

Perception of Millennials towards Online Food Delivery Applications

**Minor Research Project
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(Marketing)**

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By

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EXECUTIVE SUMMARY

Millennial are playing an important role in marketing. Different authorities define Millennial in different ways. Millennial are usually those individuals who have become adults by the end of 21st century. Neil Howe and William Strauss, authors of the 1991 book Generations: The History of America's Future, 1584 to 2069, are given credit for coming up with this term. According to Howe and Strauss, Millennial are individuals who are born between 1982 and 2004.

A craze that is popular with the Millennial is to order food online. Nowadays Millennial prefer having food at the comfort of their home rather than going out and dining in restaurants. Cooking at home is becoming passé. Millennial are using various online food delivery applications to satisfy their taste buds. Online food applications like Swiggy, Zomato, Dominos, etc. are becoming very popular for ordering food online.

The **objectives** of the study are as follows:

1. To describe the factors which influence consumers to order food online
2. To study the perception of Millennial towards online food delivery companies
3. To understand the advantages and disadvantages of online food delivery companies
4. To suggest marketing strategies to online food delivery companies.

The research was conducted on Millennial. The researcher collected data through questionnaire method from six hundred and twenty-one (621) Millennial. The research was restricted to the area of Mumbai only. Observation and group discussion were employed for collecting primary data. Likert Scale was used to capture the data in the questionnaire.

The **result after testing of hypotheses** was as follows:

- There is a relationship between the quality of service provided by the online delivery apps and the preference for food online ordering by the Millennial.
- There is no relationship between food hygiene maintained by the food delivery apps and the preference for online food ordering by the Millennial.

The **conclusions** of the study are as follows:-

1. Millennial thoroughly enjoy ordering food from online delivery applications. 94.4% of the Millennial order food from online applications. The apps are downloaded on their mobile phones so it becomes easy for them to order food from anywhere.
2. Majority of the millennial have at least two apps downloaded on their mobile phones. Zomato was the most popular app used by 77.9% of the Millennial, applications of fast food restaurants like McDonalds, Dominos etc. was used by 53.5% of the Millennial and 46.2% used Swiggy.
3. It can be concluded from the research that 69.4% of the Millennial like to order food online. This indicates that it is becoming a popular to order food through these applications. Millennial do not like to directly call restaurants to order food, they prefer to do it through the application. This trend is evident even for restaurants which are located close to the residence. The convenience and transparency that the applications provide is highly preferred by them.
4. Weekend is definitely a great time for business for online food delivery apps. However the line between weekdays and weekends is blurring for the Millennial. They order food online whenever they feel like. The research indicated that 51.2% of the Millennial prefer to order food online on weekdays as well as weekends.
5. Dinner is the most popular meal ordered online by Millennial (54.1%). However like the line between weekday and weekend is blurring, similarly the line between lunch and dinner is also blurring. Millennial order food whenever it is convenient to them. According to the research, 38.8% prefer ordering lunch and dinner both. They were of the opinion that when dinner is ordered online they can enjoy their meal peacefully while watching television. Further, the Millennial who were married said that having dinner together with the family is an enjoyable experience.
6. It can be interpreted from the above data that Millennial are satisfied with the services and convenience provided by the online food delivery apps. However the value for money proposition, hygiene of the food delivered can be improved. It can further be concluded that friends do not influence Millennial in their decision making process when they order food online. Millennial are independent in their decision making process.
7. It can be seen from the data given that Millennial are loyal to food delivery apps. They trust the quality of food offered by these apps and also find the food to be fresh when delivered by the apps. They find it easy to order food from the apps when they have parties at home.

8. The advantages that online food delivery applications offer, according to the Millennial are ease of use, saves time, convenience and variety of food offered. The variety of food offered and saves time is ranked the highest.

9. The disadvantages of online food delivery applications, according to the Millennial are that their delivery is not always on time. This is an area where the Foodtech companies need to improve. Further, the customer has to pay delivery charges, when they order food online, this increases the cost of food ordered. The Millennial were of the opinion that delivery cost should be minimized or eliminated to reduce the cost of food ordered.

It can be said that overall, the Millennial are satisfied with the services offered by online food delivery applications. There is always scope for improvement and these companies must strive hard to become better versions of themselves.
