

A Conjoint Analysis and Customers Approval in Food Delivery Services in Cabanatuan City

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Abstract— Food delivery has become an essential part of our lives. Many people nowadays patronize this third-party service because of convenience, especially this time when people limit their movements and preferred to stay at home and be safe. Many food delivery services do their business in the City of Cabanatuan, hence, this study aimed to investigate the satisfaction rating of customers in the services performed by the providers using Conjoint Analysis and in a descriptive method of research. The answers in the questionnaire of the selected respondents were tallied, and the frequency, percentage, and weighted mean, of their answers were calculated in order to obtain their verbal interpretation. The result of the study from the data gathered revealed that young professionals are mostly the customers of food delivery services and cheap delivery charges, high-quality products even it is expensive is much valued by the respondents.

Keywords— Food Delivery, Cost-Based, Conjoint Analysis, Cabanatuan City, Customers Approval

I. INTRODUCTION

Food delivery is a special courier service offered by restaurants and other fast-food chains to transfer their products to the customers, but due to this COVID19 pandemic where the government limits the movement of the people, food delivery services are now a third-party business that booms nowadays. Food Panda, Grab Delivery, Toktok, Bitbit Delivery, Manong, PassFast Cabanatuan, and many more offer their services in the easiest and most accessible way of transferring your order from the stores all the way to your door. For both customers and businesses, food delivery presents several advantages. It's fast, convenient, and offers a variety of options that's simply not evident across other platform types.^[1]

The Philippines is famous for a fast-food culture influenced from American culture, so not surprised to see lots of fast-food brands are dominating the top food delivery apps in the Philippines for both iPhone and Android mobiles.^[2] Convenience, this is one reason why the Food Delivery business is now acceptable and patronized by many customers in the City of Cabanatuan, Nueva Ecija, especially during this pandemic. As we all know, food delivery is not new, but the emergence of this business is notable, thus, the researchers want to study the

predilections or preferences, as well as the approval of the customers in food delivery services specifically with their products and services, and the problem encountered by the customers using conjoint analysis.

Objective of the Study

This study was conducted to investigate the satisfaction of the customers in food delivery service in Cabanatuan City, Nueva Ecija. Specifically, it sought to answer the following questions:

1. How may the profile of the respondents be described in terms of:
 - 1.1 Age;
 - 1.2 Sex;
 - 1.3 Location of the house from store or business center (in kilometers);
 - 1.4 Source of income;
 - 1.5 Estimated monthly income;
 - 1.6 Frequency of delivery order per month.
2. Products and Services;
 - 2.1 Computer/Phone Application;
 - 2.2 The price of the products compared to store price;
 - 2.3 The delivered food and

- drinks;
- 2.4 The delivery charges;
- 2.5 The manners of delivery person;
and
- 2.6 Payment options.
- 3. Choice-Based Conjoint Analysis
 - 3.1 The product price is high, in good quality, the delivery cost is expensive;
 - 3.2 The product price is cheap, in good quality, the delivery cost is expensive;
 - 3.3 The product price is high, the quality is low, the delivery cost is expensive;
 - 3.4 The product price is cheap, the quality is low, the delivery cost is cheap;
 - 3.5 The product price is high, of good quality, the delivery cost is cheap;
 - 3.6 The product price is cheap, the quality is low, the delivery cost is cheap;
- 4. Problems encountered by the customers.

II. METHODOLOGY

The Descriptive Survey Method of research was used by the researchers in this study. According to Calderon (2006), defined descriptive research as a purposive process of gathering, analyzing, classifying, and tabulating data about prevailing conditions, practices, processes, trends, and cause-effect relationships and then making an adequate and accurate interpretation about such data with or without or sometimes minimal aid of statistical methods. Also, this method ascertains prevailing conditions of facts in a group under study that gives either qualitative or quantitative, or both, descriptions of the general characteristics of the group as results.^[3]

The study wishes to find out and describe the present profile of the respondents, their satisfaction in the products and services rendered, and assess the problem encountered by the customers to the service providers using conjoint analysis. According to Tim Stobierski, Conjoint analysis is a form of statistical analysis that firms use in market research to understand how customers value different components or features of their products or services. It's based on the principle that any product can be broken down into a set of attributes that ultimately impact users' perceived value of an item or service.^[4]

This research limits the study in using Choice-Based Conjoint Analysis. Choice-based analysis (AKA discrete choice experimentation) is a type of response used in conjoint studies where respondents are tasked with choosing which option they would buy. It is considered the most reliable method of choosing responses as it is the most realistic in a market research context.^[5]

The respondents who are living in the City of Cabanatuan were randomly selected to answer the casual interviews and questionnaire interpreted by the researchers. The data gathered were used only for the study and treated with supreme privacy.

After all the data needed were gathered, the frequencies of answers in each question were tallied and their percentage was obtained. The Frequency, percentage, weighted mean, and mode of their answers were calculated in order to obtain their verbal interpretation.

The hereunder scale with its corresponding description was used as a guide in interpreting the response to the items.

Table 1 Scoring Method

SCALE	WEIGHT	VERBAL INTERPRETATION
4	3.26 – 4.00	VERY SATISFIED
3	2.51 – 3.25	MODERATELY SATISFIED
2	1.76 – 2.50	SLIGHTLY SATISFIED
1	1.00 – 1.75	UNSATISFIED

III. RESULTS AND DISCUSSION

According to the result of the survey conducted by the researchers, the following results were:

Majority of the respondents who patronize food delivery services were female, in the 20-30 age bracket. Salary is the main source of their income, and in the frequency of orders per month, 64% or the majority of the respondents answered they Sometimes avail the service of food delivery, 29% answered Often, and the remaining 7% answered Always.

Table 2. Approval Rating on the Product and Delivery Services

Factors	WM	VI
Cellphone/Computer Application	3.06	MODERATELY SATISFIED
The price of the products compared to store price;	2.54	SLIGHTLY SATISFIED
The delivery of the products;	2.90	MODERATELY SATISFIED
The manners of delivery person	3.33	MODERATELY SATISFIED
The delivery charges	2.47	SLIGHTLY SATISFIED

Payment options	3.30	MODERATELY SATISFIED
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Table 2 shows the approval or satisfaction rating with a verbal interpretation of the respondents' experiences on the food delivery service.

Based on the result of Choice-Based Conjoint Analysis, majority or 53% of the respondents chose the factor of "The product price is high, of good quality, the delivery cost is cheap", while few respondents chose "The product price is cheap, the quality is low, the delivery cost is cheap."

Moreover, the top problems encountered by the respondents with the food delivery service according to the survey conducted are as follows:

1. The product is taking too long to be delivered.
2. Unable to locate the exact area of delivery.
3. Wrong product delivery.
4. The product is damaged.
5. Delivery person has a bad attitude.
6. The delivery person has no money for a change.

IV. CONCLUSION AND RECOMMENDATIONS

Based on the aforementioned outcome of the research study the following conclusion and recommendations were drawn by the researchers: Most of the respondents are female in the age bracket of 20-30, the researchers conclude that they are young working professionals who love to eat in a fast-food restaurant rather than cooking their own food.

With respect to the approval rating on the delivery service provider and as shown in Table 2, researchers conclude that there are minor errors with regards to the cellphone or computer application, the price of the products compared to store price, the delivery of the products, the manners of the delivery person, the delivery charges, and payment options. However, the researchers recommend that these minor errors as well as the recorded problems encountered by the customers be used by the delivery service provider to further improve their business. After-sales feedback from the customers must also be gathered and be used to earn business excellence. According to Tekeuchi and Quelch, the quality of customer service after the sale is often as important as the quality of the product itself. Of course, excellent customer service can rarely compensate for a weak product. But poor customer service can quickly negate all the

advantages associated with delivering a product of superior quality.^[6]

According to Niel Patel, Price is one of the most common objections your visitors will have. Few businesses want to compete on price. And no marketer wants their product to be thought of, first and foremost, as either "cheap" or "expensive."^[7] Consumers nowadays are looking for the best quality product even it is more expensive than other options, thus, it is highly recommended to prioritize the quality of the products at all time, and do not be afraid to sell them because customers value expensive products and they use it more than usual. However, the researchers also recommend to consider the delivery charges because it is also valued by the consumers. In doing marketing research to further improve the product and services, the researcher recommends to do a Conjoint Analysis to determine how people make decisions and on what factors do they place real value in various products and services. Further study on how to improve their business aside from the recommendations of the researchers is highly encouraged.

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