RELATIONSHIP BETWEEN FACTORS OF CUSTOMER SATISFACTION TOWARDS FOODPANDA DELIVERY SERVICE

Maryam Mohd Esa¹, Nurulhayah Muhamad¹, Farah Saniah Mohd Zabidi¹, Nurul Liyana Hussin¹, Nor Hazanah Miskan¹, Norzaimah Zainol², Roszi Naszariah Nasni Naseri³

¹Faculty of Business Innovation and Technology, Universiti Melaka, Batu 28, 78200 Kuala Sungai Baru, Melaka, Malaysia.

²Lecturer at Faculty of Information Technology and Digital Media, Universiti Melaka, Batu 28, 78200 Kuala Sungai Baru, Melaka, Malaysia.

³Faculty of Business and Management, Universiti Teknologi Mara Melaka, KM 26, Jalan, Lendu, 78000 Alor Gajah, Melaka, Malaysia.

Corresponding author's email: maryam@unimel.edu.my

Article History:

| Received | : 7 July 2023 |
|-----------|-------------------|
| Accepted | : 2 October 2023 |
| Published | : 8 November 2023 |

©2023 Maryam et al. Published by Penerbit Universiti Melaka. This is an open article under the CC-BY-NC-ND license (<u>https://creativecommons.org/licenses/by-nc-nd/4.0/</u>).

ABSTRACT

Delivery services are growing in the present century since the beginning of the epidemic that hit the whole country in 2020. The delivery service sector has become an important aspect for the community to maintain health and provide convenience for those who do not have time, or the store is quite far from where they live. More specialized for college students who have time and transportation constraints to visit restaurants outside the campus. Using food delivery services indirectly will be measured by customer satisfaction from various factors. Therefore, this study was conducted to identify consumer satisfaction with Food panda's food delivery service among college students in Terengganu. In addition, the main objective of this study is to identify customer service, types of promotions and types of payment that have a relationship with customer satisfaction. This study is in the form of a survey and is conducted on 84 respondents who are college students in Terengganu who use Food panda, by distributing questionnaires online through Google Form. To test the relationship between dependent variable and independent variable is to use Statistical Package for The Social Science (SPSS) 25.0. The results of the research that has been conducted show that the three independent variables, namely customer service, type of promotion and type of payment have a relationship with customer satisfaction among college students in Terengganu. The results of the study show that the main customer satisfaction factor is customer service with a correlation value of 0.676. In addition, for future studies, the thing that can be suggested to the researcher is that the next researcher can use this element to focus on student samples from different locations.

Keywords: Customer satisfaction, customer service, promotion types, payment types

INTRODUCTION

Food panda is an online platform for food and food delivery services based in Berlin, Germany. Food panda is Asia's largest food delivery and grocery platform, operating across 12 regions in Asia. Customers can place orders on your website by simply entering their zip code and selecting items from the restaurant's menu. You can order your meal by browsing the restaurant menu, selecting the desired item, entering your address and paying online. In today's world, the development of food delivery services depends on the role of technology. Technology is a key factor contributing to changing consumer choices and encouraging everything from sourcing pre-cooked ingredients to delivering directly to the home to be done exclusively online. counter (Prasetyo et al., 2021). Food delivery used to be considered a common job, but it is now the most popular job (Kamel, 2021).

As Oliver (1999) explained, contentment is the pleasant feeling that one's needs, ambitions, goals, and dreams are being met. Effective customer service, promotions type, and payment type are needed to

influence Food panda customer satisfaction (Mulyani et al., 2020). If you are satisfied with the delivery

service, you can use it again or recommend it to others (Anderson & Srinivasan, 2003; Pee, Jiang & Klein, 2018). According to Maisarah et al. (2020) customer satisfaction typically describes how a customer feels about a service or product. Subsequently, customer satisfaction fulfillment is fundamental to Food panda's victory. Only students who used the Food panda apps were counted as respondents in this study to help generate research results. This research can give Food panda an idea of what aspects they need to focus on to improve customer satisfaction. Food panda is well known in Malaysia but has its own problems and weaknesses. Many customers feel that Food panda's customer service is poor (Gan et al., 2022). Thus, this study identifies the relationship between customer satisfaction factors towards food panda's delivery service.

RESEARCH FRAMEWORK

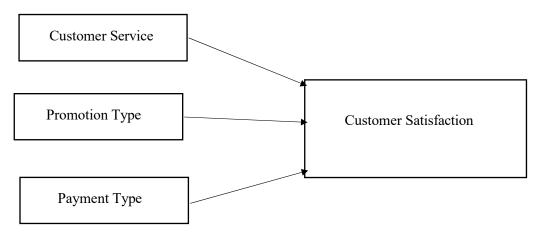


Figure 1.1: Research Framework Zulkarnain Kedah (2015), Chaudhary (2018), Sonali P.Banerjee (2019) & Kiran et al. (2017)

LITERATURE REVIEW

Customer Satisfaction

Customer satisfaction is defined as the situation where the customer's expectations of the product match the reality received (Anita, 2019). Customer satisfaction can be achieved by providing high quality service (Eliwa, Ma & Qu, 2014). Satisfied consumers are more likely to have repurchase intentions and even become loyal customers (Kiran, Tandon & Sah, 2017). On the other hand, customer satisfaction is the overall assessment of a service or product based on the buying and consumption experience (Gan, 2022).

Therefore, to achieve customer satisfaction, the best service needs to be provided by any service provider and this factor is an important factor that should be studied in ensuring the survival of a service provider company.

Customer Service

Based on Mulyani et al. (2020), claims that customer service is important to ensure your customers retain your business and grow your business. Customer service can be defined as the interaction between a seller and a consumer. Today, customer service is not just limited to calls, but can also be provided via email, web, SMS, and social media. In a previous study (Saini, 2016) concluded that customer service is the key difference between virtual and physical businesses. Customer service is an important factor affecting consumer satisfaction. According to (Zulkarnain Kedah, 2015), they conclude that customer service is necessary to provide feedback to consumers interested in real-time, return and replacement of goods or services they purchase.

Promotion Types

Promotion refers to activities performed by sellers to increase consumer awareness of their products. There are several types of promotions, one of which is promotional. According to (Chaudhary, 2018), promotion includes consumption promotion tools such as coupons, cashback, discount offers, bonuses, gifts, etc. Based on previous studies, they have determined that deals and discounts are what really motivate consumers to regularly order food online. Because the types of promotions are constantly evolving, creative and need to be improved and diversified every time to achieve customer satisfaction. The customer service factor is also an important factor that needs to be constantly studied.

Payment Types

Payment is the exchange of goods or services received. There are several forms of payment that consumers use to pay for their goods or services (Sonali P. Banerjee, 2019) determined that the most preferred payment option is the collection method cash on delivery (C.O.D), along with digital methods such as credit cards and payment banking or online banking. Cash on delivery methods are those by which a consumer pays after receiving his or her goods or services. Meanwhile, payment via online banking corresponds to money transactions over the Internet.

METHODOLOGY

The researcher has chosen a quantitative study because it is very suitable to be used to get more information related to customer satisfaction factors in a short time. This study uses a Google Form questionnaire as a research instrument to answer research questions related to customer satisfaction with the Food panda delivery service among college students in Terengganu. This study also used the correlation analysis method to see the relationship between dependent and independent variables. This research instrument is used to measure factors related to customer satisfaction.

Questionnaires are distributed to students using purposive sampling. Purposive sampling is a group of subjects that have certain characteristics according to the selection of respondents determined by the researcher. By determining the characteristics of the respondents, not all samples can be taken from students of Terengganu Colleague. The researcher specializes only in business students at the Faculty of Management and Business. Therefore, purposive sampling is that each sample taken has a purpose and selected characteristics. The determination of the sample size is based on the formula of Tabachnick & Fidell (2013), which is N > 50 + 8M. A total of 84 students at Terengganu College were involved in this study. The sample was chosen because in Malaysia, contemporary college students' view of Food Panda is positive, as online food delivery platforms like Food Panda give them more options in food as a referee (Chong J.Y et al, 2023).

Journal of Business Innovation Jurnal Inovasi Perniagaan Volume 8 / 2023: 95-101

All respondents are Food panda delivery service customers. In this study, Pearson Correlation Analysis was used by the researcher to determine the relationship between the dependent variable and the independent variable. By using Pearson Correlation Analysis, the researcher can determine the relationship with customer satisfaction factors of customer service, promotion types and payment types.

DATA ANALYSIS

| Profile | | Frequencies | Percentage |
|-------------|--------------|-------------|------------|
| Gender | Male | 28 | 33.3 |
| | Female | 56 | 66.7 |
| | Total | 84 | 100 |
| Age (years) | 18-21 | 20 | 23.8 |
| | 22-25 | 61 | 72.6 |
| | 26-29 | 3 | 3.6 |
| | 30 and above | 0 | 0 |
| | Total | 84 | 100 |
| Race | Malay | 76 | 90.5 |
| | Chinese | 2 | 2.4 |
| | Indian | 6 | 7.1 |
| | Total | 84 | 100 |
| Program | BA 1 | 13 | 15.5 |
| | BA 2 | 17 | 20.2 |
| | BA 3 | 36 | 42.9 |
| | BA 4 | 13 | 15.5 |
| | BA 5 | 5 | 6.0 |
| | Total | 84 | 100 |

Table 1.1: Demographic Information

According to the data collected in the questionnaire, there are as many as 28 respondents which are about 33.3% male, and around 56 respondents which is about 66.7% female. Meanwhile for respondents age about 23.8% between the ages of 18 and 21 years old. In addition, around 61 respondents, which are 72.6% of the sample are between the ages of 22-25 years old. Almost 3 respondents, about 3.6% of the sample who are between 26- and 29 years old participle in this questionnaire. However, no respondents between the ages of 30 years old and above. In addition, for question about the race, majority respondents are Malay almost 76 respondents which are about 90.5% are participle in this questionnaire.

Indian, almost 6 respondents which are 7.1%. However, the remaining 2 respondents which is 2.4% are Chinese in this research. The business faculty provides programs such as management, marketing, finance, information technology and others. The highest percentage, which is 42.9% consists of BA 244 program students which is a bachelor of operations management. While BA 242 from the bachelor's degree in finance by 20.2%, BA 234 bachelor's degree in customer service and BA 118 diploma in office technology management show the same percentage. 15.5% and the lowest percentage of BA 114 from investment analysis diploma at 6.0%. Therefore, the BA 244 program recorded the highest number of users using Food panda services among students in the Faculty of Management and Business.

CORRELATION ANALYSIS

Table 1.2 shows the relationship between the variables studied, which is the relationship between customer satisfaction with Food panda delivery among Terengganu college's students. The results of this study show that all independent variables are in a strong and moderate relationship with customer satisfaction.

| Variable | r | р |
|------------------|---------|------|
| Customer Service | 0.676** | 0.00 |
| Promotion Types | 0.502** | 0.00 |
| Payment Types | 0.580** | 0.00 |

Table 1.2: Variable correlation and customer satisfaction

***significant value, p less than 0.001

The data analysis results displayed in Table 1.2 show a significant relationship between customer service among students from Terengganu college. (r = 0.676, p < 0.05). Based on the Pearson Correlation Test, the relationship between customer service among students at Terengganu college is a strong positive correlation. The correlation between the variables is positive where the higher the Food panda customer service factor, the higher the customer satisfaction among students from Terengganu college.

In addition, the results of the study found that there is a relationship between promotion types among students from Terengganu college. (r = 0.502, p < 0.05). Based on the Pearson Test, the relationship between promotion types among students from Terengganu college is a moderate positive correlation. Correlation shows that there is a positive relationship where the higher the promotion types of factors, the higher the customer satisfaction among students from Terengganu college.

Next, the results of the study found a relationship between payment types among students from Terengganu college. (r = 0.580, p < 0.05). Based on the Pearson Test, the relationship between payment types among students from Terengganu college is a moderate positive correlation. The correlation shows that there is a positive relationship where the higher the payment types of factors, the higher the customer satisfaction among students from Terengganu college.

CONCLUSIONS AND DISCUSSIONS

Based on the results of customer service factor analysis obtained, they found a significant relationship between customer satisfaction towards Food panda delivery among college students in Terengganu. Customers are satisfied with Food panda's quick service when responding to complaints. In addition, food delivery people who are friendly with customers facilitate the interaction between customers and Food panda. This study supported by Mulyani (2020) descriptive statistics indicate that respondents agree that they are satisfied with the customer service in Food panda services.

Then, based on the analysis results of the study, the type of promotion has a significant relationship with customer satisfaction and Food panda delivery among Terengganu students. Customers feel that the codes and promotional offers of price reductions and delivery discounts given by Food panda are very attractive and make them very satisfied with the services provided by Food panda. The advertisements provided also attract their interest to buy using the platform. Therefore, this study supported by Mulyani (2020) shows that customers are satisfied with all kinds of promotions on Food panda services.

In addition, based on the obtained analysis results, forms of payment have a significant relationship with customer satisfaction and Food panda delivery among Terengganu students. Advantages in terms of the payment process through the Food panda application which is customer-friendly, efficient, and fast as well as safe financial transactions and payment information that is guaranteed to be confidential make customers more satisfied with the services provided on the Food panda application. The findings of this study have been supported by Mulyani (2020) who concluded that this type of payment has a positive relationship with customer satisfaction on Food panda services.

Based on the research done by the researcher, there are still gaps that can be improved by Food panda. For example, a food delivery person needs to ensure that the item taken from the restaurant and delivered to the customer is the correct item. The review process needs to be done so that the customer gets the right order. Apart from that, there are still shortages in terms of food or goods that do not arrive in good condition, for example drinking water spilled due to careless handling by the food delivery person. Things like this are still happening and it would be better if Food panda was able to provide specific handling training to food delivery people before they go on duty.

In future, it is trusted that other analysts will be able to carry out a more extensive thought related to client fulfillment towards Food panda conveyance among college understudies with different understudy tests from diverse areas and then put emphasis on weak factors, which is to study the factors related to the type of promotion provided by food panda.

AUTHOR CONTRIBUTIONS

Norzaimah Z. & Nurulhayah M. : Conceptualization, Methodology, SPSS, Maryam M.E.: Writing-Original Draft Preparation; Nurul Liyana H. & Nor Hazanah M. : Literature Review, Data Curation, Validation, Maryam M.E.: Supervision, Farah Saniah M.Z. and Roszi Naszariah Nasni N.: Validation, Writing-Reviewing and Editing.

CONFLICTS OF INTEREST

The manuscript has not been published elsewhere and is not under consideration by other journals. All authors have approved the review, agree with its submission, and declare no conflict of interest on the manuscript.

REFERENCES

- Anderson, R. E., & Srinivasan, S. S. (2003). E-satisfaction and e-loyalty: A contingency framework. *Psychology and Marketing*, 20(2), 123-138.
- Anita, T. L. (2019). The effect of brand personality and customer satisfaction to customer loyalty at the mall: A study case. *International Journal of Tourism and Hospitality in Asia Pasific*, 2(1), 1-7.
- Chong J.Y, Lim J.N., Logenthin.M. (2023) Malaysian University Students' perception of Food Panda Delivery, *International Journal of Research Publication and Reviews*.
- Chaudhary, S. S. (2018). Consumer Perceptions on Online Food Ordering. International Journal of Management and Business Studies, 17
- Gan, K. H., Kuek, T. Y., Rout, K., Sharihan, N. N., Qanietah, N., Omar, O., & Ong, Y. R. (2022). The Performance of Foodpanda: A Study of Customer's Perspective and Satisfaction in Malaysia and India. *Journal of The Community Development in Asia*, 5(2), 76-89.
- Eliwa, R. A., Ma, E., & Qu, H. (2014). Customer loyalty with fine dining: The moderating role of gender. Journal of Hospitality Marketing & Management, 23(5), 513–535.
- Kamel, H. (2021). Food delivery services: From odd jobs to the most in demand.
- Kiran, R., Tandon, U., & Sah, A. (2017). Analyzing customer satisfaction: Users perspective towards online shopping. *Nankai Business Review International*, 8(3), 266-288.
- Maisarah, N., Kee, D. M. H., Syakirah, N., Hanif, M. A., Bella, A., Pandey, R., Quttainah, M. A. (2020). Customer satisfaction towards service quality: A study of Malindo Air. *International Journal of Tourism and Hospitality in Asia Pasific*, 3(3), 40-51

Mulyani, N. A. B., Kamal, A. B. M., Fauzan, N. B. M., & Norzabidi, N. S. B. (2020). Factors That Influence Consumer Satisfaction of Food Delivery Service: A Study About Foodpanda Application.

- Oliver, R. L. (1999). Whence consumer loyalty? Journal of Marketing, 63, 33-44. doi: 10.2307/1252099
- Pee, L., Jiang, J., & Klein, G. (2018). E-store loyalty: Longitudinal comparison of website usefulness and satisfaction. *International Journal of Market Research*, 61(2), 178-194.
- Prasetyo, Y. T., Tanto, H., Mariyanto, M., Hanjaya, C., Young, M. N., Persada, S. F., & Miraja, B.A. (2021). Factors Affecting Customer Satisfaction and Loyalty in Online Food Delivery. *Journal of Open Innovation: Technology, Marketing and Complexity*. 7(1), 76; https://doi.org/10.3390/joitmc 7010076
- Saini, H. a. (2016). Customer Perception and Satisfaction on Ordering Food via Internet, a case on Foodzoned.Com, in Manipal. *Finance and Social Science*, 13
- Sonali P.Banerjee, D. D. (2019). Measuring Service Quality of Food Delivery Service: A study of Generation Z. Journal of Hospitality, Tourism and Leisure, 12.
- Tabachnick, B., Fidell, L., & S. (2007). Using Multivariate Statistics (5th ed). NewYork: Allyn and Bacon.

Zulkarnain Kedah, Y. I. (2015). Key Success Factor on Online Food Ordering Service: An Empirical Study. *Malaysian Institute of Management*, 14.