



## Decision-making on buying food delivery platforms

Priewpet Wongchun<sup>1</sup> and Amporn Puapradit<sup>2</sup>

Master of Science International Digital Business, Rangsit International College, Rangsit University, Pathumthani, Thailand,

Email :priewpet.w@gmail.com

### ABSTRACT

The growth of the food delivery business through online platforms is rapidly growing. It becomes a part of the way of life of some people because food delivery reduces the burden and provides more convenience to consumers in many ways, plus online channels that can be easily accessed and used. As a result, this type of business expands more widely, resulting in many service providers in this type of business. The presence of a variety of service providers gives consumers a wide variety of options. The choice of use by consumers is inevitably caused by a variety of factors. The study looked at factors affecting consumer choice by giving a questionnaire to 400 food delivery platform users in the Bangkok metropolitan area to find out whether the marketing mix(7Ps) factors, and the service quality factors (SERVQUAL model) have an impact on their decisions.

**Keywords:** Decision-making, Food delivery, Marketing mix, Service quality, SERVQUAL model.

### 1. Introduction

The online food delivery platform brings together lots of restaurants and connects them with the consumers. Where consumers can choose to order food from many partnered restaurants with the pictures of the food and menus displayed on the users' screen. When the order is confirmed, the driver will have the food delivered to the designated location in a short period of time. The convenience that the platform delivers combined with the development of the Internet system makes it easier for consumers to access online channels. This has resulted in the massive growth and usage of online food delivery platforms. Both in terms of the number of users and the market value of the online food delivery business. According to the data of Hicks (2021), the total GMV of online food deliveries grew 183% in Southeast Asia in 2020, from US\$4.2 billion to \$11.9 billion, While Thailand was the second largest food delivery market in Southeast Asia with a \$2.8 billion GMV Since the value and growth of online food delivery are highly valuable, it's resulting in high competition. Each platform must have an effective strategy in order to survive in this extremely competitive market and gain a market share. However, this study has the objectives to examine the factors that influence the selection behavior of an online food delivery platform and find ways to manage it based on consumer behavior and perspective, analyzing by using the marketing mix(7Ps), and service quality (SERVQUAL Model).



## 2. Objectives of the study

1. To study that the marketing mix(7Ps) affects the decision to buy an online food delivery platform.
2. To find the quality of service affects the decision to buy an online food delivery platform

## 3. Materials and methods

### 3.1 Research design

The study's design is based on a quantitative research method by using hypothesis and collecting data by distributing questionnaires via online channels.

### 3.2 Conceptual framework and hypothesis

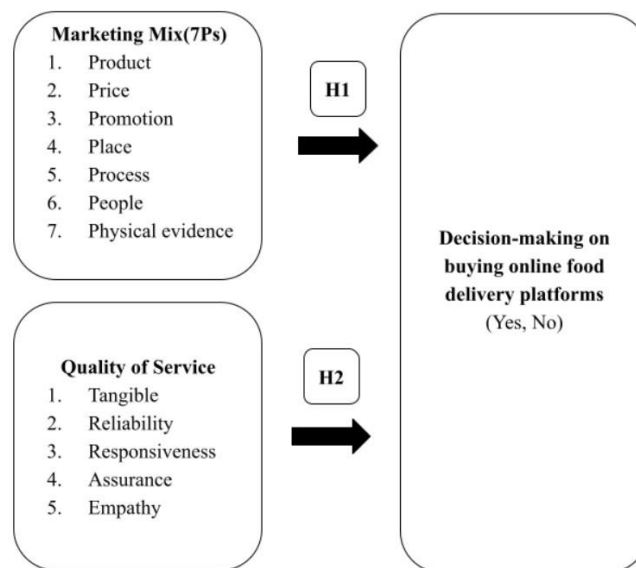


Figure 1 Conceptual framework

#### Hypothesis

1. The marketing mix(7Ps) has an impact on decision-making on buying online food delivery platforms.
2. The quality of service has an impact on decision-making on buying online food delivery platforms.

### 3.3 Population and samplings

The study focuses on the Bangkok metropolitan area, the study population will be residents of the Bangkok metropolitan area. Since Bangkok is an extensive area, the researcher then used the convenience sampling method by using the Taro Yamane formula (Yamane, 1967) for calculating the sample group



$$n = \frac{N}{1 + N(e)^2}$$

Figure 2 Taro Yamane Formula (Yamane, 1967)

- n = Sample size
- N = Population size (Total population)
- e = Discrepancy

At the end of 2021, Bangkok had about 5.52 million residents (Sumano, 2022). The researcher used an error of no more than 5 percent.

$$\begin{aligned} n &= \frac{5,520,000}{1 + 5,520,000(0.05)^2} \\ &= 399.97 \\ &= 400 \text{ samples} \end{aligned}$$

Figure 3 A study formula

The researcher has randomly recruited 400 participants. The study participants consisted of three key qualifications: being a resident of the Bangkok metropolitan area, experience using online food delivery platforms, and being willing to participate in the study.

### 3.4 Data Collection

Data collection was collected from the distribution of an online questionnaire for the respondents in the Bangkok metropolitan area. The selection of the participants in the survey was either by questioning preliminary housing information or examining by the researcher. To ensure that the participants in the survey are the targeted groups in the area required by this research topic. The data collection was distributed through an online channel (Google Form URL), in order to make the participants in the survey the most convenient in answering by online access.

General information: Collect general information about age, gender, education level, occupation, average monthly income, frequency of use, and periods of use.

The marketing mix(7Ps): The researcher designed to collect the information about how much impact does marketing mix(7Ps) has on the choice of consumer's usage by categorizing the questionnaire into 7 factors consisting of product, price, promotion, place, process, people, and physical evidence factors, while each topic contains 2 sub-questions. For each question, respondents were given a score that ranged from 5 points to 1 point, with 5 meaning a significant impact and 1 point is no impact at all.



The quality of service: The questions are based on the SERVQUAL Model with 5 aspects: Tangible, Reliability, Responsiveness, Assurance, and Empathy. There was one question on each aspect, respondents were given a score that ranged from 5 points to 1 point, with 5 meaning a significant impact and 1 point is no impact at all.

### 3.5 Data analysis

Data were analyzed using the SPSS program to analyze the results from the questionnaires that were distributed and classify them into numerical form.

General information: Data were analyzed from descriptive frequency statistical analysis through the SPSS program.

The marketing mix(7Ps): Analyze the data from the hypothesis test using the multiple regression method.

The quality of service: Analyze the data from the hypothesis test using the multiple regression method.

### 3.6 Ethical Consideration

The data collection will not specify the name and identity of the responders so that they can express their ideas freely without fear of judgment or embarrassment.

Participants' information and questionnaires will be kept confidential and will not be disclosed under any circumstances. Participants' Information and the questionnaire can only be disclosed if it is required by law, by court order, or by rules and/or regulations.

The survey participants have the right to either take or not complete the questionnaire and be able to stop the survey whenever they feel uncomfortable or do not want to continue to do it

## 4. Results

### 4.1 Descriptive Data

The majority group of the respondents was aged between 18-23 years old, with a total of 272 people, representing 68%. The second majority group was aged between 24-30 years old, with a total of 86 people, representing 21.5%, followed by 29 people aged under 18 years old, accounting for 7.2%, followed by 10 people aged between 31-40 years old, accounting for 2.5%. While the lowest number group was the people aged 40 and over, with a total of 3 people, accounting for 0.7%. While most of the respondents were males rather than females. There were 281 males representing 70.3% and 119 females representing 29.8%.

The majority group of the survey participants was educated at the bachelor's level, 227 people, representing 56.8%. The second majority group of the survey participants was educated below the bachelor's level, 150 people, representing 37.5%, followed by 21 people with a master's degree, accounting for 5.2%. While the lowest number was the people with doctorate degrees with 2 people, accounting for 0.5%

Most of the respondents were students, with 253 people, representing 63.2%, followed by private company employees, with 81 people, accounting for 20.3%, followed by private businesses with 26 people,



accounting for 6.5%, followed by state enterprise employees with 15 people, accounting for 3.8%, followed by public servants with 14 people, accounting for 3.5%. While there were 11 other occupation survey participants, accounting for 2.8%.

The majority of the survey respondents have an average income of 15,001-30,000 baht, representing 56.8% with 227 people, followed by the group with an income of 15,000 baht and less, and the group with an income of 30,001-45,000 baht, with the same number of 71 people per group, equal to 17.8% per group, followed by the group with an income of 45,001-60,000 baht, with 26 people, accounting for 6.5%. While the lowest group was the people with an average monthly income of more than 60,001 baht or more, with 5 people, accounting for 1.2%.

The total number of respondents who were active more than 12 times a week was 160, representing 40%, followed by 87 in the 4-8 times per week group, representing 21.8%, followed by 78 in the 9-12 times per week group, representing 19.5%. The smallest group was the 75 participants who were active 1-3 times a week, representing 18.8%.

The majority group of the respondents had the most access during lunch time, followed by night, dinner, breakfast, and the lowest was in the afternoon.

## 4.2 Descriptive statistic

Table 1 The result of multiple linear regression analysis on the marketing mix(7Ps)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1. (Constant)	.401	.119		3.379	.001
Product	.037	.030	.035	1.211	.226
Price	-.050	.032	-.051	-1.549	.122
Promotion	-.040	.033	-.039	-1.201	.230
Place	.976	.037	.943	26.054	.000
Process	-.015	.035	-.015	-.439	.661
People	.039	.037	.037	1.035	.301
Physical evidence	-.053	.032	.054	-1.662	.097

a. Dependent variable: You would surely purchase delivery food

If we look at the regression coefficients( $\beta_j$ ) from table 1, we can tell which independent variables can be used to predict the dependent variable. The researcher has defined the method as follows:



If  $\beta_i = 0$ , it indicates that the independent variable was not significantly predictive of the dependent variable.

If  $\beta_i \neq 0$ , it indicates that the independent variable can be used to predict the dependent variable significantly.

The variable with the highest regression coefficient is the place variable with a regression coefficient of 26.054, followed by the product variable with a regression coefficient of 1.211, and followed by the people variable with a regression coefficient of 1.035. The constant of the regression coefficient is greater than 0, this means that the results of this section indicate that the independent variables of this model can be used to predict significant dependent variables.

Table 1 also shows the significant ( $\alpha$ ) of accepting the hypothesis. Which the researcher determines to use an error rate of not more than 5 percent. The hypothesis was tested as:

If  $\alpha > 0.05$ , H1 is rejected.

If  $\alpha < 0.05$ , H1 is accepted.

From table 1, it shows the significant of a constant value of .001, which shows that H1 is accepted.

Table 2 The result of multiple linear regression analysis on the quality of service

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1. (Constant)	3.460	.215		16.064	.000
Tangibility	.003	.057	.003	.060	.952
Reliability	-.008	.057	-.008	-.138	.890
Responsiveness	.064	.052	.072	1.243	.215
Assurance	.059	.050	.069	1.182	.238
Empathy	.027	.050	.031	.542	.588

a. Dependent variable: You would surely purchase delivery food

The regression coefficients ( $\beta_i$ ) from Table 2 show which independent variables can be used to predict significant dependent variables. The researcher has defined the method as follows:

If  $\beta_i = 0$ , it indicates that the independent variable was not significantly predictive of the dependent variable.

If  $\beta_i \neq 0$ , it indicates that the independent variable can be used to predict the dependent variable significantly.



The variable with the highest regression coefficient is the responsiveness variable with a regression coefficient of 1.243, followed by the assurance variable with a regression coefficient of 1.182, followed by the empathy variable with a regression coefficient of .542, and followed by the tangibility variable with a regression coefficient of .060. The service quality variable constant was 16.064, which clearly shows that it is not equal to zero. Thus, it can be said that these independent variables can be used to forecast dependent variables.

Table 2 also shows the significant( $\alpha$ ) of accepting the hypothesis as well. Which the researcher determines to use an error rate of not more than 5 percent. The hypothesis was tested as:

If  $\alpha > 0.05$ , H2 is rejected.

If  $\alpha < 0.05$ , H2 is accepted.

From table 2, it shows the significant of a constant value of .000, which can be stated that H2 is accepted as well.

## 5. Discussion

The results from table 1 show that the first hypothesis is accepted. The data shows that the marketing mix(7Ps) factors affect people's choice of services. Hypothesis 1 was proved by measuring the regression coefficient analysis as well as measuring the probability by measuring the constant value. The results came out as the researchers had anticipated. The results were an analysis using an efficient method with little inaccuracies. In the hypothesis 1 analysis, the most influential independent variables were place variables, followed by product variables. This may conflict with previous research indicating that the variables in the marketing mix that have the greatest impact are promotion variable followed by the location (Das, 2018). Another study also noted that the variables that had the greatest impact were promotion variables followed by the location (Das, 2018). Another study noted that the variables that had the greatest impact were price and promotional variables (Parmana, Fahmi, & Nurrohmat, 2019). However, all the research was in the same direction, indicating that the marketing mix factors affect decision-making.

According to table 2, The data shows that the quality-of-service affect people's choice of services as well. The analysis of the hypothesis 2 was applied the same way as the hypothesis 1 analysis in the first paragraph. Which the result is expressed as positive, this means that the quality of service has a significant on decision-making on buying food delivery product. However, the results in this study are in line with previous studies that have researched about the quality-of-service variables and have also yielded positive results (Afthanorhan, Awang, Rashid, Mohammed, Nik, & Ghazali, 2019). Furthermore, a study by Almsalam(2014) also shows results in the same direction as this research. It also states that perceived service quality has a significant positive effect on customer satisfaction as well.

In general, it is common for quantitative research to encounter limitations. The limitations of quantitative research are often similar, such as limited outcomes in quantitative research, the validity and clarity of the participants, the inability to control the environment, etc. This research encounters a general limitation of quantitative research as





well. Which the researchers think is a limitation that cannot be avoided because the scope of quantitative research cannot be analyzed as thoroughly as other types of research such as qualitative research, etc. Recommendations for those who wish to take further research in this category would be to combine quantitative research methods with other types of research to obtain more diverse and detailed information.

## 6. Conclusion

This study research the factors that affect decision-making on buying online food delivery platforms. The hypothesis has been set up to find the results to achieve the objectives of this study. The results showed positive statistics regarding marketing mix(7Ps) factor variables in decision-making. Thus, Hypothesis 1 is supported. While the results also showed positive statistics for the service quality variables, which the result is in accordance with the hypothesis 2. Finally, it can be concluded that the objectives of this research were fulfilled in the same way that the two hypotheses were made.

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