

# ***Consumer Preference on Food Delivery Services Before and After the COVID-19 Outbreak***

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**Abstract:** The sustainability of the food delivery services industry remains questionable as time finally reaches the end of the COVID-19 pandemic. People are no longer forced to decide on any dining options. Therefore, it is significant to identify how consumer preference changes over the pandemic to predict better the future growth rate of the food delivery services industry. This study aims to identify the leading factors that affect consumers' decision-making in choosing food delivery services and to explore how the consumer preference toward food delivery services has changed before and after the the COVID-19 pandemic. This study also examines how consumer behaviors change according to the environmental change in their living status. The study uses data and an empirical approach to purposefully and methodically determine the causal relationship between the conditions and phenomena provided in the above research subject, consumer preference for food delivery services. The study suggests that consumer preference is enhanced through the pandemic and is unlikely to slow down after the outbreak ends because other dining options' experiential values from the service's features are irreplaceable. By analyzing the data obtained from other literature resources and statistical evidence, it is sure to conclude that consumer behavior toward prioritizing food delivery services is unlikely to change due to the attractiveness of the service still maintained after the pandemic.

**Keywords:** consumer preference, food delivery, the COVID-19 pandemic

## **1. Introduction**

The coronavirus outbreak led the global economy into its worst recession since World War II. Many leading industrial enterprises went bankrupt due to global-wide lockdowns and restrictions on mobility. The food delivery market has become one of the fastest-growing verticals around the globe before the pandemic. The contactless nature of the food delivery service keeps restaurants operating within the local health regulations. It also minimizes the loss of catering sectors and resolves public health concerns from the government. Although the advantage of food delivery services has been clear and outstanding, the excessive growth of the industry makes people unable to determine the sustainability of this market after the pandemic ends.

This research focuses on finding whether the Coronavirus outbreak permanently enhanced people's behaviors on prioritizing food delivery services as their first choice of dining habits and how the American food industry responds to this change in market trend. These objectives are accomplished by conducting analysis, synthesis, comparison, and induction of different resources

collected by this research to conclude the specific problems addressed by this study. This research can help economists better understand how the change in consumer preference can impact the food delivery industry so that they can make better predictions and accurate judgments on different industries' future development.

## **2. Factors Affecting Consumer Preference**

### **2.1. Technological Innovation**

Technological advancement plays a significant role in changing the traditional market, such as the food industry. The cell phone is no longer a device for only making phone calls; instead, it integrates all the services people need daily. The food delivery service is a derivative product of this technological innovation. Not only that, but food delivery also shares the most attractive attribute with cell phones, convenience. Cell phone brings people closer to each other. At the same time, food delivery services bring food closer to people. According to Goh See-Kwong's research, consumer preference for food delivery services is highly correlated with the technology penetration rate of the region [1]. The data collected from this research also suggests that people who prefer not to cook at home have a higher rate of choosing online food delivery than dining in a restaurant. People who like not to cook are also more likely to make purchases from restaurants. Therefore, to prevent customer churn, more and more restaurants have developed their food delivery platforms or corporate with third-party food delivery companies because they believe the change in people's dining preferences shifts from dine-in to doorstep delivery is permanent.

### **2.2. Media**

Consumer preference is also closely related to the propaganda by the media. According to Nhedzi's study on consumer preference between traditional and digital media, the data shows that more and more people have become more open-minded toward new service forms [2].

This study also suggested that the reformation of traditional media lets people spend more time on these digital platforms, which also means that digital media's content has become increasingly important in people's minds. The transmission dynamics of the food delivery service advertisements published on these platforms are very high, so more people can at least have access to this convenient dining option. On the other hand, digital media platforms also do a better job of collecting necessary information, such as people's search preferences, favorite food categories, etc., so that the developers of these food delivery service platforms can better understand how to improve their service.

### **2.3. Features**

Some features on the food delivery platform increase consumer preference and acceptance of this service. To enhance their understanding of the consumers, the developers give people the ability to leave their opinions on the food or delivery services through the food delivery platforms. According to Sakinah Shaeali's study, there is a positive correlation between the ability to write reviews for food delivery services and people's dependence on this service [3]. Especially in western countries such as the United States, in which everyone values the freedom of speech, this feature can be attractive because people can have a chance to share their opinions or thoughts on their dining experience. To survive in this highly competitive industry, all business owners value consumer preference and feedback from customers as one of the tops of their lists. Customer analytics from this review feature ensure restaurant owners and service providers gain in-depth and high-quality insights into the suggestions or issues with their services.

## **2.4. Public Health & Behavioral Change**

This pandemic increases people's preference for food delivery services and makes people shift from a powerless selection to a habit. This pandemic has severely impacted everyone's life: millions of lives have been lost, countless people have suffered through unemployment and poverty, schools are shut, and young people are forced to stay home. This is a disaster for everyone, but at the same time, it's an opportunity and a turning point for the food delivery industry. The public health regulations forced consumers to prioritize food delivery services since the government takes all the other choices. As more and more cities in the U.S. announced the lockdown, people increasingly want to find more meaningful things to suffer through their boring life indoors. Online food delivery apps are like twilight in the dark. People can browse menus from different restaurants on their phones and make selections, just like online shopping. Then, after a short wait, the food will come to their doorstep just like those packages they used to receive from online shopping. According to Frothingham's study, forming a new behavior or habit usually takes about 66 days [4]. It has already been two years since people fought the pandemic; therefore, choosing food delivery services as their #1 dining option has become an automatic action in people's subconscious. There are also findings suggesting that after the habit is formed, missing a chance to continue the behavior will not affect the formation itself. In this case, even if everyone's life shifts back to normal after the pandemic, people will continue to prefer using food delivery services over other dining services.

## **2.5. Value**

Consumer preference for food delivery grows as the experiential value is enhanced when consumers order food online. In response to COVID 19, both restaurants and food delivery platforms altered their business models to better fit the market's needs. Although the government has canceled all public gathering restrictions in the United States, the fear of coronavirus contagion still exists when people decide to dine. Holbrook and Hirschman's experience concludes that food delivery services continue to thrive as more consumers are willing to pay for food sensory stimulation, which in this case, is a memorable "online shopping" experience [5]. Covid 19 enhances people's need for an immersive experience, which matches the context of food delivery services and emotional and culinary expertise.

## **2.6. Promotions & Discounts**

The cost-effective deals on the food delivery apps enhance consumers' willingness to purchase this service. The platform allows merchants to conduct regular promotion activities to increase sales. At the same time, the supervision and guarantee services provided by the food delivery service platform improve the user experience and reduce the cost of active user acquisition for the merchants. It allows the merchant to produce better dining products at a lower price and improve the efficiency of the food industry. Food delivery services disrupt the traditional restaurant operation model, fundamentally solving the current situation with consumers who are not stratified with dine-in services, and providing them with a new option.

## **3. Discussion**

As more people order door-step food delivery services, the demand for professional food delivery workers also increases, fulfilling the employment needs of many people in America. Online food delivery services benefit from this digital wave as people pursue happiness and a quality of life. Based on the findings from other research projects, "the importance of contactless services has been emphasized ever since the beginning of the COVID-19 outbreak" [6]. The penetration of smartphones boosts the growth of the food delivery market [7]. During the pandemic, the mobility of individuals

is restricted according to local public health guidance. According to the report from WHO, the global prevalence of anxiety and depression increased by more than 25% in the first year of the pandemic. People are looking for emotional and mental support to endure a boring life. Food delivery services appeared to be one of the best choices as they provide people with convenient doorstep delivery service and allow them to express their dining experience on the platform by leaving a review. Some other attractive features, such as promotional discounts and GPS food locators, help the consumer enjoy a memorable food shopping experience. The consumer's dependence on and behavioral change toward food delivery services due to COVID-19 is permanent. With the rapid recovery of the social and economic levels of the world after the pandemic, the pace of modern life will soon accelerate. Food delivery service has already been part of people's daily life in the last two years, and its competitive advantage in the food industry is irreplaceable as it improves the freedom, flexibility, and experience of the consumer when ordering food to their doorsteps.

#### 4. Conclusion

Although some aspects or factors may not be fully considered, this paper is certain to conclude that there has been a positive shift in consumer preference toward food delivery service from before the pandemic to after the pandemic period. It is still unclear whether the food delivery service can maintain its growth rate. However, based on the analysis of data and research evidence from other journal resources, there is no indication, and very unlikely to see a slowdown in this industry. Food delivery platforms ensure market transparency and healthy competition among the merchants. For newly opened restaurants, the delivery platform is the best marketing means. To attract more customers quickly, they must carry out comprehensive market promotions for the products. For consumers, the more transparent the market is, the better quality experience they get when using food delivery service. Most restaurant owners are willing to increase their investment in the delivery business after the epidemic. With the two-way effect of consumer preference and merchants' engagement with food delivery services, there will be a continuous upgrading of quality services on the supply side and a continued strengthening of consumption habits on the demand side of the market. Therefore, the scale of the food delivery industry is expected to continue to expand and maintain its position as one of the fastest-growing global verticals.

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