

A Study on Consumer Behaviour towards Technology driven Entrepreneurship with special reference to Uber Eats in Chennai City

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Abstract: The purpose of this article is to enforce the significance of technology-driven entrepreneurship and to study the impact of the same on consumer behaviour. In modern theories of growth and development, technological innovation has taken the focus stage and such innovations are commercialized by technology entrepreneurs.

Technology entrepreneurship lies at the heart of many important debates, including those around launching and growing firms, regional economic development. This research discovers that technology advancement contributes to providing intellectual assets, demanding knowledge and also provides resources by which entrepreneurs can derive benefits from the opportunities by studying consumer behaviours.

The study was conducted with special reference to Uber Eats an online food delivery firm. The statistical sample size of the study was 150 respondents from Chennai city. The simple random sampling method was used. The results indicated by using simple statistical tool Percentage analysis, Correlation analysis, and Five-point Likert Scale. This study explores that technology entrepreneurship is the most significant elements in order to achieve a rapid increase in the economy. According to this research, technology-driven entrepreneurship and customer behaviour have a strong positive association with each other.

Keywords: Technology entrepreneurship, Consumer behaviour.

1. INTRODUCTION

Entrepreneurship is a person who starts a business implementing innovations. Technology entrepreneurship is basically a combination of two separate terms from two different disciplines. Technology came from the discipline of innovation in the method of doing the work and entrepreneurship came from the business or commercial discipline which includes all the activities carried out by the entrepreneur. Hence it is an integration of technological and entrepreneurial domains. Understanding the factors influencing consumer behaviour plays a vital role in today's competitive market. "E" era has made the consumer demand more from their manufacturers like quality, promptness, extended product range etc. Food industry is not exception for these phenomena. The customers expect the food to be delivered at their doorsteps. The modern technology met this expectation and Uber Eats is one such app. The study is about Consumer behaviour towards Uber Eats App.

2. CONSUMER BEHAVIOUR

Consumer behaviour refers to the act of individuals who are directly involved in obtaining and using goods and services. It also includes the decision-making process, which leads to the act of purchase. Consumer Behaviour is the mental and emotional processes and the physical activities of people who purchase and use goods and services to satisfy particular needs and wants. Bearden et al (1982) Consumer buyer behaviour is

considered to be an inseparable part of marketing. Kotler and Keller(2011) Understanding the mechanisms of technology entrepreneurship and the behaviour of the consumer is a priority issue for practitioners competing in the fast-expanding market place. An understanding of the consumer behaviour enables a marketer to take marketing decisions which are compatible with its consumer needs. These are four major classes of consumer behavior determinants & expectations, namely, cultural, socioeconomic, personal and psychological.

3. ENTREPRENEURSHIP

The word "entrepreneur" originates from the French verb "entreprendre" with the meaning "to do something". According to Haque (2007), entrepreneurship means carrying out innovative combinations with old being taken away by the new ones. Therin (2007) defined entrepreneurship as an action and a procedure linking the discovery of a new idea, creation, and utilization of opportunities in order to produce value with the introduction of new products, practices and also creating new ventures. It is entrepreneurship that transforms innovation into a viable initiative that breeds value progressions in information technology (Cressy,2006). Entrepreneurial behaviour is one of the key strategies of organizations that are seeking to acquire and sustain a competitive advantage in global markets Entrepreneurship is a process that consists of revitalizing existing companies, revenue growth, profitability enhancement and pioneering

the development of new products, services, and processes (Bailetti, 2002). For an entrepreneur, opportunity recognition begins with the identification of a future need and ends with innovative solutions.

4. TECHNOLOGY ENTREPRENEURSHIP

A technology-driven entrepreneur is a person having specific knowledge and expertise vital for any entrepreneur in order to carry out technology centered entrepreneurial activities effectively and efficiently. Technical entrepreneurship carries more uniqueness and innovation. Technology entrepreneur is who applies their ideas using technology. Over the years the technologies being used have primarily been the Internet and the mobile phone. Technological entrepreneurship is defined as a style of commercial management and control that basically includes identification and human resource high latent qualities capitalization, technology concentrated profitable opportunities, managing enhanced growth and substantial risk enchanting (Dorf and Byers, 2005). The most important element of the technology entrepreneurial system is the entrepreneur itself because the entrepreneur is the key substance in the development of businesses and startups progression. Oakley (2003) has given the three significant motivational elements of the technology entrepreneurs which are individuality, opportunities utilization, and value creation. According to researchers, technological entrepreneurship is originated in design, development, creation, trading and commercialization of cutting edge new products and processes. Technology entrepreneurship is an investment in a project that assembles and deploys specialized individuals and heterogeneous assets to create and capture value for the firm.

5. ONLINE FOOD DELIVERY INDUSTRY

Technology has played a key role in revolutionizing the food delivery service. The Internet has generated tremendous excitement by introducing electronics in walks of business namely e-commerce, e-Business, e-CRM, e-Supply Chain, e-Marketing, e-Payment, e-Entertainment, e-Ticketing, e-Learning, etc. Ordering foods delivery is the process of supply of foods from local restaurants to the customers with the help of an app. Technological development, convince, prompt supply good reason for the consumers to choose the services offered by the online food ordering and delivery service portals. The popularity of online food ordering and delivering services is steadily growing; expectations of the users are also increasing. The online food ordering firms have sprouted up in bulk. The market size of food in India is expected to reach Rs. 42 lakh core by 2020, reports BCG. Presently, the Indian food market is around \$350 billion.

5.1 Marketing Strategies in Online Food Delivery Industry.

- Online food delivery platforms largely try to be advertisement through for example newspapers, television boardings and billboards to the social network like Facebook and Twitter,

- Cashback in online payment
- Copan discount
- Discount on ordering foods
- Organized several campaigns including several campaigns including the food gifting programs and buy one get one free deal.

6. LITERATURE REVIEW

➤ **Serhat Murat Alagoz & Haluk Hekimoglu (2012)**, in his study he stated that e-commerce is rapidly growing worldwide, the food industry is also showing steady growth.

➤ **Sethu & Bhavya Saini (2016)** found that online food purchasing services help the students in managing their time better. It is also found that ease of availability of their desired food at any time and at the same time easy access to the internet are the prime reasons for using the services.

➤ **Sheryl Kimes (2011)** in his he found that perceived control and perceived convenience associated with the online food ordering services were important for both users and non-users. Non-users need more personal interaction and also had higher technology anxiety to use the services.

➤ **Wai Hong (2016)** concluded that technological advancement in many industries has changed the business model to grow. Efficient systems can help improve the productivity and profitability of a restaurant.

➤ **Varsha Chavan, et al, (2015)** stated that the use of the smart device based interface for customers to view, order and navigate has helped the restaurants in managing orders from customers immediately.

➤ **Anderson & Sullivan (1993)** stated that customer repurchase product will depend on customer satisfaction. The companies which are quickly handling the complaints of customer lead to loyalty and reduce the negative impression by the customer.

7. COMPANY PROFILE

The concept for Uber came to light in 2008 when Garrett Camp, the founder of Stumble Upon, saw a need to address the taxi problem in San Francisco. Uber has become a great success and currently operates in 60 Countries and 330 Cities. Uber has expanded.

- Uber Cargo (Transportation of Cargo)
- Uber Carpool (Uber carpool Transportation)
- Uber Fresh (Transportation of fresh Produce)
- Uber Eats (food Delivery Service)

8. HISTORY OF UBER EATS

Uber was founded in 2009 by Garrett Camp (also the founder of Stumble Upon), and Travis Kalanick. The company made its foray into food delivery in August 2014 with the launch of the Uber FRESH service in Santa Monica, California. In 2015, the platform was renamed to Uber Eats and the ordering software was released as its own application, separate from their app for Uber rides. At the same time, they expanded the platform to

include Barcelona, Chicago, and New York City. Uber Eats is now located in 250 cities with over 300 more locations needed to be equal to Uber. Uber Eats continued to expand throughout the second half of 2015. As of 2018, the service is at \$6 billion bookings run rate, growing over 200 percent." Uber Eats is now located in 250 cities with over 300 more locations needed to be equal to Uber.

8.1 Features of the Delivery app

- Restaurants data appreciate scanned menus, photos, eating place location phone number, directions user reviews and ratings for restaurants.
- Easy seek for restaurants, cafes, pub and Bars by location and name
- Option to share regarding eating place or food with friends and relatives
- Access to order history, favourite foods reservation history
- Order online
- Location of primary based search and recommendation
- Detects location of the app used automatically
- Tracking the delivery boy and location of the delivery boy to deliver food to the customer
- Customer automatic navigation
- Signup with the phone number
- Place an order for food and select the restaurants
- Current offers including rewards, loyalty, and capons of foods.
- Cancellation of order

8.2 SWAT Analysis of Uber Eats

(a) Strength

- High standard of service is offered to customers
- Convenient payment option
- Low prices
- A wide range of food choices
- Prompt Food delivery
- Attractive offers
- Established Brand awareness

(b) Weakness

- Order only available from restaurants that are located in the zone of the order placed
- Delivery charges in some cities
- Price differences in menu and app pricing
- The business model can be easily imitated
- Only specific designated areas
- Only a fixed time bracket for ordering

(c) Opportunities

- Pioneer in the food delivery business
- The Growing market for potential customers
- Increasing the market share
- Cost effective and good quality food
- Provide better and effective service
- Providing extra service
- Opening own restaurant with delivery service
- Offering discounts with restaurants because of the good brand partnerships.

(d) Threats

- Increasing health consciousness
- Increasing potential competition

- Negligence of consumer satisfaction
- Restricted consumers
- Trust on delivery personnel
- Uncertain future due to the lake of regulations

9. OBJECTIVE

- ✓ To study the demographic characteristics of the respondents.
- ✓ To study the consumer behavior of Uber Eats customers
- ✓ To find out SWOT of Uber Eats
- ✓ To give suggestions and recommendation.

10. STATEMENT OF THE PROBLEM

Today's competitive market made service providers to plan and implement innovative marketing strategies. Day by day competition has been increased more and more in the digital market. Online food delivery service providers must also compete in order to remain profitable. In order to maximize the profit and to sustain in the market it is necessary to study the factors influencing the consumer behaviour.

11. HYPOTHESIS

H1: Customer behaviour presents remarkable correlations with technology entrepreneurship.

12. RESEARCH METHODOLOGY

Random customers who use electronic food ordering especially who are within the area of Chennai city were selected for primary data. A Sample size of 150 Uber Eats app customers both male and female drawn from Chennai. Basic tools percentage analysis, correlation and Five points Likert scale are used.

13. LIMITATIONS OF THE STUDY

- The study is for the period of two months of January and February 2019.
- The study is restricted to Chennai city only.
- The sample size is restricted to 150 only.
- The study considers only the Uber Eats online app only.

14. FINDINGS

14.1 Percentage Analysis

- ✓ 56 percent of the respondents were male and 44percent were female
- ✓ The majority respondents 69 per cent belong to age group 1-25, 31 percent from the age group 36-50,
- ✓ 64 percent of respondents were graduates, 36 per cent were completed their PG.
- ✓ 49 percent of the respondents were working followed by 51 percent respondents were Student.
- ✓ The respondents 36 per cent of them belongs to income up to Ra.15000, 26 per cent belongs to Rs.15000 to 40000 and 38 per cent belongs to Rs. 40000 income level.

- ✓ 58 percent of the respondents use a Mobile App to order food, 42 percent buy directly from the hotel.
- ✓ It was found nearly 65 percent of the people aware of Order food online and 35 percent of the people are not aware of.
- ✓ The reason consumer used Delivery app was that 47 percent for time saving, 29 percent less price and 24 percent for variety of food.
- ✓ 51 percent of the respondents order Diner followed by 38 per cent customers order Lunch, and 11 present of customer order Breakfast
- ✓ 67 percent of the respondents felt the Food Delivery app is suitable for City followed by 33 per cent respondent felt it is not suitable for the city.
- ✓ With regard to the impact of food delivery app nearly 59 percent felt that it leads to laziness followed by 41 percent felt this leads to Technology Development
- ✓ Most of the respondents 47 percent likes to order south Indian foods followed by 33 percent order American foods, and 20 percent like to order North indian foods .
- ✓ It was found that nearly 78 percent of the customers aware about Uber Eats and 22 per cent were not aware of Uber Eats.
- ✓ Nearly 47 percent of the respondent's source of information is Social Media followed 34 percent was TV advertisement followed by 19 per cent by Friends.
- ✓ Nearly 51 percent of the respondents chooses Uber Eats for offer and discount followed by 42 per cent who choose for Quick Delivery.
- ✓ 48 percent of the respondents prefer Uber Eats followed by 39 per cent like Swiggy and 13 percent prefer Zomato .
- ✓ 48 percent of the respondents order for 2 to 3 members followed by 23 per cent order for 4 to 5 members, 20 percent order for 1 people and 9 per cent order for 6 persons.
- ✓ It was found out that 48 per cent of the respondents places 11 to 15 Orders in month followed by 36 per cent are 5 to 10 order in a month. Nearly 12 per cent of the people 16 to 20 order in a month
- ✓ Majority of the respondents 69 percent of the not canceling the order and 31 per cent cancel the order sometimes.
- ✓ Majority of the respondents 72 percent prefer to pay cash on delivery 28 per cent make a card payment.

14.2. Correlation Analysis

Correlation Analysis of technology entrepreneurship and Customer behaviour Regression Analysis is utilized for testing the hypothesis and the theoretical structure. The first regression tests the effect of technology innovation on food delivery, revealing positive effects of service concept, customer satisfaction, and service delivery on quality service (Beta= 0.210, p=0.006; Beta=0.204, p=0.008; Beta=0.231, p=0.001). The first regression tests the effect of technology innovation on food delivery, revealing positive effects of service concept, customer satisfaction, and service delivery on quality service (Beta=0.189, p=0.011; Beta=0.214, p=0.004; Beta=0.226, p=0.002)

H1: Customer behaviour presents remarkable correlations with technology entrepreneurship.

14.3 Five Point Likert Scale Analysis

Table 1.1

TABLE SHOWING FACTORS INFLUENCING CONSUMER BEHAVIOUR OF UBER EATS

Scale Factors	Uber Eats App		Price and Discount		Food delivery		Quality		Customer Care	
	No. of Respondents	%	No. of Respondents	%	No. of Respondents	%	No. of Respondents	%	No. of Respondents	%
Stongly disagree	16	10.67	12	8.00	9	6.00	8	5.33	7	4.67
Disagree	14	9.33	7	4.67	7	4.67	6	4.00	15	10.00
Neutral	27	18.00	28	18.67	23	15.33	22	14.67	27	18.00
Agree	34	22.67	37	24.67	35	23.33	39	26.00	32	21.33
Stongly Agree	59	39.33	66	44.00	76	50.67	75	50.00	69	46.00
Total	100	100.0	150	100.00	150	100.00	150	100.00	150	100.00

Table 1.1 shows the result of the Five Point Likert Scale values of various factors. Respondents have expressed their opinion about the five important factors which influences consumer behaviour with respect to Uber Eats,

15. SUGGESTIONS

- The Customer wants to order through online nearby Hotels and Restaurants. So the operators should increase Uber Eats by a tie-up with more Hotels and Restaurants and it has to take more orders from more Restaurant and Hotels.
- The Uber Eats Application should include the option of detecting the regional language for customers.
- More Advertisements and publicity is necessary for creating more awareness of Uber Eats in Chennai.
- Uber Eats Application should improve Location setting to the customer to be pinned the location manually.
- Uber Eats food delivery company should include the option of pre-booking of foods. Pre-booking may reduce the time of delivery.
- The Responsibility of providing quality food is important online food delivery company.
- The company should not offer any Delivery charge for all range of food
- Area of food delivery should improve and extend their region in Chennai.
- More coupon codes and discounts should offer for online food order.

16. CONCLUSION

To conclude, the consumers are satisfied by the service catered by Uber Eats in Chennai city. The present study found a significant relationship between service provided by Uber Eats and consumer behaviour. The demographic factors play an important role in influencing the consumer behaviour. It is necessary for Uber Eats company to know the demographic factors of the consumer and to study the consumer behaviour. Having a better and clear idea about the consumer behaviour will help the company to retain the consumer and to sustain in the market. Uber Eats has gained a positive opinion of the majority of the consumers in comparison to other service providers. It is mainly because of their better on-time delivery and better discounts. Uber Eats has been in the first position in online food delivery service provider and if it includes the minor improvements, it will sustain its upper hand in forthcoming future.

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