

INTENTION TO USE ELECTRONIC FOOD ORDERING AMONG UNIVERSITIES STUDENTS IN KUALA TERENGGANU

Noorazlin Ramli¹
Nur Aisyah Syafiqah Muhammad Khairi Sham²
Nur Farthiha Binti Mohamad³
Fatimah Abd Ghani⁴
Wan Nazriah Wan Nawawi⁵

¹Faculty of Hotel and Tourism Management, Universiti Teknologi MARA Cawangan Terengganu
Email: nora115@uitm.edu.my

²Faculty of Hotel and Tourism Management, Universiti Teknologi MARA Cawangan Terengganu

³Faculty of Hotel and Tourism Management, Universiti Teknologi MARA Cawangan Terengganu

⁴Faculty of Hotel and Tourism Management, Universiti Teknologi MARA Cawangan Terengganu

⁵Faculty of Hotel and Tourism Management, Universiti Teknologi MARA Cawangan Terengganu

Article history

Received date : 21-9-2020

Revised date : 25-9-2020

Accepted date : 26-10-2020

Published date : 30-11-2020

To cite this document:

Ramli, N., Muhammad Khairi Sham, N. S., Mohamad, N. F., Abd Ghani, F., & Wan Nawawi, W. N. (2020). Intention To Use Electronic Food Ordering Among Universities Students In Kuala Terengganu. *International Journal of Accounting, Finance and Business (IJAFB)*, 5 (29), 207 - 216.

Abstract: *Electronic or online food ordering is the one of the technology that has been developed to ease the food business. Therefore, the purpose of this paper is to determine the students' intention to use electronic food ordering in Kuala Terengganu. The quantitative method was applied through a questionnaire survey. 120 questionnaires were distributed to the respondents that were randomly selected in two universities in Kuala Terengganu namely Universiti Sultan Zainal Abidin (UniSZA) and Universiti Teknologi Mara (UiTM). 100 questionnaires out of a total of 120 questionnaires were completed and returned with reliable and meaningful results. The result clearly shows that majority of the students were have a positive intention to use electronic food ordering due to perceived convenience, customer control, attractive marketing and eagerness to use technology. Besides, they feel that electronic food ordering is user-friendly and they can get sufficient information to order. Hence, this study is vital in providing knowledge and information about the significance of electronic food ordering to the food industry player especially to the food operator and manufacturer. In line with that, it will help community and local people in expanding their business and make advantage of electronic food ordering as one of the marketing strategy and reduce unemployment rate thus contribute to a better national income.*

Keywords: *Online Food Ordering, Electronic Food Ordering, Intention to purchase*

Introduction

In the new era, technology has changed world into a new phenomenon by adjusting human behavior into a modern way that causes people effortless from waking up in early morning until getting work as well as providing food (Kandasivam, 2017). Therefore, ordering process has gone through a new channel as technology growth. Electronic food ordering system is a food ordering process by using online, mobile and text message to make an order. Chorneukar (2014) stated that long queues during peak hours like lunch and dinner at the restaurant or stall will enhance the restaurant operator and manager to use electronic food ordering. Besides, it will reduce the number of waiting time at the stall and restaurant for customer to get their food.

Furthermore, according to Das (2017), usually consumer wills to spend for each additional service that convenience in food chain either from online shop delivery or even restaurant take-out. This research was supported by Prabowo & Nugroho (2017) who has mentioned that premium customer are spending more money toward good service provided. Thus, it shows that people nowadays are willing to pay more for any high quality services available that need less time consuming and energy needed. It is happening due to the phenomena of competition in workplace that need people to focus more on their work to survive. Modern technology make the electronic food ordering available to use at any food establish like restaurant and cafeteria at college campus. It is stated by wise Silva *et al.* (2016) that the current trend of restaurant and cafeteria at college campuses are allowing people to order food by using electronic devices or internet connection.

In addition, according to Statista Portal (2017) stated that for global comparison, China is the country that shows the largest revenue generate in 2018 with US\$ 48,530. Other than that, the segment of “Online Takeaway” reach until US\$ 41,937 m and it is the largest contribution towards market volume in China. Besides, the revenue of “Online Takeaway” in Malaysia is US\$353 m for the year of 2018. Hence, it shows that the demand for people nowadays is more to online takeaways. Besides, the entrepreneurs and foodservice operators in Kuala Terengganu take this opportunity to offer this type of service at their own restaurant to be differs than others and increase in sales.

Moreover, online ordering system allows the users to custom-make their order without misunderstanding with employee (Chorneukar, 2014). For instance, if customers make an order at the counter and the waiter wrongly clicks or writes the menu, it will cause delay in service, hence lead to dissatisfaction. Other than that, Das (2017) revealed that customers choose electronic food ordering due to precision of the order. Customer may review all of the order and make changes before submit and proceed to payment. Due to that, it will be safer than traditional food ordering method through verbal at restaurant.

Problem in context

Electronic or online food ordering is the one of the technology that has been developed to ease the food business. It was believed that consumers can now purchase the goods and services anywhere, anytime in seven days a week, without thinking of the geographical factors and money available in hand. Given the changing scenarios, restaurant business who are not switching over to electronic food ordering are always missing out on some great opportunities to grow their business exponentially. By adopting new technology in the business, the lives of the customers could be simplified thus ensure the business is able to compete in the market.

In this era of digitalization, people have moved on from traditional ordering method to ordering online because it is easy, error-free, quick and completely transparent (Kwong, 2017). If the restaurant won't be able to take advantage of this revolutionary shift in the trend, they will miss out on this huge financial opportunity. Besides, it was reported that customers order food online because it's literally at their fingertips and people with a smartphone can order food virtually. Moreover, by adapting online food ordering system in the business, clients will be given the flexibility to place the orders outside the business hours whenever it's most convenient for them.

Furthermore, transition to online ordering in the business could lead to the more efficient customer and order management. An online ordering system for business helps enrich the customer-business relationship. By using online ordering system, restaurants can capture contact information and detailed order history of their customers. Thus, marketing campaigns such as sending in-store promotions and offering discounts to loyal customers could be applied to the business in encouraging repeat orders.

Next, the restaurant operators who are not adopting online ordering will face problem in updating information in their menu card. As the restaurant did not apply electronic food ordering, the restaurant manager needs to develop a menu card as references for customers, which is more costly. Conversely, by online ordering, it is much easier and considerably cheaper to create and maintain a great looking menu that will make customers attracted to order. Besides, by integrating online ordering into POS system, changes can be made on the go and be automatically synced online. Hence, this will end up saving precious time and money and ensures that customers are getting an up-to-date representation of the business offerings.

In further, using an online ordering system is the easiest way to reach millennials (people under 30) who are the most important target audience for most business players in foodservice industry. Kwong (2017) stated that over 97% of millennials actually use their phones for online ordering and probably make them as the most important and sale-generating target audience.

All in all, implementing an online ordering system can bring endless benefits to the restaurant business. It was proved that setting up an online ordering system sets up a restaurant for efficiency, growth and a steady increase in revenue. However, implementing an online ordering system coupled with effective customers data on intention for food ordering will bring the business to be more outstanding in the marketplace. Thus, this study is important to highlight the customer particularly students' intention of electronic food ordering as it is the way in boosting restaurants' stream of revenue.

Literature Review

In Malaysia, food delivery system has just begun active for the past a few years. This can be seen with the existing of Foodpanda, DeliverEat, and Uber Eats. According to Kwong (2017) stated that online food ordering system is a comprehensive self-service system where it allows the customers control over their pace of ordering, limiting the amount of personal interactions they encounter. The online shopping market of Malaysia was estimated at around RM1.8 billion in 2013, and, by 2015, it is expected to increase to RM5 billion (Yeo *et al*, 2017). The study also stated that online shopping is ranked 11th among the top 15 reasons why Malaysians access

the Internet. Technology has also contributed to the changes in consumer preference as their dependence on technology has moved them to do everything online including getting cooked meals delivered to their doorstep (Kwong, 2017).

Perceived Convenience

According to Lee *et al* (2017), perceived convenience of a self-service system also leads to an increase in both adoption and satisfaction. In this instance, the definition of convenience is related primarily to access convenience and transaction convenience. In addition, convenience has been one of the principal motivations underlying customer inclinations to adopt online shopping (Silva *et. al*, 2016). As a result, customer allocates less time compared with traditional way. In further, Debes (2017) reported that restaurant owners really care about millennial because their collective purchasing power will exceed \$3.39 trillion for upcoming years as they love convenience almost as much as they love their phones.

Customer Control

The single most important attribute of electronic ordering is order accuracy (Lee *et al*, 2017). In this study, customers are gaining their purchasing power to buy online via electronic channel or through the availability of Internet. Younger consumers were more likely to have used electronic ordering than older respondents. Well-designed self-service ordering systems give customers substantial control over the pace of their transaction and allow them to limit the amount of personal interaction they experience. Furthermore, because of the customers have the control in purchasing anything they desired, Das (2017) stated that the responsibility is on the customer to get their order right, and there is no opportunity to misunderstand them on the phone.

Marketing

According to Rezaei (2016), the usage of attractive visual designs that are easy to navigate, regardless of format and he added that the designs should naturally draw the viewer's gaze to the menu offerings and thus encourage add-ons. By using this method, it overcomes the disadvantages of the traditional queuing system (Adithya *et. al*, 2017). In addition, the restaurant owners need to throw in some images of the food and anything else that they think will make their brand more appealing, and easily adjust menu offerings and wait times for accurate expectations and prices. According to Silva *et al*, (2017), customers do not just buy because of the taste, they buy with their eyes.

Eagerness to Use Technology

Some of the customers are hesitate to use online ordering because of the fear in making mistakes during the process of ordering over the network or Internet. According to Chorneukar (2014) stated that the customer is able to customize their order the way they like it without errors in communication between the customer and the person taking the order. Hence, to help in reducing this anxiety, the basic steps for ordering process should not be too much different from the advanced steps. The most important thing is the way order is taken must be easy for the customer and thus give frequent assurances that the order has been received, that the order is accurate, and that the order will be delivered or available when promised (Weng & Chao, 2013). Once they make sure that the online ordering is easy, it will encourage the customers to try electronic ordering more and more.

Research Methodology

The quantitative method was found as the most appropriate method of this study. Thus, the questionnaire survey is developed to evaluate the intention to use electronic food ordering among students in Kuala Terengganu. Kuala Terengganu is targeted for the purpose of the study. First, Kuala Terengganu is a city, the administrative capital, royal capital and the main economic center of Terengganu. Secondly, Kuala Terengganu has experiencing rapid development nowadays in parallel with other major cities in Terengganu (Wan Nawawi *et al*, 2017). Besides, lack of in-depth or empirical investigation or publication of such a study in Malaysia has meant the present study which uses Kuala Terengganu as a location therefore will act as a benchmark and basis for other researchers to look at larger perspectives in the near future (Weng & Chao, 2013). This study might be a fundamental basis for further research to be replicated in the same situational area of study.

With regard to this statement, the universities in Kuala Terengganu had been chosen and universities students are the main targeted respondents. It was proved that millennials (30 years old and younger) particularly students actually use their phones for online ordering and probably make them as the most important and sale-generating target audience (Lee *et al*, 2017). However, this study was only undertaken two universities in Kuala Terengganu due to the time and budget constraints.

Apart from that, the only two universities chosen were Universiti Sultan Zainal Abidin (UniSZA) and Universiti Teknologi Mara (UiTM). Owing to the large population in Kuala Terengganu area, it would be difficult for the researcher to survey the whole population. However, according to Salkind (2003) stated that studying a sample rather than the entire population is likely to lead to a more reliable result. Based on this statement, thus simple random sampling is the most appropriate for this study. Furthermore, this sampling design also offers the most generalized ability and has the least bias (Sekaran, 2000). Given that consideration all students from both universities participated as respondents in the questionnaires distributed. The students involved were from various courses and semesters.

With regard to the sufficient number of respondents for this study, Roscoe's (1975) rule of thumb indicated that sample sizes larger than 30 and smaller than 500 are appropriate for most research. With this benchmark plus the time constraints, 60 students from each university were surveyed and this came to a total of 120 respondents thus giving reliable and meaningful result. However, only 100 questionnaires out of a total of 120 questionnaires were completed and returned with reliable and meaningful results.

Findings

Table 1: Descriptive Statistic for students' intention to use electronic food ordering.

Construct	No.	Item	n	Mean	S.D
				(m)	
Perceived Convenience	1.	Online ordering allows me to initiate a transaction whenever i choose	100	4.40	.952
	2.	I value the ability to initiate the transaction from the comfort of home	100	4.00	.974
	3.	I like the ability to order food without leaving home.	100	4.16	.911
	4.	Online ordering allows me to initiate a transaction at a convenient time.	100	4.18	.918
Customer Control	5.	Online ordering lets the customer be in charge.	100	3.96	.803
	6.	While using online ordering, I am really sure that the items submit for ordered will fulfill what want.	100	4.04	.912
	7.	Online ordering gives me more control over the food that I order for delivery or takeout	100	4.00	.876
	8.	I feel in control using online ordering.	100	4.16	.813
Marketing	9.	Advertisement on online have more attractive visual designs	100	3.60	.964
	10.	Advertisement on online attracts me to use online ordering	100	3.81	.907
	11.	Online ordering have better marketing strategy	100	4.04	.912
	12.	I choose online ordering because it is more appealing than traditional marketing strategy	100	4.00	.876
Technology Eagerness	13.	I use online ordering because I love technology	100	4.16	.813
	14.	I use online ordering because it is familiar to me	100	3.68	.886
	15.	I simply can save my orders, customization and reorder food in seconds by using online ordering	100	3.81	.907
	16.	I use online ordering because it can be paid via the app and I can earn rewards	100	3.96	0.803

By looking at the table, the respondents strongly agreed with the statement in the questionnaires given thus give a positive result on students' intention to use electronic food ordering. Most of the questions appeared to have strongly agreed results which means that they have a very strong

agreement with the statement given. This is in line with the magnitude of mean scores given on the statement that the respondents ordering food online because it allows them to initiate a transaction whenever they choose (Item 1, $m = 4.40$). Similarly, respondents seem to strongly agree with the statement that they value the ability to initiate the transaction from the comfort of home (Item 2, $m = 4.00$). Commonly, students were lack of time as busy with assignment and a lot of project, so with the existing of online ordering, it will allows convenient time to make an order and initiate a transaction. In addition, respondents robustly agreed that electronic ordering lets students to order food without leaving home (Item 3, $m = 4.16$). Besides that, the respondents also have a strong agreement about the statement that online ordering allows them to initiate a transaction at a convenient time (Item 4, $m = 4.18$)

Besides, online ordering also lets customer be in charged (Item 5, $m = 3.96$) due to students had their own preference on the type, quantity and size of items that wanted to buy. Results showed some students were agreed with online ordering as to fulfill the ordered that have been made (Item 6, $m = 4.04$). Besides that, the respondents also have an agreement on online ordering gives them more control over the food that they order for delivery or takeout (Item 7, $m = 4.00$) thus they are confident to use online ordering (Item 8, $m = 4.16$).

On the other hand, the respondents also agreed advertisement on online have more attractive visual designs (Item 9, $m = 3.60$) and they are attracted to use online ordering (Item 10, $m = 3.81$). Respondents also have a strong agreement about the statement that online ordering have better marketing strategy (Item 11, $m = 4.04$) hence they choose online ordering because they agreed that the marketing is more appealing than traditional marketing strategy (Item 12, $m = 4.00$). In addition, the respondents use online ordering because they love technology (Item 13, $m = 4.16$). This is due to many student nowadays were more familiar to become a technology user (Item 14, $m = 3.68$). Besides, the respondents agreed that they simply can save orders, make customization and reorder food in seconds by using online ordering (Item 15, $m = 3.81$).

Conclusion

The research findings obviously show the results of students' intention to use electronic food ordering. It shows that the students from Universiti Teknologi Mara (UiTM) Terengganu Campus and Universiti Sultan Zainal Abidin (UniSZA) Kota Campus were have a positive intention to use electronic food ordering due the perceived convenience, perceived customer control, attractive marketing strategy and the technological ad. The findings indicate that restaurant operators should focus on giving their customers higher levels of perceived convenience and control since these factors are associated with a higher intent to use online ordering among students.

This study has shown that perceived convenience is the key to students to use online food ordering for. Increased perceived convenience leads to higher satisfaction with online ordering and a higher likelihood that a customer will use or recommend online ordering. Due to that, the restaurant operator needs to take into account the needs and wants of students and ensure the electronic ordering system easy to use and easy to navigate. The apps and system used must have a clear guideline on what customers are supposed to do, so that even new customers can automatically use the apps and system like "regulars." In addition, the restaurant operators can let the customers to save their history of orders and just click a button to repeat an order in

increasing customers' perceived convenience. Other than that, the ability of the system to save their address and payment preferences also can increase the perceived of convenience.

On the other hand, the findings showed that an increased level of control has to lead high intention to use online ordering. The high level of customer control leads to higher customer satisfaction and greater intent to use or recommend the service to others. The restaurant operators may increase perceived control of online ordering by offering choices hence the customers are easily customize their order, select their payment method and they can decide their delivery options. Besides, the restaurant operators should ensure their online ordering system is always safe, secure and items delivered as promised to increased the perceived of control among customers.

Furthermore, respondents also have a positive feedback on the marketing affects their intention to use online food ordering. The electronic or online marketing is believed more cost-effective than traditional method and can help restaurants to target a wider audience. The marketing in social media can significantly boost word-of-mouth referrals, thus increase recommend the service to others. It was clearly believed that students who are millennial made up the majority of those who were more likely to buy foods online. They choose online ordering because it is more appealing than traditional marketing strategy and the advertisement online have more attractive visual designs. Visual content is attractive and eye-catching by nature. Videos and images can get customers to stop, look and watch. On the other hand, visual social media platforms such as Snapchat, Instagram and Pinterest are on the rise especially amongst students and millennial. So that, the intention to use online ordering will be increased if they feel that the online marketing and advertisement used are more attractive and interesting.

In addition, eagerness to use technology among millennial and students could affect the intention to use online ordering. Students and millennial seems to love technology because it is familiar to them rather than baby boomers. The restaurants operators and companies with online delivery options will get advantages due to millennial are said to be three times more likely to order food at home than their parents. Due to their eagerness to use technology, they are choosing online ordering which it simply can save their orders, make customization and reorder food in seconds

More than anything else, this study contributes to the food industry especially to the food operator and manufacturer by providing some knowledge about the significance of electronic food ordering in Terengganu and thus also in Malaysia. In line with that, it will help in increasing the job opportunity to the people especially for the fresh graduates who are still unemployed. The reason is the food manufacturers will plan on producing lots of food products in order to make income by selling them either online or offline. The result is the customers are getting more excited to use more on electronic food ordering in the future.

From the study, it also revealed that this study can help local and community to generate more income or revenue especially for housewives who wants to make side income. This is because they can take the opportunity to make some of homemade food products for example frozen foods, varieties of cakes and biscuits and later on they can promote their products through social media like Facebook and Instagram. This is due to the power of viral is helping them to spread

the information and thus they can sell their products to the people. So, the customer could buy their food products by using electronic food ordering either online or offline.

Apart from that, an important feature of this research is to increase the entrepreneurial spirit among the students. This is because being an entrepreneur can change the way one's live and thus can improve the standard of living. The students can start doing small business during their study in order to make another side income. As a result, the students will use this kind of experience in the future to become an entrepreneur. Other than that, the entrepreneurs can add to the national income because of they are literally generate new wealth. In addition, a sudden increase of employment and higher earnings will contribute to better national income in the form of higher tax revenue and higher government spending.

All in all, this study found that online food ordering reasonably popular among students particularly in Kuala Terengganu, given that most of the survey respondents had placed a restaurant order using an electronic channel and the perceived convenience associated with electronic ordering were the most important factor among students.

References

- Adithya, K., (2017). Online food ordering system. *International Journal of Computer Applications*. Retrieved from March 15, 2018, from <https://www.ijcaonline.org/archives/volume180/number6/28805-2017916046>.
- Chorneukar (2014). To Study the Customer Perceptions of Electronic Food Ordering. Bangalore : St. Joseph's Evening College – Pondicherry University.
- Das, J. (2017). Consumer Perception Towards 'Online Food Ordering And Delivery Services': An Empirical Study. *Journal of Management (JOM)*. 5 (5), 155–163.
- Kandasivam (2017). Competition, demand, changing behaviour make food delivery the new normal. Retrieved April 12 from <https://www.digitalnewsasia.com/startups/competition-demand-changing-behaviour-make-food-delivery-new-normal>.
- Kimes, S. E. (2011). *Customer perceptions of electronic food ordering [Electronic article]*. *Cornell Hospitality Report*, 11(10), 6-15.
- Kwong, G.S. (2017). Outsourcing to online food delivery services: Perspectives of F&B business owner. *Journal of Internet Banking and Commerce*. Retrieved from March 20, 2018, from <http://www.icommercecentral.com/open-access/outsourcing-to-online-food-delivery-services-perspective-of-fb-business-owners.pdf>
- Lee, E., Lee, S., & Jeon, Y. (2017). Factors influencing the behavioral intention to use food delivery apps. *Social Behavior and Personality: An international journal*, 45, 1461-1474.
- Prabowo, G. T. and Nugroho, A., (2017). Factors that Influence the Attitude and Behavioral Intention of Indonesian Users toward Online Food Delivery Service by the Go-Food Application. *Journal of Advances in Economics, Business and Management Research*, Atlantis Press. 72, 204-210.
- Rezaei, S. S. (2016). Determinants of App Stores Continuance Behavior : a PLS path modelling approach. *Journal of Internet Commercial*, 408–440
- Roscoe, J.T. (1975). *Fundamentals research statistics for the behavioral sciences* (2nd Ed.). New York.: holt, Reinhart and Winston.
- Salkind, N.J. (2003). *Exploring research* (5th Ed.). New Jersey: Prentice Hall.
- Sekaran, U. (2000). *Research methods for business* (3rd Ed.). New York: Wiley & Sons.

- Silva, F., Q., Freire, O., Lima-Filho, D., O., Brandão, M., M., Isabella, G., and Moreira, L., B., (2016). Intentions to purchase food through the internet: developing and testing a model. *British Food Journal*, 3(118), 572-587.
- Statista Portal (2017). *Food delivery*. Retrieved from March 5, 2018, from <https://www.statista.com/outlook/374/117/food-delivery/china#contentlist>
- Wan Nawawi, W., N., Khalid, S. A., Ramli, N. and Mohd. Daud, N., (2017). Attitude and Expectation : Food Waste Recycling as a Business Opportunity in Terengganu, *Social Sciences & Humanities*. 25, 65–74.
- Weng, T., S., & Chao, I., C, (2013). Evaluating Factors Influencing the Intention to Use Online Ordering System—A Case Study of Lunch Box Purchasing. *Journal of Contemporary Management*.
- Yeo, V., & Goh, S., K., and Rezaei, S. (2017). Consumer Experiences, Attitude, and Behavioral Intention toward Online Food Delivery Services. *Journal of Retailing and Consumer Services*, 150–162.