

Motivational Factors on The Use of Mobile Food Delivery Services in Lapu-Lapu City, Cebu, Philippines

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ABSTRACT

The study investigates the motivational factors that influence customers on the use of mobile food delivery services. The study utilized a descriptive method to describe the factors that influence customers to use the mobile food application. A total of 100 response was garnered by the study. In addition to the survey, the study also presented the ASEAN development on the use of the application, it was observed that this emerging business model contributed to the gross merchandise value. In the context of the Philippines, it was found that it is already a growing business model that provided an avenue for the food and beverage industry to thrive during the pandemic. The results of the survey also showed that the identified factors were very influential in the decision of the customers to use the application. Further study is recommended using other indicators and approaches to have a better understanding of the use of mobile food delivery applications.

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INTRODUCTION

The COVID-19 pandemic has brought so many changes to the world, especially to the way we do things. The pandemic has underscored the importance of technology as many have become dependent on technology for work and even for

other matters such as food. The coming of the COVID-19 pandemic brought obvious advantages to the online food delivery as the outbreak facilitated consumers to access meals that are already prepared and enabled the food businesses to keep operating (Li et al., 2020). In Indonesia,

due to the higher the risk of Covid - 19 transmission during purchases in traditional brick-and-mortar stores. As a result, purchasing from online stores has become a more convenient and secure option for customers (Kusumastuti et al., 2022).

The food trade, like several others, has conjointly gained from the eCommerce boom. Food delivery services have transitioned from ordering via phone to digital ordering to satisfy client desires, notably with the continual advances in technology by creating food accessible on online channels, the growing range of food distribution apps and websites has reworked the landscape of the food trade. Mobile food delivery application has grown steadily throughout a previous couple of years (Ramesh et al., 2021).

According to Pigatto et al., (2017) people are ordering food online more than ever during the COVID-19 crisis, owing to growing concerns about health safety and hygiene. Customers can buy food from restaurants, choose from menus, and have it delivered to their homes, thanks to the FDA. The growth of numerous mobile food delivery service companies has been aided by the increasing availability of the Internet and smartphones (e.g., Grab food, Foodpanda, Lineman, and Get) (Fakfare, 2021).

Despite the growing popularity of mobile food delivery services, it is important to look into how this certainly affects the expectations that mold the motivation of the consumers. There is also limited interest in the topic in the Philippine setting which provided a knowledge gap for this kind of topic.

This study examined the motivational factors that influence consumers to use mobile food delivery applications. This study will serve as a reference to improve understanding of emerging business models in times of crisis.

LITERATURE REVIEW

Development of Mobile Food Delivery Market

Online food delivery refers to Internet-based services that allow users to purchase food and have it delivered to their homes. FDA is a strategic partnership organization that requires food delivery enterprises to act as an intermediary through smartphone applications (Ray et al., 2019).

Food delivery applications (FDAs) have changed how and where people get ready-to-eat food all across the world. The fact that platform-to-customer online delivery is currently the largest section of the total online food delivery market, with a projected volume of 172,243 million USD globally in 2021, demonstrates the growing relevance of FDAs as essential stakeholders in the hospitality sector (Statista, 2020).

The development of user-friendly software is driving the worldwide online meal delivery market. The trend of ordering food online has taken up all across the world. The increasing global usage of smartphones and internet connections, which has increased the prospects for rapid and convenient meal delivery, is one of the primary drivers impacting industry growth (Expertmarket research,2020).

Food delivery aggregators have attracted consumers by providing a wide selection of food among partner restaurants. Customers can choose food from their favorite restaurant through a food delivery application available on their mobile phones (Buvaneswari et al., 2021).

ASEAN Development on the use of Mobile Food Delivery Services

The COVID-19 pandemic has greatly affected all sectors of the economy across the world. To control the spread of the virus massive lockdowns were implemented by national leaders in the different regions of the world. This action led many

businesses to implement the temporary closure and some were forced to close their businesses permanently. However, despite the global economic crisis brought by the pandemic, the food and beverage industry emerged as a resilient industry.

The emergency of the mobile food market provided an opportunity for the industry to adapt to this new business model leading to the continuation of their services. Communities have become reliant on food delivery services amidst the pandemic as it does not require them having to go outside and risking themselves of getting the virus. According to Keshner, (2020), the pandemic has increased the demand for online food delivery. In 2020, in China, the online food delivery food service orders accelerated by about 20 percent at the beginning of the year alone.

In the ASEAN region, online food delivery services become popular in times of pandemics. An estimate provided by the venture-capital builder,

Momentum works, shows that Southeast Asian food delivery has reached \$ 11.9 billion in gross merchandise value in the year 2020. This number exceeded the \$ 4.2 billion industry estimate in the previous year and \$ 2.2 billion, in the 2018 estimate. As reflected in figure 1, Grab application, dominated in terms of contribution to the region's food delivery gross merchandise value at 5.9 billion.

The pandemic has accelerated the growth of the food delivery business in the Philippines amounting to \$ 1.2 billion in GMV. The above figure suggests that despite the threat of the pandemic, the food and beverage industry remained resilient by following a new business model to survive amidst the pandemic.

Over the last few years, the quantity of digital platforms giving birth to the term environmental property last-mile supplying services has gained in numbers quickly across the globe (Alvarez-Palau et al., 2021).

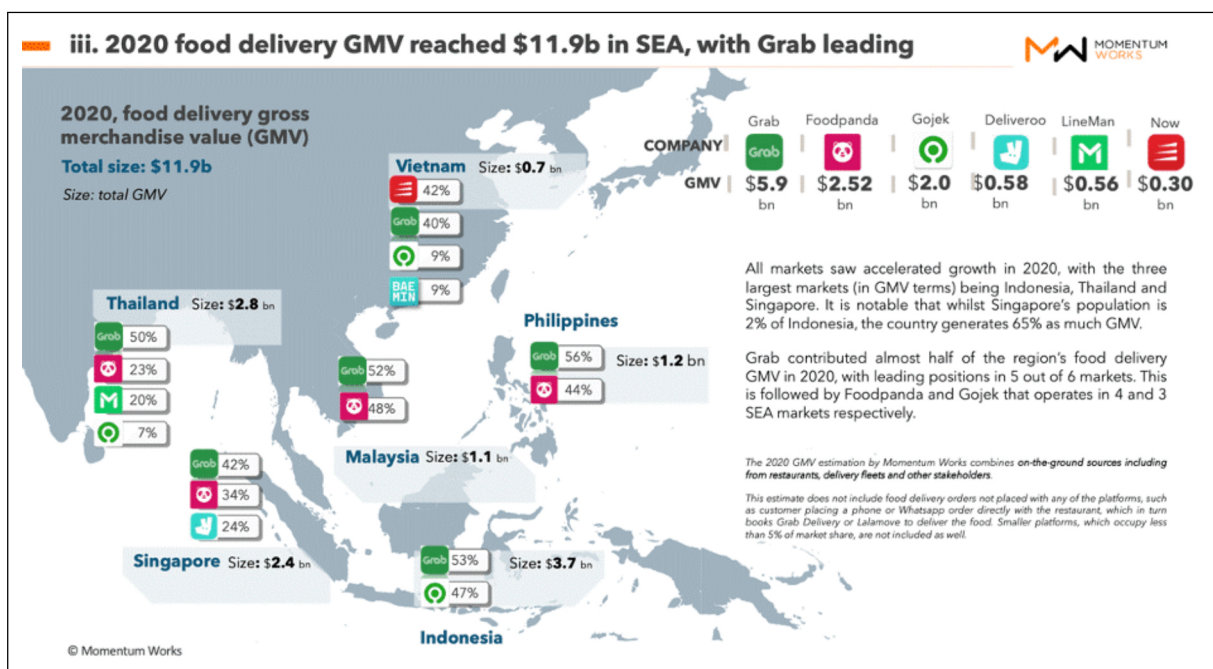


Figure 1. Food Delivery in the ASEAN region in 2020

Source: Momentum works
(<https://mb.com.ph/2021/04/26/this-service-tops-philippines-food-delivery-business/>)

RESEARCH METHOD

The study utilized a descriptive method to investigate the motivators for the use of mobile food marketplace delivery services. The survey garnered 100 responses from mobile food delivery application users. The researchers also presented recent developments in the ASEAN perspective and presented the frequency of utilization of the application. These indicators were deemed important as they provide useful insights into the behaviors of consumers concerning the use of mobile food market delivery services. A descriptive analysis is presented of trends in the development of the use of the mobile food delivery application as well as the utilization of the application. The survey results were descriptively presented to describe the motivational factors that lead to the utilization of the mobile food application.

RESULT AND DISCUSSION

The figure above shows the result of the survey conducted by Mordor Intelligence. The estimate reflects that majority of the consumers buy through the mobile food delivery application at least once or twice a week. This was followed by those who spend several times a month and less than a month. The rising popularity of mobile food delivery services can be attributed to internet promotions made by the mobile food application company which may affect the behavior of the consumer.

Motivational Factors on The use of Mobile Food Delivery Applications

One of the key indicators that were used in this study is the motivational factors for the use of Mobile food delivery applications. This section provides the demographic indicators as well as the motivational factors that lead consumers to use mobile food delivery applications.

Table 1. Demographics of the mobile food delivery users

Indicator	f	%
Income Range		
10,000 – 15,000	80	80
15,000 – 20,000	11	11
20,000 – 25,000	6	6
25,000 – above	3	3
Nature of Work		
Call Center	17	17
Office Worker	8	8
Teacher	7	7
Driver	4	4
Manager	3	3
Medical Worker	2	2
Others	55	55

Source: Authors' survey

The study was able to obtain 100 responses from users of mobile food applications. It is also reflected that women comprised the majority of respondents, accounting for 65% of the total. It also revealed that the income range of participants was mainly in the 10,000-15,000 range, with 80% of the total number of

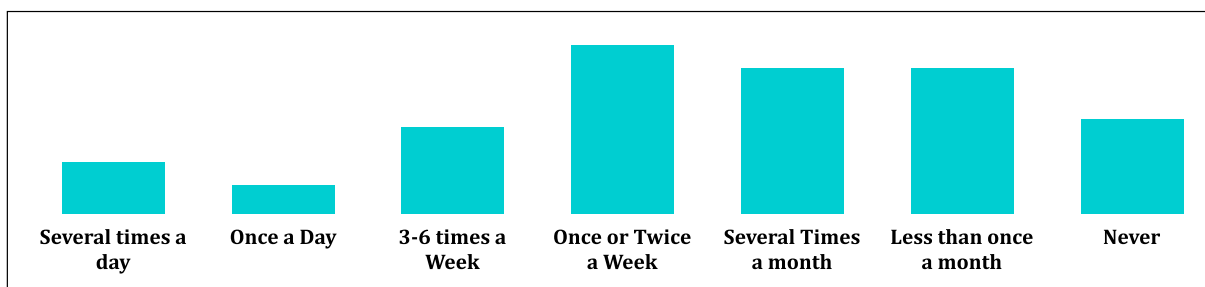


Figure 2. Foodservice Market: Frequency of ordering food from food delivery apps, Philippines, 2021

Source: Mordor Intelligence and Other Sources (<https://www.mordorintelligence.com/industry-reports/philippines-foodservice-market>)

respondents falling into this category. Call center work received 17 percent of the total number of respondents for jobs, followed by office workers who received 8% of the total number of respondents.

Table 1. Motivational factors that influence to use of Mobile Food Delivery Services

Factors	Mean	Interpretation
Convenience	3.49	Very influential
Price Range	3.19	Very influential
Selection of Food	3.27	Very influential
Good Customer Service	3.36	Very influential
Delivery Service	3.41	Very influential
Aggregate Mean	3.34	Very Influential

Source: Authors' survey

Table 2 shows that the degree of motivation in terms of convenience has a mean score of 3.49. Respondents use mobile food market applications for convenience because their food is delivered to their doors, eliminating the need for them to go out, which was particularly important in the pandemic period. Although the price range received the lowest mean of 3.19, this indicates that some respondents were interested in the price range of the food that the application had to offer, as some companies run advertising campaigns in which they offer discounted coupons and codes to their loyal customers. Generally, the indicators as reflected in the table were considered to be very influential for the consumers. Sudirga,(2022) shared that there are antecedents and preference of consumers shopping online, which includes different variables such as reliability, delivery, E-commerce system quality, product quality, and perceived price, which may significantly contribute to the success of the online business.

DISCUSSION

The pandemic has accelerated the already progressing 4th Industrial Revolution. The massive lockdowns affected the mobility of the community, and the usual day-to-day activity was spent at home. Work arrangements were then migrated to

work from home, which was mainly to prevent people from going outside. This situation however ever did not prevent the food and beverage industry from thriving in their businesses. The emergence of mobile food market delivery applications provided an avenue for the industry to sell its products through online applications. The results of the study reflect that in the ASEAN context, mobile food market applications contributed greatly to the gross merchandise value. The community spent much time on their mobile phones making them aware of the presence of these mobile food market applications, this was indicative in the data provided as the frequency of use increased to a certain extent. Finally, on the motivational factors, the results present, that the identified factors influenced the consumers to use the mobile food market delivery application services.

CONCLUSION

The study focuses on the motivational factors influencing consumers to use mobile food market delivery services. The use of this application indeed grew in times of the pandemic. It allowed the food and beverage industry to explore and adapt to this new business model. As consumers spend more time on their mobile phones, they become more aware of mobile food market delivery services, as social media strongly promotes these applications. It can also be concluded that consumers have certain motivational factors influencing their decision to use the application. Despite the information provided in the findings, the study is not free from limitations. The analysis was limited to the identified indicators; future researchers may use other indicators focusing on other factors, such as reliability and ease of using mobile food delivery platforms, to provide a broader scope of understanding. The sample size can also be expanded to a much larger one to increase the generalization of the findings. The mobile market food delivery is a groundbreaking business model as it is now being utilized by many consumers

and provides a good platform for businesses to reach the prospective customer at a much broader scope. The results of this study tell us that companies benefit from using technology. Finally,

different research designs can also explore motivational factors to understand the scenario built by this study.

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