track of consumer information and enhances food delivery services. To ensure that system users receive good service, a variety of facilities are offered. The algorithm also takes into account restaurants and mess facilities for the users. Online FD needs real-time delivery capabilities that are extremely effective and scalable. Restaurants can use their current employees for self-delivery, such as the servers in some small establishments, or they can hire and train specialised delivery crews, as is the case with some of the major food chains like KFC, Domino's, and Xibei. As an alternative, restaurants can use crowdsourced logistics, a system of independent contractor delivery individuals (riders), which offers a quick and affordable method of food delivery. Online FD platforms may use crowdsourcing logistics, using delivery individuals who are not necessarily employees of the online FD platform, or they may be in charge of hiring and training professional delivery personnel but also there are challenges of cost and real benefit experienced by hoteliers.

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