

FACTORS INFLUENCING CONSUMER SATISFACTION TOWARDS ONLINE FOOD DELIVERY SERVICES AMONG STUDENTS IN UNIVERSITI PUTRA MALAYSIA

Siti Aisyah Mohd Rashid Lee¹
Elistina Abu Bakar*¹

*Corresponding author: (email: elistina@upm.edu.my)

Abstract

The primary purpose of this study was to determine the influencing factors of consumer satisfaction: perceived ease of use, perceived usefulness, social influence, sales promotion and trust towards Online Food Delivery Services (OFDS) among students in Universiti Putra Malaysia. This study applied the Technology Acceptance Model (TAM) by integrating with other factors, social influence, sales promotion, and trust, which may provide insight for food service industry management in developing strategies for OFDS. A total of 200 respondents participated in this study, which was chosen through a simple random sampling method. The results from multiple regression analysis have indicated a significant relationship between perceived ease of use, perceived usefulness, social influence, sales promotion, and consumer satisfaction. In contrast, trust did not significantly explain the variance in consumer satisfaction. In addition, the multiple regression analysis results demonstrated that perceived usefulness was the most dominant factor influencing consumer satisfaction toward OFDS. The result showed that the studied factors explain 59.7% of the variance in satisfaction. The findings benefit policymakers and industries to develop effective strategies to improve customer satisfaction and loyalty.

Keywords: Consumer Satisfaction, Online Food Delivery Services, Perceived Usefulness.

Abstrak

Tujuan utama kajian ini adalah untuk menentukan faktor-faktor yang mempengaruhi kepuasan pengguna: persepsi kemudahan penggunaan, persepsi terhadap kepentingan penggunaan, pengaruh sosial, promosi jualan dan kepercayaan terhadap Perkhidmatan Penghantaran Makanan Dalam Talian (OFDS) dalam kalangan pelajar di Universiti Putra Malaysia. Kajian ini mengaplikasikan Model Penerimaan Teknologi (TAM) dengan juga melihat faktor lain, pengaruh sosial, promosi jualan, dan kepercayaan, yang mungkin memberikan pandangan untuk

¹Department of Resource Management and Consumer Studies, Faculty of Human Ecology, Universiti Putra Malaysia

pengurusan industri perkhidmatan makanan dalam membangunkan strategi untuk OFDS. Seramai 200 orang responden telah mengambil bahagian dalam kajian ini yang dipilih melalui kaedah persampelan rawak mudah. Keputusan daripada analisis regresi berganda telah menunjukkan hubungan yang signifikan antara persepsi kemudahan penggunaan, persepsi kepentingan penggunaan, pengaruh sosial, promosi jualan, dan kepuasan pengguna. Sebaliknya, kepercayaan tidak menjelaskan secara signifikan kepuasan pengguna. Di samping itu, keputusan analisis regresi berganda menunjukkan bahawa persepsi terhadap kepentingan kepenggunaan adalah faktor paling dominan yang mempengaruhi kepuasan pengguna terhadap OFDS. Keputusan menunjukkan bahawa faktor yang dikaji menjelaskan 59.7% varians dalam kepuasan pengguna. Penemuan ini memberi manfaat kepada pembuat dasar dan industri untuk membangunkan strategi yang berkesan untuk meningkatkan kepuasan dan kesetiaan pelanggan.

Kata kunci: *Kepuasan Pengguna, Perkhidmatan Penghantaran Makanan Dalam Talian, Persepsi terhadap kepentingan kepenggunaan*

Introduction

Online shopping has become one of the most popular activities as technology has advanced, and people's lifestyles have changed. Srinivasan and Ramprasad (2021) indicate that the average Malaysian consumer's shifting lifestyle is vivid enough to support the rapid growth of ready-to-eat and quick-home delivery models. The growing population, congested metro cities, and longer travel times are driving the development of the doorstep food delivery system. Online food delivery services (OFDS) refer to "the process by which food ordered online is prepared and delivered to the consumer" (Li, Miroso, & Bremer, 2020). Food is unquestionably necessary, and ordering food through such applications has dramatically increased e-commerce, particularly among youth, who are seen to be more passionate about ordering food and having it delivered to their doorstep quickly (Borgohain, 2019). The youth generation, also known as Generation Y and Z, has been discovered globally to have a high predisposition to spending and a growing focus on food and convenient delivery. OFDS are the most efficient way to lure their primary target audiences: students and young bachelors. These target markets are considered the most profitable target for food businesses (See-Kwong et al., 2017).

OFDS have begun to spread throughout Malaysian cities such as Klang Valley, Penang, Malacca, Kuching, Ipoh, Johor Bahru, and others since 2017. Food Panda, Uber Eats (previously known as Grab Food), Honestbee, Dahmakan, DeliverEat, Running Man Delivery, Food Ninja, LalaFood, and others are among the food ordering service platforms available on the market. Food Panda and Grab Food have the most fierce competition. OFDS is more convenient and user-friendly than the traditional system because customer orders can be easily viewed and recorded

through a mobile application or website (Tsai et al., 2023). Besides, OFDS are one of the most time-saving online activities. Online food delivery is comparable to online shopping in that it must attract and satisfy customers' desires. Food purchasing habits of consumers have steadily changed because of the availability of OFDS (Troise, O'Driscoll, Tani, & Prisco, 2020).

OFDS plays a significant role in consumer satisfaction. Many aspects contributed to consumer satisfaction, including food availability, customer feedback, payment options, and social interaction (Kwong et al., 2017). Besides that, Liu et al. (2020) argued that customers' desires are satisfied by the perceived performance of products and services that benefit them. Food purchasing habits of consumers have steadily changed because of the availability of OFDS (Troise et al., 2020). The growth of OFDS could be traced to the changing nature of metropolitan consumers. These consumers choose food delivery services for various reasons, but the most common appears to be the desire for quick and easy meals during or after a busy workday. According to Prabowo and Nugroho (2019), the younger generations nowadays are willing to try on OFD service because they perceive it as giving benefits to consumers. Apart from perceived usefulness and perceived ease of use, social Influence (SI) has also shown the most impact on consumers' awareness of OFDS. The marketer could use SI to communicate with existing and prospective customers to increase the number of customers, followed by the referral group, which consists of family and friends (Jaiswal, Sharma, & Ashwini, 2019).

Many studies have shown that different sales promotion types trigger different responses about current issues (Humairoh & Anas, 2023). People will prefer online food delivery services if they have promotions and discounts compared to restaurants (Prasetyo et al., 2021). The attractiveness of promotions and discounts may influence consumers' purchase decisions temporarily (Shaddy & Lee, 2020). Alipour, Pour, & Darbahaniha's (2018) research showed that appropriate promotional activities significantly impact consumer satisfaction. Nakarmi's (2018) study shows that consumers are pleased with discounts, promotions, free products, and "buy one, get one free" offerings. Customers can order food via apps and websites based on features such as promotions and discounts, menu diversity, free delivery services, app-user friendliness, and cash payment alternatives (Abdelkhair et al., 2023; Sathiyaraj et al., 2015). Safety is one main reason many customers hesitate to buy online (Khan et al., 2023). Trust is the customers' beliefs about the retailers' safety and internet technology (Munikrishnan et al., 2023). Thus, trust is one factor that needs further study.

Research Objectives

This study aimed to study the influences of perceived ease of use, perceived usefulness, social influence, sales promotion, trust, and consumer satisfaction toward

OFDS among students at the University Putra Malaysia.

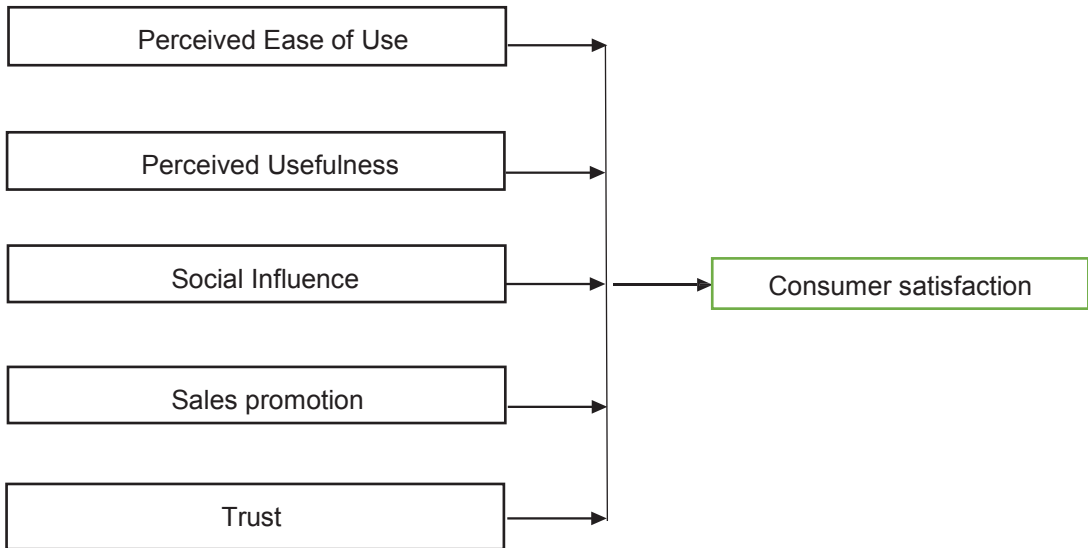


Figure 1: Research Framework

Research Methodology

It is a cross-sectional and quantitative study. The samples were randomly selected according to the lists acquired from UPM residential colleges. UPM has eight residential colleges, and the researcher chose four at random for this research: Kolej Canselor (KC), Kolej Tun Dr Ismail (KTDI), Kolej Sultan Alaeddin Suleiman Shah (KOSASS), and Kolej Pendeta Za'aba (KPZ). Each college was assigned two blocks by the researcher (male and female). A total of 200 students participated in this study. The instruments were adopted from Roh & Park (2019), Joshi & Bhatt (2021), and Suhartanto, Dean, Leo, & Triyuni (2019). The data collected through questionnaires were arranged and analyzed using IBM Statistical Package for the Social Sciences (SPSS) software. A multiple regression analysis determined the relationship between the investigated factors and consumer satisfaction. According to a study by Hair, Money, Samouel, & Page (2007), most studies considered an alpha value of 0.70 as the minimum reliability test, and questions with coefficients less than 0.7 are discarded. The reliability statistics of consumer satisfaction is the highest Cronbach's Alpha, which was 0.881. The second highest was sales promotion (0.879), and the third was trust (0.870), followed by perceived ease of use (0.834), perceived usefulness (0.829), and social influence (0.779). All the result indicates that the reliability was good and acceptable.

Research Results

The information on the demographic respondent's profile comprised gender, age, ethnicity, current year, college, block, frequency of using online food delivery services, from which online food delivery services you have ordered food online, and source of income. There are a total of 200 respondents, which consists of an equal number of 100 males and 100 females, with 50% each. For the age, 40 respondents only (20.0%) are 18 to 20 years old, followed by 117 out of 200 respondents (58.5%) in 21 to 23 years old, and 43 (21.5%) respondents in 24 years and above. Besides that, for the ethnic category, 57.5% of the respondents (115) is Malay, 21.0% of the respondents (42) is Chinese, 17.5% of the respondent (35) is Indian, and only 4.0% of the respondent (8) come from other ethnic.

The result also found that respondents frequently use Online Food Delivery Services several times a day, only 0.5% (1 respondent). Followed by once a day 1.0% (2 respondents), several times a week 17.0% (34 respondents), once a week 23.5% (47 respondents), at least once a month 38.0% (76 respondents), at least once every two months is 10.5% (21 respondent), at least once every three months only 4.0% (8 respondent) and 5.5% (11 respondent) only used once of using online food delivery services. On top of that, for the average from which online food delivery services the respondents ordered food online, the result found that Grab Food is the highest with 70 respondents (35.0%), followed by Food Panda with 61 respondents (30.5%), Shopee Food with 43 respondents (21.5%), Lalamove with 15 respondents (7.5%), Deliver eat with eight respondents (4.0%), and only three respondents (1.5%) for other online food platforms.

In order to determine the relationship between factors influencing consumer satisfaction towards online Food delivery Services among students at University Putra Malaysia, multiple regression analysis was used. Based on the standardized coefficient, perceived usefulness ($\beta = 0.275$, $P = < 0.001$) significantly explained more of the variance in consumer satisfaction towards OFDS compared to perceived ease of use (Beta = 0.199, $P = 0.012$), social influence ($\beta = 0.173$, $P = 0.006$) and sales promotion ($\beta = 0.138$, $P = 0.038$). While for the last variable, trust (Beta = 0.023, $P = 0.742$), indicates this variable did not significantly explain the variance in the dependent variable when the significance level of 0.742 exceeds 0.05. In conclusion, perceived usefulness is the most dominant factor influencing consumer satisfaction toward OFDS among students at University Putra Malaysia. According to Yeo, Goh and Razaee (2017), perceived usefulness influences persistent desire toward OFDS. Similarly, Roh and Park (2019) revealed perceived usefulness as the most substantial factor affecting OFDS satisfaction. Table 1 demonstrates the findings.

Table 1: Relationship Between Perceived Ease of Use, Perceived Usefulness, Social Influence, Sales Promotion, Trust and Consumer Satisfaction.

Model	B	β	t	Sig.
Perceived ease of use	.199	.199	2.529	.012*
Perceived usefulness	.282	.275	3.756	.000***
Social influence	.153	.173	2.767	.006**
Sales promotion	.122	.138	2.085	.038*
Trust	.021	.023	.330	.742

$R^2 = 0.597$, Adjusted $R^2 = .540$, $F=2.28$, Sig. $F= 0.00$

* $p \leq 0.05$, ** $p \leq 0.01$, *** $p \leq 0.001$

The result showed that the value of R is 0.597, meaning 59.7% of relationships exist between independent variables (perceived ease of use, usefulness, social influence, sales promotion, and trust) and dependent variables (customer satisfaction). In addition, it measures the proportion of the variation in the dependent variable (customer satisfaction) explained by variations in the independent variables (perceived ease of use, perceived usefulness, social influence and sales promotion).

Research Discussion

According to the findings of this study, there is a significant relationship between perceived usefulness and consumer satisfaction. This practical contribution can be proposed by assuming that most customer satisfaction has a positive effect on perceived usefulness because OFDS enables consumers to check the ordering and receiving process of delivery food, makes it more convenient to order and receive food, helps to reach new restaurants which are far from the location, especially for students. It is also consistent with other research, such as Liu et al. (2020), who argued that customers' desires are satisfied by the perceived performance of products and services that benefit them (Troise et al., 2020). Consumers can order as per their requirements. This could encourage any business, particularly food and beverage (F&B) restaurants, to consider using the online food delivery service, as it is the most significant contributing customer to the delivery service.

In addition, because customer satisfaction is a measurement that determines how well a company's products or services meet customer expectations, this study can help restaurant and online food delivery companies predict business growth and revenue. It is among the most important predictors of future purchases and customer loyalty. Loyal customers do more than contribute to a high CLV (Customer Lifetime Value). It is consistent with the suggestions by Prabowo and Nugroho (2019). Consumers are the company's biggest promoters, bringing in new customers through

recommendation, and to recommend a company, OFDS consumers must be satisfied with its services.

Summary of Research Result

The perceived ease of use, perceived usefulness, social influence, and sales promotion positively and significantly affect consumer satisfaction. This study provides a new knowledge base and is expected to extend the existing literature on Malaysia's Online Food Delivery Services (FDS) industry. There is a lack of study on the OFDS industry, and future researchers can use this study to reflect when considering whether to build on similar foundations and look for new directions. The most dominant factor influencing consumer satisfaction towards OFDS is perceived usefulness, which is the key to consumer use of online ordering, leading to higher satisfaction. Young customers like students order food and wait for it to be delivered to their college. They consider ordering food through an online platform and having it delivered useful.

Recommendations

Several recommendations for future research. Similar studies can be conducted by exploring a broader spectrum of universities in Malaysia. A researcher can include the university in urban and suburban to highlight the factors that influence Online Food Delivery Services. Moreover, future research could mix qualitative and quantitative approaches and examine new variables influencing Malaysian consumers' satisfaction with OFDS, such as culture, delivery experience, hedonistic motivation, and income level.

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