

Panoramic Advancement of Digital Marketing: Impact of Personalized Promotion Factors on Consumer Purchase Intention Concerning Food Delivery Apps

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ABSTRACT

In the ever-evolving digital marketing landscape, personalised promotions have drawn substantial attention to enhance consumer engagement and boost sales. By using data analytics and consumer preferences, Food delivery applications have started customizing promotional messages to specific customers. It also started promoting its services based on the customer's search for restaurants or food, previous orders, and payment history. In this way, food delivery apps try to understand their target customers and provide personalized messages to them. There are many food delivery apps providing services to the customer but among them, the researchers have chosen the two popular food delivery apps namely Swiggy and Zomato. Therefore, this study throws light on how such personalised promotions influence consumers' views and purchase intentions. For the study, the data was collected from 100 respondents. By using a structured questionnaire, this study uses a descriptive methodology to collect data from consumers. The collected data was analysed by using regression analysis and it was found that minimum consumers are attracted by the personalised promotions done by the food delivery apps.

Keywords: Personalized promotion, marketing strategy, Food delivery apps, Target consumers, Tailoring advertisements.

INTRODUCTION

The way organizations interact with their target customers in the digital age has been revolutionized by the dynamic and ever-changing sector of digital marketing. The ability of any organization, whether a small startup or a multinational corporation, to effectively employ digital marketing methods is crucial in today's fast-paced and technologically driven world.

Digital marketing includes a variety of online strategies and tools, such as social media, search engine optimization (SEO), content marketing, email marketing, pay-per-click advertising, and more. It's a comprehensive strategy that enables companies to connect with, engage, and convert customers across a range of digital platforms and devices, (Benson James Lyimo and Hamza Sapi). With the advent of technological advancement, every industry has developed in the same way food industry also developed. In the fast-moving digital world, the food delivery industry has undergone a remarkable transformation. Food delivery apps enable the consumers to get food at a single touch. It is convenience for the consumers to order food through delivery apps. The user-friendly interfaces of these applications make it simple for users to browse menus, look at food photos, read reviews, and personalise their experiences. This makes it possible for individuals to get food at anytime, anywhere. Beyond delivering food it provides personalised services which includes suggesting best seller food, recommending the foods based on their past history, pop up notifications, free delivery services, coupons, offers and discounts. Personalization promotes impulsive and frequent purchases. It also creates trust and increases the engagement level of the consumers. There are many mobile food delivery Applications but, in this study, the researchers made use of only two mobile food delivery apps namely Zomato and Swiggy. These two apps are popular and consumers feel it convenience to use and it provides consumers a wide variety of restaurant networks, timely services, discounts and offers, reviews and ratings, strong branding and marketing and it has created positive attitude in the minds of consumer.

REVIEW OF LITERATURE

The researchers conducted the survey to find out the impact of advertisement and sale promotion by online food delivery apps and behavioural intention towards it. For the purpose of the study, the data has been collected from 448 responses. By using regression analysis, it was found that sales promotion, coupons, benefits, reinforcement has significant impact towards behavioural intention of consumers, (Dipanti Joshi and Viral Bhatt 2021). The purpose of the study was to identify the factors that influence consumer trustworthiness towards digital food advertisements on social media platforms. The survey was conducted with 415 respondents in Malaysia. The study found that personalized content and electronic word of mouth had greater associations with customer trustworthiness than food advertisements in social media. (Shathesh Baskaran et.al 2021).

The earlier study examined consumers' attitudes towards and purchasing intentions related to food marketing on social media. The study's objective required the use of 2023 respondents. The data was collected from Spanish people. The development of the conceptual framework made use of Ducoffe's Advertising Theory. The study's findings demonstrated that the usefulness, entertainment value, and credibility of the content influenced consumers' positive attitudes. (Pedro Cuesta Valino et.al 2020).

The study was conducted to find out the impact of advertisement by food delivery apps and consumer intention to purchase it. The study demonstrates that consumers were greatly influenced by the advertisement and the offers and discounts provided by the food delivery apps influences

to order food. Among all the food delivery apps, the consumers rated that Food Panda as first, Swiggy second. This is due to the fact that Swiggy and Food Panda offer more services and a wider geographic reach in some locations, and both companies also offer several discounts and coupons, (Suganya et.al 2020)

HYPOTHESES

H1 Perceived value & enjoyment of personalised promotion by food delivery apps has a positive impact on consumer purchase intention.

H2 Perceived trust & engagement of personalised promotion by food delivery apps has a positive impact on consumer purchase intention.

H3 Perceived benefit of personalised promotion by food delivery apps has a positive impact on consumer purchase intention.

RESEARCH METHODOLOGY

The research methodology used for this study is Quantitative research. Data was collected from the 100 respondents. Convenience random sampling technique was used for the study to ensure that the sample so obtained is used to identify the factors of personalised promotion and its impact on consumer intention to purchase food through food delivery apps in Chennai city. Data have been collected with the help of a well-structured questionnaire. The questionnaire is made up of two sections – the first section contains demographic details of respondents; the second section includes the questions related to factors of personalised promotions and its impact on consumer intention to purchase with reference to food delivery apps. The analytical tools used for the collected data have been analysed with the help of statistical techniques to understand the outcomes with reference to objectives and hypotheses. Data processing was carried out with the help of MS Excel and SPSS. The analytical tools applied for the study are Percentage Analysis, Factor Analysis and Regression Analysis.

DATA ANALYSIS AND INTERPRETATION

Table 1 showing demographic profile of the respondents

Profile		Percentage of Frequency
Gender	Male	44
	Female	56
Age	17-24 years	45
	25-32 years	27
	33-40 years	20
	Above 41 years	08
Occupational status	Working	56
	Non-working	44
Family's Monthly Income	Below 30,000	60
	30,001 - 50,000	12
	Above 50,001	28

Source: Primary Data (Questionnaire)

From the above table it was found that the majority of the respondents were female and most of them belong to the age of 17 - 24 years followed by 25 – 32 years. And nearly 56% of the

respondents were working. And nearly 60% of the respondent's monthly income were below 30,000.

Table 2 – Frequently used Food Delivery Apps

Food Delivery Apps	Frequency	Percentage
Swiggy	43	43
Zomato	57	57
Total	100	100

Source: Primary Data (Questionnaire)

From the above table, it was found that the most of the respondents frequently make use of Zomato app followed by Swiggy.

Table 3 – Use of Food Delivery Apps typical in a week

Use of Food Delivery Apps	Frequency	Percentage
3 to 4 times a week	20	20
1 to 2 times a week	30	30
Once a week	40	40
Rarely	10	10
Total	100	100

Source: Primary Data (Questionnaire)

From the above table, it was found that nearly 40% of the respondents make use of food delivery app once in a week and 30% of the respondents make use 1 to 2 times a week.

Table 4 - Have you noticed Personalised promotion by Food Delivery Apps

Notice of Personalised promotion	Frequency	Percentage
Yes, Frequently	40	40
Yes, sometimes	32	32
Not noticed	28	28
Total	100	100

Source: Primary Data (Questionnaire)

From the above table, it was found that the majority of the respondents frequently noticed personalised promotion by Food Delivery Apps.

Table 5 – Reliability Analysis

Cronbach's Alpha	N of Items
0.838	15

In this study reliability statistics for 15 items was 0.838 as shown in Table 5. High reliability indicates that these items are mostly suitable for analysis.

Table 6 - KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measures of Sampling Adequacy	0.621
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Bartlett's Test of Sphericity Chi-square value	1019.333
Degree of Freedom	105
Significance	0.000

Table 6 shows the KMO measure of sampling adequacy was 0.621 and Bartlett's test showed a significance of 0.000. Therefore, factor analysis could be applied to 15 variables measuring the consumer intention to purchase based on personalised promotion by Food Delivery Apps. Table 7 –Personalized Promotion Factors influencing the consumer on purchase intention

Factors	Components	Item Description	Rotated Loadings	% of Variance	Eigen Value
I	Perceived value & Enjoyment	Exclusive offers based on my dining history are valuable to me.	0.849	34.210	5.13
		Influence my choice	0.823		
		Beneficial and enjoyable	0.804		
		Feel more valued as a customer	0.714		
II	Perceived Trust and Engagement	Feel more engaged when they address me by my name.	0.835	21.147	3.17
		Align with my taste preferences.	0.725		
		I trust Food Delivery Apps that prioritize data security & privacy	0.698		
		Positively influenced my overall perception of certain food brands or restaurants.	0.565		
III	Perceived Benefit	I believe personalized marketing in the food industry is an effective way for restaurants to stand out and differentiate themselves.	0.916	8.216	1.232
		Personalized marketing makes the process of ordering food more convenient and efficient.	0.762		
		Personalized marketing makes me more excited to explore new dishes and food options.	0.657		

		I enjoy the surprise element of receiving personalized recommendations or offers from restaurants.	0.522		
IV	Intention to Purchase	Influenced my impromptu or instant dining decisions.	0.701	7.996	1.199
		It demonstrates that they care about their customers' preferences and needs.	0.610		
		I have made unplanned food purchases due to personalized promotions or discounts.	0.543		

Extraction Method: Simple Component Analysis

Rotation Method: Varimax with Kaiser Normalisation

Rotation converged in 5 iterations

The table 7 shows the extraction of all the 15 variables and these are loaded on “Four” factors. These four factors are named and variables are included in each factor.

Multiple Regression Analysis

Multiple Regression Analysis was conducted to assess the impact of personalised promotion by Food Delivery Apps on consumer purchase intention. Perceived value & enjoyment, Perceived Trust & engagement and Perceived Value acted as an independent variables and purchase intention acted as a dependent variable.

Table 8: Regression Model: Impact of Personalised promotion factors on Consumer purchase intention

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.493 ^a	.244	.220	1.74890

a. Predictors: (Constant), PVE, PTE, PB

The above table shows the model overview of the Impact of personalised promotion factors on consumer purchase intention with reference to Food Delivery Apps. The modified R square value displays the percentage of the variations explained by factors of personalised promotion on consumer purchase intention. The modified R square value is 0.220, which shows that personalised promotion accounts for 22% on consumer purchase intention of Food products.

Table 9: ANOVA – Impact of Personalised promotion factors on consumer purchase intention

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	94.528	3	31.509	10.302	.000 ^b
	Residual	293.632	96	3.059		
	Total	388.160	96			
a. Dependent Variable: PI						
b. Predictors: (Constant), PVE, PTE, PB						

Table 9 shows the results of ANOVA. Since F value is 10.302, p value is $0.000 < 0.01$, it shows that the model is significant at 1% level.

Table 10. Regression coefficient of variables in the Multiple Regression Analysis

Variables	Unstandardized Co-efficient (B)	SE of B	Standardized Co-efficient (Beta)	t value	P value
Constant	6.884	0.882	-	7.806	0.000
Perceived Value & Enjoyment (X1)	-0.59	0.057	-0.114	-1.045	0.299
Perceived Trust & Engagement (X2)	-0.007	0.057	-0.012	-0.125	0.901
Perceived Benefit (X3)	0.297	0.062	0.555	4.797	0.000**

Note: ** Denotes significant at 1% level

Table 11. Hypothesis Framework

Hypothesis	Regression Path	Effect Type	Remarks
H1	PVE -> PI	Direct effect	Not Supported
H2	PTE -> PI	Direct effect	Not supported
H3	PB -> PI	Direct effect	Supported

The multiple regression equation is

$$Y = 6.884 - 0.59 X1 - 0.007 X2 + 0.297 X3.$$

H1: Perceived value & enjoyment of personalised promotion by food delivery apps has a positive impact on consumer purchase intention.

The hypothesis was tested by using regression analysis. The coefficient of X1 is -0.59. The result revealed that the Personalised promotion does not provide perceived value and enjoyment to the consumers and it does not create intention to purchase. Since p value is greater than 0.01, we reject the hypothesis 1.

H2: Perceived trust & engagement of personalised promotion by food delivery apps has a positive impact on consumer purchase intention.

The coefficient of X2 is -0.007, it indicates the negative effect. Perceived trust and engagement of personalized promotion does not create consumer purchase intention. Since p value is greater than 0.01, we reject the hypothesis 2.

H3: Perceived benefit of personalised promotion by food delivery apps has a positive impact consumer purchase intention.

The coefficient of X3 is 0.297, it indicates the partial effect of perceived benefit leads consumers to purchase by keeping other variables constant. Since p value is less than 0.01, we accept the hypothesis 3. Therefore, personalized promotion provides perceived benefit and it has a positive impact on consumer purchase intention.

FINDINGS

In this study majority of the respondents were female and mostly working people. This study tried to identify the personalized promotion by food delivery apps and its influence on consumer to purchase food. 40% of the respondents agreed that they have frequently noticed personalized promotion by food delivery apps and 32% of them reported that sometimes they have noticed. Zomato was the most used Food Delivery Application and nearly 40% respondents make use of food delivery app once in a week.

Regarding the impact of personalized promotion on consumer purchase intention. The researchers made use of Factor Analysis to identify the factors influencing the consumers. 15 Likert scale questions were used for this study. These 15 variables were divided into four factors. The independent variables such as Perceived Value & Enjoyment, Perceived Trust & Engagement and Perceived Benefit were used and the dependent variable is purchase intention.

In order to find out the impact, Regression analysis were used. It was found that personalized promotion strategy has minimum impact on the consumers. Pop up message with name of the consumers, personalized discounts, offers, coupons based on past history purchase, Free delivery on birthdays has a minimum impact on the consumers. Among all the factors perceived benefit has significant impact on the consumer intention to purchase. People feel that personalized promotion is an effective way for food delivery apps to stand out and differentiate themselves. Consumers enjoy the surprise element of receiving personalized recommendations or offers from restaurants and it also enable them to explore new dishes and foods.

SUGGESTIONS

Personalized promotions are tailored according to the customer's preference, past purchase and behaviour. So, the Food Delivery Apps must provide offers and discounts to the regular users this might increase the engagement level and loyalty of the consumers. Social proof can be included into personalized promotions by highlighting the consumers purchase. This may create trust among the consumers.

CONCLUSION

Food delivery apps have mastered the art of providing personalized gratification in a world where time is valuable and options are numerous. To deliver up a great eating experience, food delivery apps combine technology, data, and culinary artistry. They provide consumers with a personalized culinary adventure. Sustainability efforts were also taken by the food delivery apps, which includes eco-friendly packaging which may attract the environmentally-conscious customers. Therefore, personalised promotion such as personalised emails, social media promotions, Geo targeting, personalised recommendations are some of the marketing strategies used by the food delivery app which creates purchase intention among the consumers.

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