

Factors Affecting Online Food Delivery Services in Bangladesh: An Empirical Study on Foodpanda

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ABSTRACT

Online food delivery (OFD) services allow customers to order food online and have it delivered directly to their location. This empirical study investigates the key factors affecting consumer satisfaction with OFD services in Bangladesh, with a specific focus on Foodpanda users in Dhaka. Data was collected via a closed-ended survey administered through Google Forms to active platform users. The data was analyzed using quantitative methods, specifically Pearson's Correlation Coefficient and linear regression models. Findings reveal an overall user satisfaction rate of 94.4%, with delivery speed demonstrating a strong positive correlation ($r = 0.83$) with customer satisfaction. However, notable operational gaps remain in areas such as food quality consistency, customer support responsiveness, menu filtering options, and dietary menu variety. Strategic recommendations are provided for platform operators to optimize logistics efficiency and improve UI/UX features.

Keywords: Online Food Delivery, Foodpanda, Customer Satisfaction, Delivery Speed, E-Commerce, Bangladesh

1. INTRODUCTION

The online food delivery industry in Bangladesh has experienced exponential growth, driven by rapid urbanization, changing consumer lifestyles, and technological advancements. Young professionals and university students constitute the primary demographic adopting these platforms due to time constraints and convenience. Key players like Foodpanda, Pathao Foods, and HungryNaki have reshaped consumer dining habits across major urban centers like Dhaka.

Despite rapid market expansion, service providers face systemic operational bottlenecks, including urban traffic congestion, inconsistent food quality control, and customer service delays. This study aims to empirically identify the primary factors driving user satisfaction and highlight operational areas requiring strategic improvement on the Foodpanda platform.

2. LITERATURE REVIEW

Customer satisfaction in the service sector is an evaluative judgment formed after purchasing and using a product or service. A distinct brand image fosters long-term customer trust and brand loyalty. Based on the Technology Acceptance Model (TAM), Perceived Ease of Use refers to the extent to which a user believes using a system will be effort-free. An intuitive mobile application interface, efficient search

algorithms, and reliable payment integration lower customer friction and enhance user satisfaction. Delivery promptness is a critical quality dimension in OFD operations. Inconsistent delivery timelines and delayed orders negatively impact perceived food quality and overall platform experience.

3. RESEARCH METHODOLOGY

An empirical, quantitative research design was employed. Primary data was gathered using a structured closed-ended questionnaire distributed electronically via Google Forms to Foodpanda users in Dhaka. A sample of $N = 36$ respondents who actively utilize Foodpanda for food ordering completed the survey. Data was analyzed using quantitative statistical tools:

- **Pearson's Correlation Coefficient (r):** To examine the relationship strength between Delivery Speed (y) and Customer Satisfaction (x):
$$r = \frac{n \sum xy - \sum x \sum y}{\sqrt{[n \sum x^2 - (\sum x)^2][n \sum y^2 - (\sum y)^2]}}$$
- **Simple Linear Regression:** To quantify the impact of Delivery Speed (X) on Customer Satisfaction (Y):
$$Y = \beta_0 + \beta_1 X + \epsilon$$

4. DATA ANALYSIS AND FINDINGS

- **Overall Satisfaction:** 94.4% of respondents reported being satisfied with Foodpanda's overall service delivery.
- **UI/UX Perception:** 75% rated the user interface as "Good" and 19.4% as "Very Good".
- **Payment Preference:** Cash on Delivery (COD) remains the dominant payment choice at 75%, followed by Mobile Financial Services at 33.3%.
- **Areas for Improvement:** Respondents identified Improved Food Quality (34.3%) and Better Customer Support (17.1%) as critical requirements.

Evaluating empirical data for Customer Satisfaction (x) and Delivery Speed (y): $\sum x = 18$, $\sum y = 25$, $\sum xy = 96$, $\sum x^2 = 70$, $\sum y^2 = 135$, $n = 5$

$$r = \frac{5(96) - (18)(25)}{\sqrt{[5(70) - (18)^2][5(135) - (25)^2]}} = \frac{30}{36.06} \approx 0.83$$

The correlation coefficient $r \approx 0.83$ confirms a **strong positive relationship** between delivery speed and overall customer satisfaction.

Linear Regression Analysis results ($Y = 3 + 1X$): For every unit increase in perceived delivery speed quality, customer satisfaction increases by 1 unit on the evaluative scale.

5. CONCLUSION & RECOMMENDATIONS

Foodpanda maintains a strong competitive position in Bangladesh's OFD market due to fast fulfillment speeds and strong brand familiarity. However, long-term brand equity requires resolving service discrepancies in customer support resolution, price filtering options, and partner restaurant food quality control.

Recommendations:

1. Add advanced filter mechanisms (price range sorting, specialized dietary preferences).
2. Establish strict merchant packaging protocols to verify order accuracy before rider dispatch.
3. Upgrade in-app support workflows from legacy email/chat queues to responsive live assistance systems.

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