

## Usage Intention of Food Delivery Apps During Covid-19

Nurhuda Ayman<sup>1</sup>, Nurin Fatin Nazihah<sup>2</sup>, Nurin Izzati<sup>3</sup>, Nurin Syamimi<sup>4</sup>  
Universiti Sains Malaysia<sup>1,2,3,4</sup>

Jalan Sg Dua, 11800 Minden, Pulau Pinang, Malaysia.  
Correspondence email: Nurhudayman@student.usm.my

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### ABSTRACT

This study aims to look into the role of food delivery services in increasing user satisfaction and thereby improving business success. During the COVID-19 pandemic, entrepreneurs, such as small entrepreneurs, had enormous obstacles in running their businesses. Consumers are begging for takeout meals to be delivered as social separation becomes the new norm. Large and small enterprises are looking forward to collaborating with these third-party delivery providers. Providing deliveries can help eateries cut costs during this time of disruption while also making the transition back to normal working circumstances easier after COVID-19 is no longer a problem. This research was carried out using an online questionnaire provided on the Google Forms platform, which collected information from 100 food delivery consumers in Malaysia and also India. This research reveals that Covid-19 will increase demand for user satisfaction indicators such as perceived service quality, price affordability, ease of access, service awareness, and customer loyalty. Having achieved this, customers will be motivated and continue to use online platforms, leading to increase sales for business owners in the Covid-19 situation.

**Keywords:** Covid-19, Customer loyalty, Delivery food, Ease of access, Perceived service quality, Price affordability, Service awareness.

## **INTRODUCTION**

Grab Holdings originated as a taxi-hailing business in Malaysia and has subsequently expanded to include ride-sharing, food and package delivery, and online payments, among other things (Grab SuccessStory, n.d.). Grab Holdings Inc. is a technology company based in Singapore. Grab is a holdings company that operates numerous subsidiaries including GrabTransport (taxi, private car, motorcycle, and ride-sharing services), GrabFood (food delivery), GrabMart (essentials delivery), GrabExpress (parcel delivery), GrabPay (online payments), GrabInsure (insurance), GrabRewards (rewards program), and GrabGifts (gift cards). Grab currently operates in eight countries in Southeast Asia including Malaysia, Singapore, Indonesia, Thailand, Vietnam, Philippines, Myanmar, and Cambodia. Because of its excellent service, GrabFood has become one of Malaysia's most popular food delivery services.

Swiggy is India's largest online food ordering and delivery platform, founded in July 2014. Swiggy is based in Bangalore, and as of September 2021, is operating in 500 Indian cities. Apart from food delivery, Swiggy also provides on-demand grocery deliveries under the name Instamart and an instant package delivery service called Swiggy Genie. Swiggy now offers partnerships with over 28,000 eateries across 13 Indian cities, including major metropolises such as Bengaluru, Delhi, Mumbai, Chennai, Hyderabad, and others. The brand has amassed over 8,00,000 Swiggy mobile app downloads and has established itself as the go-to place for anybody looking to purchase meals online (Swiggy, 2021).

The Covid-19 pandemic has affected most countries and fundamentally disrupted entrepreneurial finances. It has also affected restaurants and food outlets including KFC, McDonald's, Subway, and others causing a decline in sales during movement control orders (MCO). Before the outbreak of Covid-19, online food delivery services in Malaysia became a trend used by the public. In fact, this service is becoming more popular from time to time apart from now being introduced with the Movement Control Order (MCO). Many other foods and beverage companies are financially and economically affected by the pandemic. The stores allow many small businesses to divert their sales to online platforms. Where, customers only order food through the platform provided and use food services such as Grab Food, and FoodPanda to deliver food to customers. The high demand for food delivery services has helped the restaurant business run smoothly even though the country is currently under the Movement Control Order from March 18, 2020 following the COVID-19 outbreak.

Malaysia and India are witnessing a major change in the purchase of food from the conventional way to an online system that is using food ordering applications or food delivery. Often, we also use the services of food delivery or food rider in daily life in this pandemic era. Malaysians and Indians like to dine in restaurants but due to the MCO, all restaurants have been ordered to close. This has led to the use of food delivery services to customers through online services. Most restaurants use this method to keep their stores operating even if the government does not allow people to dine in. Some are reluctant to eat out for fear of compromising their health, they are forced to order food through online delivery platforms. In Malaysia, India and around the world, the meal delivery service industry is expanding and has a promising future. Consumers are seeking takeout food delivered in parallel

with government standard practice in the Covid-19 pandemic since social isolation has become the new norm.

An online ordering system can be seen as an essential requirement in the food business industry in the current situation. In this era of digitization, people have switched from traditional ordering methods to online ordering because it is easy and fast. If restaurants are unable to take advantage of this new strategy, they will be missing out on a significant revenue gain. Customers can also get food online because it is more convenient, and those with smartphones can order meals digitally rather than having to waste time and energy going to the store. We have conducted research to study customer intention to use popular online food delivery apps in Malaysia and India which are Grab Food and Swiggy. For the success of this research, a survey was distributed to the public online where a complete questionnaire was distributed among 101 respondents consisting of 51 Malaysians and 50 Indians who use food delivery services to find out their feedback on the foodservice delivery system in Malaysia and India.

## LITERATURE REVIEW

### **Antecedents of Food Delivery Apps**

#### ***Development of Food Delivery in Malaysia and India during Covid19***

Food Delivery Apps are Internet-based businesses that operate mostly via mobile apps that let clients order food and have it delivered to their doorstep (Ray et al., 2019). Food Delivery is becoming more popular throughout this period. Food delivery services may be classified as restaurant-to-consumer or restaurant-to-restaurant. Orders are placed directly via the restaurant's web platform in this case. The supplier prepares and delivers the food as specified by customers, and establishments may self-deliver using existing workers, such as wait staff in certain small restaurants. Additionally, third-party companies provide online delivery services from partner restaurants that may or may not offer delivery services themselves. Many individuals had to remain at home during the Covid19 pandemic season because the government had issued a statement indicating that all employees and students should be at home to stop the spread of Covid19 infections. Due to COVID-19 measures, restaurants and eating businesses were closed during the COVID-19 epidemic. Food Panda, Grab food and other delivery services should be your sole option.

#### ***Effort Expectancy***

Koiri et al. (2019) and Saad (2020) established that, in order to generate a favorable consumer perception of online food delivery applications and restaurants, entrepreneurs must ensure that the Food Delivery Apps are simple to use and that it allows for order tracking: from order to timely delivery without any inconvenience during the initial order process until the customer's delivery location. Food Delivery Apps suppliers must enhance real-time monitoring of online orders, manufacturing, and delivery processes to assure the highest possible quality of service (Zhao & Bacao, 2020).

#### ***Useful Features That are Perfect for Consumers***

The biggest advantage of ordering online is that it saves the customer time and effort. Customers can opt to complete their orders in seconds or to take their time and complete them whenever they would like to. Because there are no time constraints, customers can take as much time as they like to finish their orders.

Rather than allocating time in their daily routine to go out and make a purchase, customers can search for the product they want to buy on the meal delivery app when they have a free minute at work or at home late at night. They can browse the whole menu and order whatever combination of meals they want, with prices calculated in real-time. Customers may be patient, examine their options, and compute multiple price schemes, making large and complex orders much easier to place online. Food delivery apps use photos, reviews, and ratings to help customers choose which meals they want to order, as well as to tell them which dishes are the best in town based on the photos, reviews, and ratings. Customers can also track their orders and receive real-time status updates from the restaurant on their doorstep. Furthermore, the app's display design is simple and easy to understand. It is simple for customers to learn how to use food delivery applications to make purchases

### ***Reuse Intention***

Reuse intention is defined as the level of consumers' subjective preferences for using the services again and for recommending the service to family and friends. Before customers use these services, they have specific requirements in mind. Consumers filter, analyze, and compare information/services based on these demands and after browsing the related information based on their initial experiences, and then make a sensible decision to use the same online service again. Consumer happiness and unhappiness are two important characteristics that influence consumers' propensity to reuse. If consumers are pleased with their initial purchase, they are likely to utilize the food delivery service again. As a result, food delivery services may evolve quickly. Consumers consider the utility of items or services when making purchases, and customers who are satisfied with their purchases will have few complaints and are more likely to repurchase them or suggest them to others.

### **Customer Satisfaction**

#### ***Perceived Services Quality***

Perceived service quality is defined as a customer's judgment about the extent to which a Web site facilitates efficient and effective shopping, purchase, and delivery of products and services (IGIGlobal, n.d.). As a result, analyzing the client's perceived service quality is critical for a service company's effort to establish customer loyalty in order to sustain and survive in this highly competitive market (Liestyanti & Prawiraatmadja, 2021). However, perceived service quality can be managed by treating employees well. This is the major topic of this study, and it aims to contribute to a better understanding of the quality of food delivery services. With this, it is hypothesized that:

H1: Perceived service quality is positively related to the customer's intention

#### ***Price Affordability***

Price is a factor that can influence the intent of switching (Wulandari, Riski, & Prajitiasari, 2021). The affordable price themselves means prices that are set in accordance with middle-class customers' willingness to pay (Saputra & Sunitiyoso, 2021). As Tendur, Hutabarat, and Tumbelaka (2022) state that a suitable and affordable price will certainly be a consideration for customers to buy the products. Not only that, but Arigata, Aggraini, and Ribek (2021) find that price is an important factor to support service quality. Therefore price affordability is one of the important aspects of customer satisfaction.

H2: Price Affordability is positively related to customers' intention

### **Ease of Access**

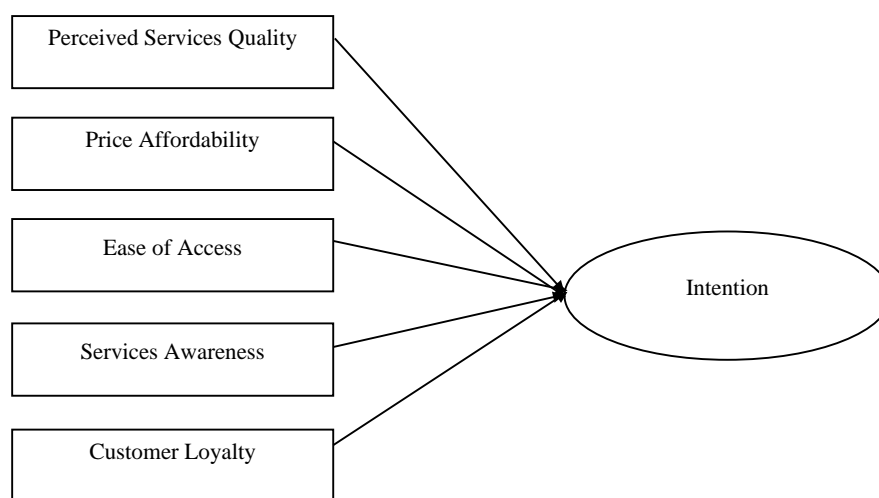
The term “Perceived Ease of Access” relates to a consumer’s perception of how straightforward it would be to engage with an e-commerce platform. Numerous studies indicate that the physical and emotional strain associated with in-person shopping has influenced people to opt for internet buying (Zaidi et al., 2014). Customers anticipate that online transactions will be more efficient, time-efficient, and simple to complete. These are the perceived advantages that enable consumers to enjoy online shopping with GrabFood and Swiggy. Perceived ease of access is used as the degree to which an individual believes that using a given technology would be effortless. The simple checkout procedure in Grab Food and Swiggy would increase consumers’ willingness to make online purchases. Consumers’ propensity to purchase online will improve as a result of the realistic product search tools that enable them to swiftly locate their preferred items When buyers find an online shopping platform simple to use and navigate, their desire to purchase online increases. Thus, perceived ease of use has a beneficial influence on consumers’ online buying behaviors, since perceived ease of use on e-commerce platforms influences customers’ happiness with their online shopping experience. With this, it is hypothesized that:

H3: Ease of access is positively related to customer’s intention.

### **Customer Loyalty**

Customer loyalty is the attachment of customers to a brand, shop, factory, service provider or other types of product and shows a good response when dealing with these products (Anita, 2019). Moron et al. (2022) state that improving all dimensions of service quality to achieve customer-perceived service quality is the way to accomplish the objective of generating and maintaining customer loyalty.

**Figure 1.** shows the research framework of this study.



## **RESEARCH METHOD**

This was done using a quantitative technique. The study will be designed using a cross-sectional design, and data will be collected at a single moment in time. Questionnaires were utilized to gather information from all participants. This study’s target respondents were persons from all walks of life who had used GrabFood for Malaysians and Swiggy for Indians to make online food purchases in Malaysia and India. This poll has a sample size of 50 GrabFood and Swiggy

users in both countries. with a total of 101 participants in the sample. There are five sections to this survey. The first section contains demographic information about respondents, such as gender, nationality, age, and occupation.

The non-probability sampling technique was used in this investigation. In the form of Google Forms, the questionnaire was circulated on social media platforms such as Instagram, WhatsApp Messenger, and Telegram. During the data gathering process, 101 people volunteered to participate in the study and filled out the survey questionnaire. A Likert scale is a grading system for measuring people's thoughts or perceptions in surveys. The researchers used a 5-point Likert scale, with 1 being "Strongly Disagree" and 5 being "Strongly Agree." The questionnaire was categorized into four sections, enabling a thorough assessment of identified variables for this study. The details of these six sections are described below:

#### **Demographic-personal data**

We used single-statement items to determine the demographics of the respondents, including gender, nationality, age, and occupation.

#### **Perceived Services Quality**

We developed a 4-item scale for the usage intention of food delivery apps during covid-19 – GrabFood (Malaysia), and Swiggy (India). Perceived service quality is defined as a customer's judgment about the extent to which a Web site facilitates efficient and effective shopping, purchase, and delivery of products and services. The items are based on respondent's experience with GrabFood and Swiggy, which relate to the features that attract some respondents to purchase through GrabFood and Swiggy, respondents view GrabFood and Swiggy apps have better quality compared to their competitors, and respondents' view if GrabFood and Swiggy apps have positioned its brand well in the market, and respondents' view about GrabFood and Swiggy apps have a variety of choices of food and beverages businesses (fast-food, nutritious food, beverages).

#### **Price Affordability**

We developed a 3-item scale to assess the price affordability factors towards the usage intention of food delivery apps during covid-19 – GrabFood (Malaysia), Swiggy (India). The scale items were based on the respondents' view about GrabFood, and Swiggy apps service price is affordable, respondents' view about the price of GrabFood, and Swiggy apps is worth the quality and also respondents' view about at their current prices, the food featured in food delivery apps provide good value.

#### **Ease of Access**

We created a 4-item scale to the usage intention of food delivery apps during Covid-19, which are GrabFood (Malaysia) and Swiggy (India). The scale items were created based on our curiosity about respondents' knowledge of using GrabFood and Swiggy apps for purchasing food. As well as whether respondents are comfortable using GrabFood and Swiggy apps for purchasing food. Also, what are respondents' views about GrabFood and Swiggy apps that are available to order with takeaway food or food delivery? Last, we want to know about respondents' views about the easiness ordered meals while using GrabFood and Swiggy apps.

### Services Awareness

We developed a 4-item scale for the usage intention of food delivery apps during covid-19 – GrabFood (Malaysia) and Swiggy (India). The scale items were created based on respondents' awareness of GrabFood (Malaysia) and Swiggy (India). Whether respondents have seen GrabFood and Swiggy apps advertisements on TV and social media, is respondents have seen people around them using GrabFood and Swiggy apps, whether respondents have always heard about GrabFood and Swiggy apps or not, and whether respondents have seen celebrities use and promote GrabFood and Swiggy apps on the advertisement.

### Customer loyalty

We developed a 4-item scale for the usage intention of food delivery apps during covid-19–GrabFood (Malaysia) and Swiggy (India). The scale items were created based on will respondents always purchase food using GrabFood, and Swiggy apps? Respondents' willingness repeatedly purchase food using GrabFood, and Swiggy apps, respondents' feelings about Grab food, and Swiggy apps services, are GrabFood and Swiggy apps are respondents' first choice of selection for food delivery services.

## RESULTS

**Table 1.** Summary of Respondent's Demography (N=101)

	Frequency
Gender	
Male	40
Female	97
Nationality	
Malaysian	51
Indian	50
Age	
18-25 years old	54
26-30 years old	14
31-40 years old	18
41-49 years old	9
50 years old and above	6
Occupation	
Student	54
Employed	35
Unemployed	6
Retire	6

According to Table 1, the total number of respondents is 101, with the majority of respondents (61 persons) females and the remaining 40 individuals males. As shown in the table, the responder was between the ages of 18 and 25. Malaysian respondents constitute 50.5 percent of the total, while Indian respondents constitute 49.5 percent. Over half (53.5%) were students, 34.7% were working, and 5.9% percent were unemployed and retired.

**Table 2.** Descriptive Analysis, Cronbach's Coefficients Alpha, And Zero-Order Correlations of All Study Variable

Variables	1	2	3	4	5	6
Perceived Services Quality	0.934					

Price Affordability	0.795**	0.932				
Ease of Access	0.847**	0.767**	0.916			
Service Awareness	0.787**	0.756**	0.824**	0.912		
Customer Loyalty	0.785**	0.853**	0.799**	0.790**	0.943	
Dependent Variables: Intention	0.781**	0.802**	0.802**	0.727**	0.924**	0.952
M	16.61	11.79	16.82	16.79	16.07	16.42
SD	3.904	3.290	3.751	3.792	4.143	3.945

Note: N=100; \* $p < 0.05$ , \*\* $p < 0.01$ ; Diagonal entries in bold indicate Cronbach's coefficient

Alpha M= Mean SD= Standard Deviation.

The data in Table 1 are based on a 101-respondent sample. The purpose of the study was to explore whether the effects of the independent variables which is perceived service quality, price affordability, ease of access, service awareness, and customer loyalty to the dependent variable intention. As can be seen the coefficient's alpha of the five perceived factors falls between 0.932, 0.916, 0.912, and 0.952, indicating internal consistency reliability of all variables. Reliability is a tool to measure a questionnaire, which is an indicator of variables. The five factors that influence Grab Food and Swiggy in Malaysia and India, comprising perceived service quality, price affordability, ease of access, service awareness and customer loyalty, correlate with customer intention towards GrabFood and Swiggy.

## DISCUSSION

We tested our hypotheses using regression analysis. As evident in Table 4, perceived service quality, price affordability, ease of access, service awareness, and customer loyalty were entered as independent variables, while intention was entered as the dependent variable.

**Table 3.** Summary of regression analysis

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	SE	Beta		
1 (Constant)	0.383	0.174		2.202	0.030
Perceived Services Quality	0.099	0.078	0.098	1.271	0.207
Price Affordability	-0.011	0.069	-0.012	-0.159	0.874
Ease of Access	0.210	0.085	0.200	2.466	0.015
Services Awareness	-0.157	0.074	-0.151	-2.108	0.038
Customer Loyalty	0.778	0.076	0.817	10.182	0.000
Adjusted R <sup>2</sup>	0.866				
R <sup>2</sup>	0.873				
Significance	0.000				

a. Dependent Variable: Intention

b. Predictors: (constant), Perceived Services Quality, Price Affordability, Ease of Access, Services Awareness, Customer Loyalty.

N=101, \* $p < 0.05$ , \*\* $p < 0.01$

The value of R<sup>2</sup> was 0.87, which means that 87% of the variation in customer intention is explainable. As a result of our research, we discovered that customer loyalty is the most important element influencing consumer intention, with the



largest beta value (0.778). This is followed by ease of access, which has a beta value of 0.210. Customers' intentions to use Grab food in Malaysia and Swiggy in India were not substantially influenced by price affordability or service awareness according to the research. According to the data, we can conclude that perceived ease of access and customer loyalty are the two most crucial elements impacting consumer intention with Grab food in Malaysia and Swiggy in India, as well as other food delivery services.

## **CONCLUSION**

In conclusion, the main purpose of this study was to see the effectiveness and consumer satisfaction of food delivery services. It is clear that GrabFood and Swiggy are food delivery services that are often and frequently used by customers in Malaysia and India. Consumption of food services has become commonplace to consumers especially now due to the COVID-19 pandemic outbreak. This is proven with food delivery services opening huge gaps for businesses to make a profit. The number of food delivery users reported a sharp increase immediately after the COVID-19 outbreak due to movement restrictions. From the regression analysis, service quality, ease of access, and customer loyalty are positively related to the intention of the customers. Meanwhile, price affordability and service awareness did not influence consumers' intention to use GrabFood and Swiggy. Customer loyalty is particularly important therefore food delivery companies must maintain and improve this service in order to retain existing users and attract new users. There are various factors consumers choose food delivery over buying in stores, these include more convenient, fast, and cost-effective. In addition, the recommendation to further improve the food delivery service to increase customer trust and loyalty is by advertising the launch on all social media channels like Facebook, Instagram, and YouTube. By advertising, it will be easy to entice social media users to use food delivery services. This is because social media is a broad platform and can be disseminated widely and easily. Therefore, the effectiveness of attracting customers is high. Hence, they should take every opportunity to disclose the benefits of the use of food delivery to consumers. Besides, collect consumer feedback on the use of food delivery. This is to give confidence to new users who have never used it before. With user feedback, they will be more confident and feel safe using it. Customer feedback can be extremely helpful in terms of improving service. For example, every time a customer orders food from GrabFood, they need to ask the customer to fill out a survey related to food quality, timeliness, and price allocated. This feedback can also be done through the application, where customers can provide feedback directly through the application.

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