Major Project Report

CONSUMER PREFERENCE BETWEEN SWIGGY AND ZOMATO

Submitted By

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23/DMBA/11

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DECLARATION

I Akhilesh kumar, student of MBA hereby declared that the major project titled "Consumer Preference between Swiggy & Zomato" which is submitted by me to Delhi School of Management, DTU, Delhi in partial fulfillment of requirement of the award of the degree of MBA has not been previously formed the basis for the award of any degree, diploma or any other similar title or recognition. The Author attests that permission has been obtained for the use of any copyrighted material appearing in the project report other than brief excerpts requiring only proper acknowledgement in scholarly writing and all such use is acknowledged.

Akhilesh kumar

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I would like to express my sincere and special thanks and feeling of gratitude to my guide MR. Yashdeep Singh Associate Professor who gave me the golden chance to try and do this glorious project dissertation that additionally helped me in doing a lot of analysis and that I came to understand a lot of new things I am extremely glad to them.

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CERTIFICATE

This is to confirm that Mr. Akhilesh kumar, understudy of Master of Business administration has done work exhibited in the undertaking of the project report entitle "Consumer Preference between Swiggy & Zomato" as a piece program of Master of Business Administration from Delhi School of Management, DTU under my watch.

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ASSOCIATE PROFESSOR

Signature:

ABSTRACT

Technology advancements and our dependency on the internet have opened up a new route for marketing via mobile applications. There are 15 to 50 billion active websites on the internet, according to worldwidewebsize.com. Many of the outdated conventional methods of product promotion and sales have been replaced by these websites and applications. The creation of mobile applications that use the internet as a medium for product and service advertising is the result of the fusion of marketing intelligence and technology. Nowadays, both consumers and companies have modern perceptions of the goods and services on the market. The needs of today's consumers are met through marketing tactics centred on online marketing. With an eye towards online services, this project seeks to investigate how people feel about ordering food for delivery online.

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CHAPTER:1 INTRODUCTION

1.1 Food startup industry in India:

- The food startup industry in India has experienced a significant boom in recent years, with Swiggy and Zomato emerging as two dominant players in the market. These platforms have revolutionized the way Indians order food, providing convenient access to a wide range of restaurants and cuisines. Let's take a closer look at the growth and impact of Swiggy and Zomato on the Indian food startup industry.

- Swiggy, founded in 2014, was one of the early movers in the food delivery space. The company quickly gained popularity by offering a user-friendly app and website, coupled with efficient delivery services. Swiggy's robust logistics network and real-time order tracking feature became a hit among consumers. The company also introduced innovative features like Swiggy Super, a subscription service offering unlimited free deliveries, which further boosted its customer base.

- Zomato, established in 2008 as an online restaurant discovery platform, expanded its services to food delivery in 2015. With an extensive database of restaurants, reviews, and ratings, Zomato became the go-to platform for users seeking dining recommendations. Leveraging its existing user base, Zomato ventured into food delivery and quickly became a strong competitor to Swiggy. The company differentiated itself by focusing on a diverse range of restaurant partnerships and introducing initiatives like Zomato Gold, a membership program offering exclusive deals at partner restaurants.

- Both Swiggy and Zomato have played a crucial role in transforming the food delivery landscape in India. They have enabled smaller, local eateries to reach a wider audience and compete with established restaurant chains. This has led to increased competition, improved quality, and expanded choices for consumers.

- The success of Swiggy and Zomato has also spurred the growth of cloud kitchens or delivery-only restaurants. These virtual kitchens operate solely

for online food orders, allowing restaurants to optimize their operations and cater specifically to the delivery market. Swiggy and Zomato have capitalized on this trend by partnering with cloud kitchen operators and offering their services to consumers, further diversifying their offerings.

- Additionally, both platforms have made significant investments in technology and data analytics to enhance their services. They employ artificial intelligence and machine learning algorithms to personalize recommendations, improve delivery efficiency, and predict user preferences. This data-driven approach has allowed Swiggy and Zomato to gain valuable insights into consumer behaviour and offer targeted promotions, further strengthening their customer engagement strategies.

- The COVID-19 pandemic had a profound impact on the food startup industry, with Swiggy and Zomato playing a crucial role in providing essential food delivery services during lockdowns. This accelerated the adoption of online food ordering and propelled the growth of these platforms.

- In conclusion, the food startup industry in India has witnessed a remarkable transformation with the rise of Swiggy and Zomato. Their innovative business models, extensive restaurant partnerships, and technological advancements have reshaped how Indians order food. As these platforms continue to evolve and expand, their influence on the Indian food industry is likely to grow, fostering more competition and innovation in the market.

- The online food delivery market in India has experienced remarkable growth, reaching a staggering market size of US$ 28.4 Billion in 2022. According to projections by the IMARC Group, this upward trajectory is set to continue, with the market expected to skyrocket to US$ 118.2 Billion by 2028. Such expansion signifies an impressive compound annual growth rate (CAGR) of 27.8% during the period from 2023 to 2028.

India Online Food Delivery Market Size, 2023-2028 (in Billion US$)
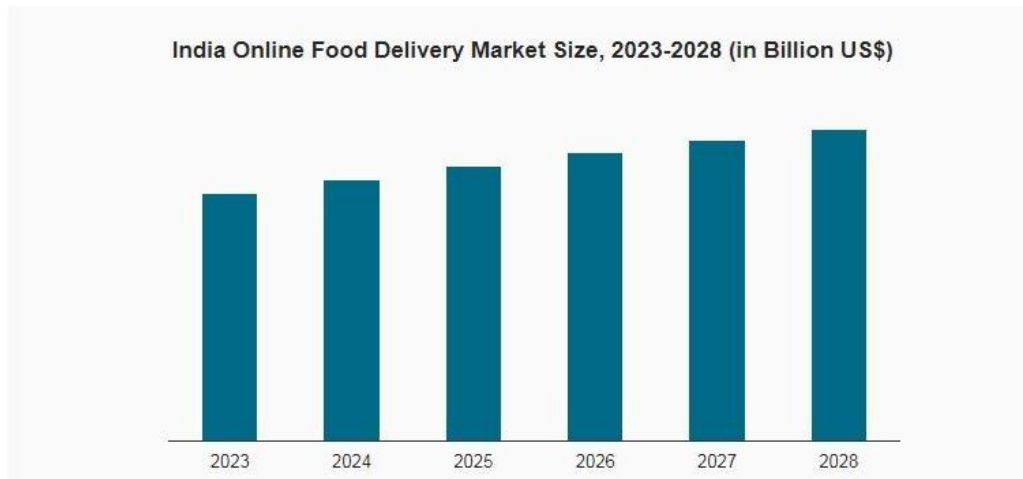
Source: IMARC

1.2 About Study

The comparative analysis of Swiggy and Zomato on customer preferences aims to examine and understand the factors that influence consumers' choices between these two prominent food delivery platforms in India. With the rapid growth of the online food delivery industry, Swiggy and Zomato have emerged as dominant players, revolutionizing the way people order food in the country. This analysis will shed light on the key factors that drive customer preferences and determine which platform holds a stronger appeal among consumers.

The project will delve into various aspects, including user experience, service quality, restaurant partnerships, pricing, delivery speed, and customer satisfaction, to gain comprehensive insights into the consumer decision-making process. By conducting a comparative analysis, we can identify the strengths and weaknesses of each platform and evaluate their impact on consumer preferences.

Understanding the factors that influence customer preferences between Swiggy and Zomato is vital for both platforms to enhance their offerings and stay ahead in the competitive landscape. It will provide valuable insights into the specific features or services that customers prioritize when choosing a food delivery platform. Additionally, this analysis will help identify potential areas for improvement and innovation, enabling Swiggy and Zomato to tailor their strategies to better meet customer expectations.

The findings of this comparative analysis will not only benefit Swiggy and Zomato but also provide valuable insights for other players in the online food delivery market. It will contribute to the existing body of knowledge on consumer

preferences in the food delivery industry and serve as a valuable resource for businesses, researchers, and industry stakeholders.

Overall, this project aims to uncover the factors that shape customer preferences between Swiggy and Zomato, providing valuable insights into the evolving dynamics of the online food delivery market in India.

1.3 Zomato: Company Profile

Source: alamy

Zomato, founded in 2008 by Deepinder Goyal and Pankaj Chaddah, has experienced significant growth since its inception. The platform started as an online restaurant discovery service and later expanded its services to include food delivery. Over the years, Zomato has steadily expanded its presence in India and several other countries, becoming one of the largest food delivery platforms globally. Its user base has grown exponentially, attracting millions of customers who rely on the app for their food-related needs. In July 2021, Zomato made headlines with its highly anticipated initial public offering (IPO).

The company went public on the Indian stock exchanges, raising substantial funds and achieving a valuation of around $12 billion. The IPO was a significant milestone for Zomato, highlighting its position as a leading player in the food delivery industry.

 The IPO success further propelled Zomato's growth and allowed the company to invest in its expansion plans, technological advancements, and diversification of services. It also demonstrated the confidence of investors in the potential and prospects of the online food delivery market.

Zomato's IPO success was a testament to its strong market presence, robust business model, and ability to adapt to changing consumer preferences. The funds raised through the IPO have provided Zomato with the necessary resources to continue expanding its operations, enter new markets, and innovate its offerings to stay competitive in the rapidly evolving industry.

Overall, Zomato's journey from its founding year to its successful IPO has showcased its remarkable growth trajectory. As it continues to enhance its services, expand its user base, and explore new avenues, Zomato remains a key player in the online food delivery market, shaping the future of the industry both in India and globally.

1.4 Zomato's Founders

The founders of Zomato, a popular online food delivery and restaurant discovery platform, are Deepinder Goyal and Pankaj Chaddah. Deepinder Goyal, hailing from Muktsar, Punjab, India, pursued his education in computer science and engineering. He completed his bachelor's degree from IIT Delhi and later worked at Bain & Company as a management consultant. Deepinder Goyal co-founded Zomato in 2008, initially as a platform to provide restaurant menus online.

Pankaj Chaddah, an alumnus of IIT Delhi, joined forces with Deepinder Goyal in establishing Zomato. Pankaj was responsible for the strategic aspects of the business, focusing on operations, marketing, and business development. His prior experience as a management consultant at Bain & Company brought valuable insights to Zomato's growth.

Together, Goyal and Chaddah steered Zomato towards tremendous success and expansion. Initially launched as an online restaurant discovery platform, Zomato transformed into a comprehensive food tech company, offering food delivery services, online ordering, table reservations, and restaurant reviews.

Under their leadership, Zomato underwent significant global expansion, venturing into several countries and acquiring prominent food delivery companies such as Urbanspoon, Delivery Hero's India operations, and Uber Eats in India. Their vision and entrepreneurial acumen helped Zomato become a leading player in the competitive food tech industry, attracting millions of users and partnering with numerous restaurants worldwide.

Today, Zomato operates in numerous countries, serving as a go-to platform for individuals seeking restaurant recommendations, food delivery services, and dining experiences. The founders' dedication and innovative approach have played a pivotal role in shaping Zomato's success story and establishing it as a prominent name in the food tech industry.

1.5 Swiggy: Company Profile

Source: pymnts.com

Swiggy, a prominent food delivery platform, was founded in 2014 by Sriharsha Majety, Nandan Reddy, and Rahul Jaimini. Since its inception, Swiggy has experienced remarkable success and growth, revolutionizing the way food is ordered and delivered in India.

With its user-friendly app and website, Swiggy quickly gained popularity among consumers seeking convenient and reliable food delivery services. The platform's success can be attributed to its strong focus on customer satisfaction, efficient logistics, and extensive restaurant partnerships. Swiggy's relentless efforts to provide an exceptional user experience and ensure timely deliveries have earned it a loyal customer base. The company has invested heavily in building a robust delivery fleet and employing innovative technology to optimize delivery routes and reduce wait times.

One of Swiggy's key strengths is its vast network of restaurant tie-us, encompassing a wide range of cuisines and dining preferences. This extensive restaurant coverage allows users to choose from a diverse selection of options, making Swiggy a go-to platform for ordering food across various price points. Swiggy's success is also attributed to its ability to adapt to evolving market dynamics. The platform has expanded its services beyond food delivery, venturing into grocery delivery and other essential commodities during the COVID-19 pandemic. This diversification has not only allowed Swiggy to cater to changing consumer needs but has also contributed to its sustained growth.

Moreover, Swiggy's focus on technology and data analytics has enabled it to personalize user experiences and offer targeted promotions, enhancing customer engagement and loyalty. The company continually leverages insights from user data to refine its services and stay ahead in the competitive food delivery market.

In summary, Swiggy's journey from its founding year to its present-day success showcases its rapid growth and influence in the Indian food delivery industry. With its commitment to customer satisfaction, robust logistics, extensive restaurant partnerships, and technological innovations, Swiggy has solidified its

1.5 Swiggy's Founders

The founders of Swiggy, a prominent online food delivery platform, are Sriharsha Majety, Nandan Reddy, and Rahul Jaimini. Sriharsha Majety, an alumnus of Birla Institute of Technology and Science (BITS), Pilani, and Sriharsha's childhood friend Nandan Reddy, who graduated from BITS Pilani as well, joined forces to start Swiggy in 2014. Sriharsha Majety, with his background in engineering and operations, took on the role of CEO, while Nandan Reddy focused on business development and operations.

Rahul Jaimini, another key member of the founding team, served as Swiggy's Chief Technology Officer (CTO). Rahul, an IIT Kharagpur graduate, played a crucial role in building the robust technological infrastructure of Swiggy's platform, ensuring seamless operations and efficient delivery logistics.

Together, the founders envisioned a technology-driven platform that revolutionized the food delivery industry in India. Swiggy's emphasis on speed, reliability, and excellent customer experience set it apart from traditional food delivery services.

With innovative features like real-time order tracking, a wide selection of restaurant choices, and reliable delivery, Swiggy quickly gained popularity among users. The founders' strategic approach, coupled with their ability to attract funding from prominent investors, fuelled Swiggy's rapid expansion across major cities in India.

Under their leadership, Swiggy expanded its services beyond food delivery, venturing into hyperlocal delivery, cloud kitchens, and quick commerce. Swiggy's aggressive growth strategy and focus on customer satisfaction cemented its position as one of the leading online food delivery platforms in India.

The founders' entrepreneurial vision, technological expertise, and business acumen have been instrumental in Swiggy's success and its emergence as a household name in the food delivery industry.

CHAPTER:2 LITERATURE REVIEW

The food delivery market in India is characterized by fragmentation, with various vendors employing both organic and inorganic growth strategies to compete in the market. Notable players in the Indian food delivery market include Swiggy Pvt. Ltd., Diverse Retails Pvt. Ltd., Domino's Pizza Inc., Dunzo Digital Pvt. Ltd., McDonald's Corp., Ola Foods, Pizza Hut, Poncho Hospitality Pvt. Ltd., Rebel Foods Pvt. Ltd., and Zomato Media Pvt. Ltd. According to Technavio's latest research report, the food delivery market in India is expected to witness substantial growth, with an estimated increase of USD 716.53 million from 2021 to 2026, registering an impressive CAGR of 28.13%. This projection highlights the potential and opportunities within the market.

Globally, the food delivery market accounts for approximately 4% of food products sold in restaurant chains and fast-food outlets. While this market has reached maturity in many countries with a 3.5% growth rate over five years, a similar trend is observed in India. The traditional method of food delivery, where customers order directly through restaurant websites, has transitioned into the concept of an "aggregated business model." Here, a single platform offers customers a one-stop shop to order food from multiple registered caterers, charging a fixed mark-up and ensuring doorstep delivery. Logistics has become a significant cost driver for the industry, and despite rising costs, food delivery businesses are still profitable.

Indian consumers, accustomed to convenience and transparency through digital apps and e-commerce websites, expect the same level of service when ordering food online. The ease and usefulness of the online food ordering process, technological innovation, reliance on retailers, and external influences are crucial factors influencing attitudes towards online grocery orders. The online food delivery market in India, including internet fusion and kitchen service providers, has witnessed substantial growth and presents a significant opportunity for e-commerce businesses. The market, currently valued at $15 billion, is poised for exponential growth. Popular food aggregators like Zomato, Swiggy, Food Panda, and UberEATS are thriving in India, providing customers with a platform to compare prices and ratings among different restaurants and choose from a wide range of options. Wireless communication and smartphone technology have transformed the restaurant industry, allowing instant management of customer orders through smart device-based interfaces.

 This system is expected to enhance the convenience, effectiveness, and future prospects of the restaurant business. While the online food delivery market shows promise, there are evident issues that consumers perceive, necessitating collaborative efforts from online delivery services, restaurants, government bodies, and all stakeholders to create an excellent online takeaway environment and address these concerns effectively. In conclusion, the food delivery market in India is witnessing significant growth and presents substantial opportunities for various players. With evolving consumer preferences, technological advancements, and collaborative efforts, the industry is poised for further expansion and innovation in the coming years position as a leading player, shaping the future of food delivery in India.

Several studies have examined the market share of Swiggy and Zomato in the food delivery industry. According to a report by RedSeer Consulting, as of 2020, Swiggy held a slightly larger market share compared to Zomato in terms of order volume. However, the gap between the two players has been narrowing over time, indicating intense competition and dynamic market conditions (RedSeer Consulting, 2020). Another study by Kantar IMRB revealed that Swiggy had a higher brand recall and preference among consumers, suggesting its stronger presence in the market (Kantar IMRB, 2019).

Customer satisfaction and service quality are crucial factors for success in the food delivery industry. A comparative analysis of Swiggy and Zomato in terms of customer satisfaction reveals mixed findings. A study conducted by Consumer Voice in 2020 reported that Swiggy outperformed Zomato in terms of customer satisfaction, with higher ratings for delivery time, order accuracy, and overall experience (Consumer Voice, 2020). However, another study by a research firm Velocity MR highlighted that Zomato had a higher Net Promoter Score (NPS), indicating greater customer loyalty and recommendation (Velocity MR, 2021).

Pricing and discounts play a significant role in attracting and retaining customers in the food delivery market. Both Swiggy and Zomato have adopted various strategies to offer competitive pricing and attractive discounts to their users. A study by IMRB International revealed that Swiggy had a higher average order value compared to Zomato, suggesting potential variations in pricing strategies between the two platforms (IMRB International, 2019). Additionally, Zomato has been known for its aggressive discounting approach to gain a larger market share and customer base (Economic Times, 2021).

The business strategies employed by Swiggy and Zomato have been widely discussed in the literature. Both platforms have focused on expanding their delivery network, partnering with restaurants, and improving their technology infrastructure. Swiggy has emphasized hyperlocal delivery and invested in dark kitchens to cater to the growing demand for quick and efficient food delivery (Economic Times, 2020). On the other hand, Zomato has diversified its services by entering the grocery delivery segment and exploring new revenue streams (Zomato, 2021).

- According to a report by RedSeer Consulting, the online food delivery market in India has witnessed a compound annual growth rate (CAGR) of 40% between 2015 and 2020. This rapid growth can be attributed to factors such as increasing internet penetration, changing consumer lifestyles, and the convenience offered by online food delivery platforms.
- A study conducted by Deloitte highlighted the impact of online food delivery platforms on the restaurant industry. It found that these platforms have helped restaurants reach a larger customer base and increase their revenue by eliminating the need for physical infrastructure and additional marketing expenses.
- Research by Nielsen reveals that millennials and Gen Z consumers are the primary users of online food delivery services in India. These tech-savvy generations value convenience, variety, and speed, which online platforms like Swiggy and Zomato provide. This demographic shift in consumer preferences has played a significant role in the success of these platforms.
- An article published in The Economic Times discusses the emergence of cloud kitchens in the Indian food delivery market. These kitchens, also

known as ghost kitchens or virtual restaurants, operate exclusively for delivery, enabling restaurants to expand their reach without incurring additional costs associated with traditional brick-and-mortar establishments. This trend has further fuelled the growth of online food delivery platforms.

- A research paper by Vidyasagar University highlights the impact of online food delivery platforms on employment generation in the food service industry. It suggests that while these platforms create new opportunities for delivery personnel, there is also a need to address concerns related to working conditions, fair wages, and employee benefits.
- A study by the Indian Institute of Management (IIM) Bangalore explores the factors influencing customer satisfaction and loyalty towards online food delivery platforms. It identifies key drivers such as on-time delivery, order accuracy, variety of cuisine options, and responsive customer support as crucial factors that contribute to customer satisfaction and repeat business.
- An article in Forbes India discusses the future prospects of the online food delivery market in India. It highlights the potential for further growth, driven by factors such as the increasing adoption of mobile internet, rising disposable incomes, and the growing preference for digital transactions.

CHAPTER: 3 RESEARCH METHODOLOGY

3.1 Objective of the Study

- To evaluate Zomato's and Swiggy's technological competitive advantages.
- To research the difficulties Zomato and Swiggy experienced.
- To comprehend consumer preferences for online meal delivery services.
- To evaluate Zomato's and Swiggy's competitive advantages in terms of service.
- To comprehend the market and evaluate Zomato's and Swiggy's marketing approaches.

3.2 Need of the Study

- Understanding how customers behave towards food delivery service providers is crucial.
- To comprehend consumer thought processes and deliver effective customer service.
- To comprehend the needs and desires of the customer.

3.3 Scope of the Study

The goal of the study is to get feedback from customers regarding the New Delhi area's available online meal ordering and delivery services. The study contrasts further elements of the two nearby food delivery service providers. Based on these elements, the study's conclusions can assist service providers in better meeting client expectations. However, new users of the online meal ordering and delivery services can pick the best option from a variety of ones that are offered near their residence. Therefore, both people and service providers in New Delhi can benefit from the study's findings.

3.4 Research Design

Use descriptive statistics to characterise the fundamental characteristics of the data in a study. Simple summaries of the sample and the measurements are provided. Simple graphics analysis and them together make up the foundation for almost all quantitative data analysis. We can rationally simplify massive volumes of data with the use of descriptive statistics. Each descriptive statistic distils a large amount of data into a more concise summary. When using descriptive statistics, you are merely explaining what the data is or what it reveals. Because my study is descriptive in nature, the research design will also be descriptive.

3.5 Sampling Method

All subsets of the frame are assigned equal probabilities due to homogeneity and the small size of the population, and non-probability sampling (convivence sampling) was used for the selection of respondents and data collection. Students, businessmen, and government workers of various ages and educational backgrounds made up the target market.

Sample Size (n) = 100.

3.6 Research Method

Google Forms was used to distribute an online survey and collect data, data from people. It is a group of anaesthetics that included close-ended and open-ended inquiries created for the survey's aims, on which the study is based. Closed-ended and multiple-choice questions made up the majority of the questions. The respondents are all Firozpur residents. The questionnaire was 17 questions long and contained both general and topic-specific inquiries. 100 participants were given the questionnaire, and it took 5-6 days for everyone to respond. After that, data cleaning was done in SPSS and then some special questions visualised with the help of pivot table graphs in excel and then we did descriptive statics after that we used TwoStep Cluster Analysis in statistical software name SPSS (Statistical Package for the Social Sciences).

3.7 Limitation of the Study

- The results are only a snapshot of the current situation and may not be applicable in future.
- Since the study was carried out in New Delhi, it may be claimed that it was regional in scope.
- Respondents can edit the survey's questions to add or remove information.
- The study's sampling size was too tiny to be effective.
- The study's findings can't be generalised given the population's social and cultural diversity.

CHAPTER: 4 DATA ANALYSIS
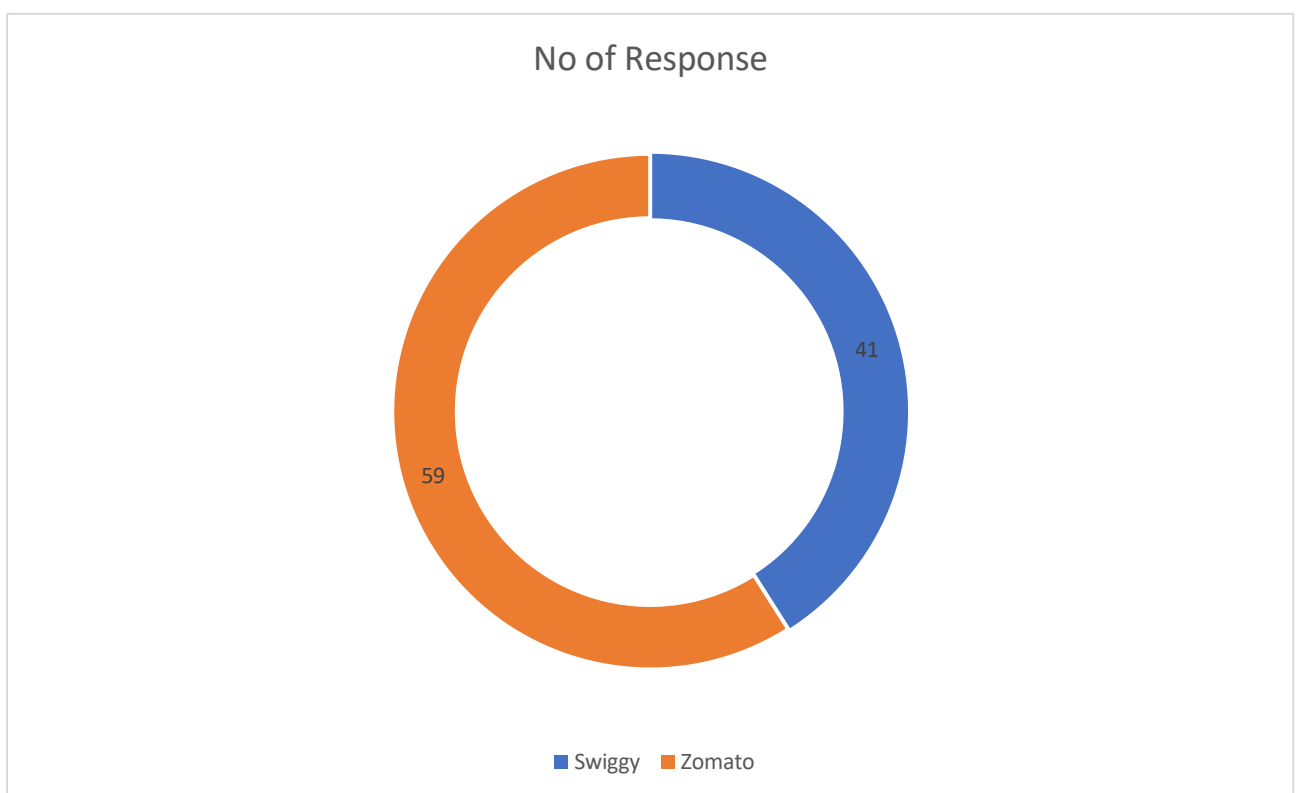
Q.1. Who service provider do you prefer most?

Platforms	No. of Response
Swiggy	49
Zomato	51
Grand Total	100
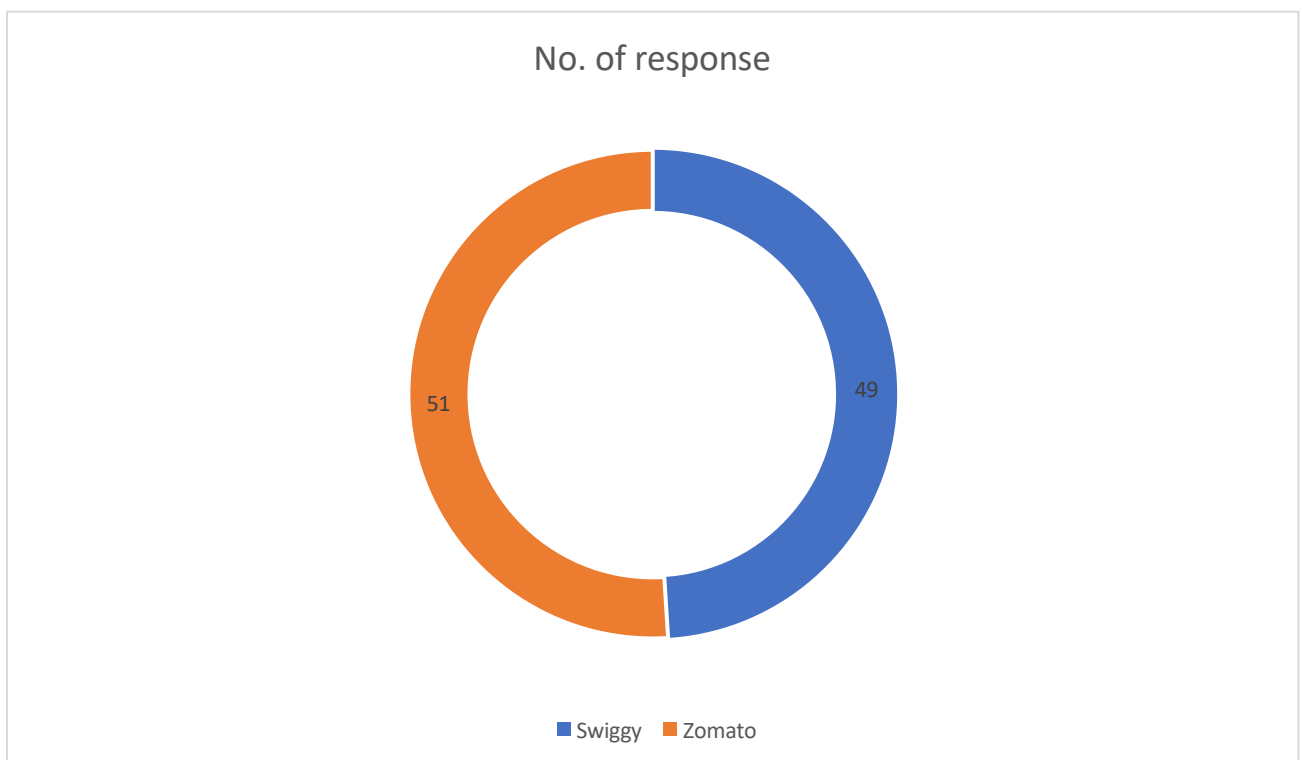
No. of response

The above graph shows that customer prefer more Zomato than Swiggy which is 51% and 49% respectively.

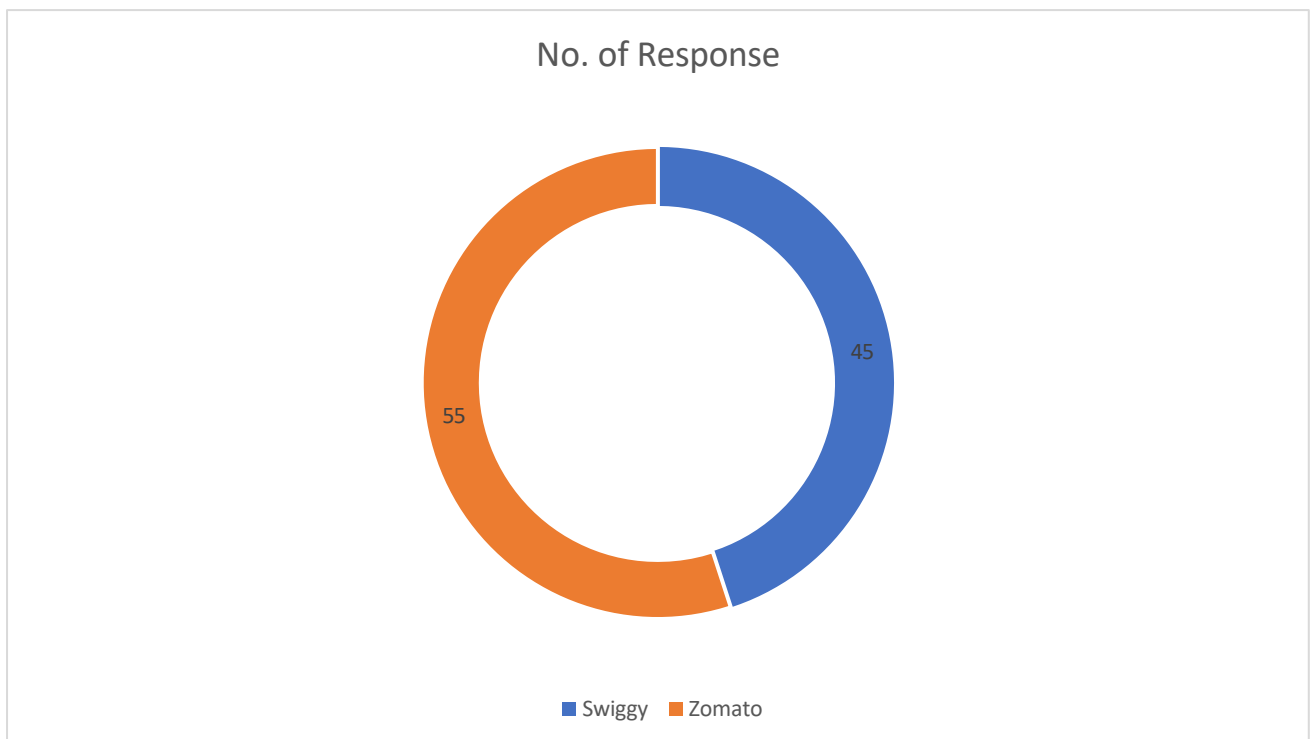Q.2. Which service provider gives more offers and discounts?

Platforms	No. of Response
Swiggy	41
Zomato	59
Grand Total	**100**

No of Response

The above figure shows that Zomato provide more discounts as compare to Swiggy.

Q.3. Which among has more tie ups with restaurants?

Service Providers	No. of Response
Swiggy	45
Zomato	55
Grand Total	**100**

The above graph shows that respondents believes that Zomato has more tie-ups with restaurant than Swiggy's tie-ups with restaurants.

Q.4. Which among provide better customer service?

Service Providers	No. of Response
Swiggy	40
Zomato	60
Grand Total	**100**

No. of Response
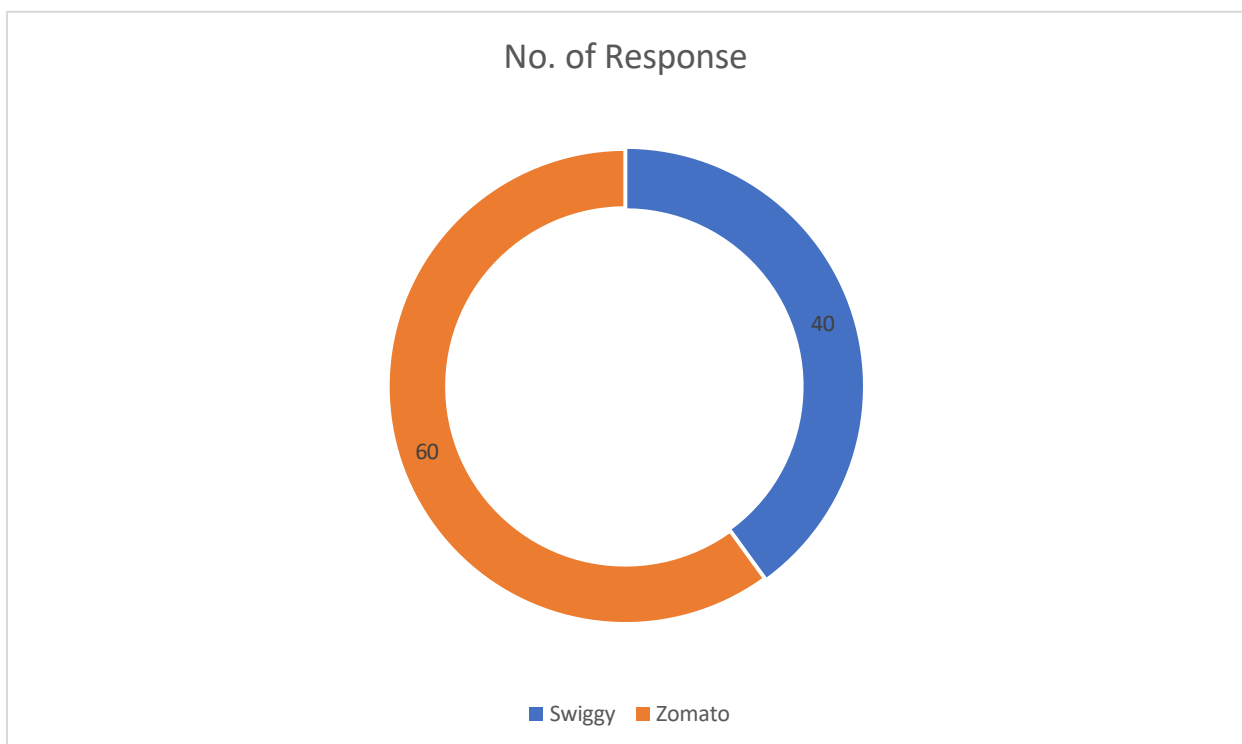
The above graph shows that Zomato provide better customer service than Swiggy.

Descriptive Statics

In SPSS, descriptive statistics are used to analyse and compile data, giving important insights and a better knowledge of the variables included in a dataset. By using metrics like mean, median, standard deviation, and percentiles, it aids in assessing the central tendency, dispersion, and distribution of the data. Researchers and analysts may get a thorough picture of their data, spot patterns, spot outliers, and make data-driven decisions using descriptive statistics in SPSS.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Whatisyourgender	100	1	2	1.48	.502
Whatisyourage	100	1	5	2.89	1.317
Whatisyouroccupation	100	1	5	2.15	1.149
Whatisyourincome	100	1	4	2.49	1.235
DoyouorderfoodOnline	100	1	2	1.04	.197
IfyesWhodoyouprefer	100	1	2	1.51	.502
Howoftendoyouorderfoodonliner	100	1	3	2.27	.750
Whichmealdoyoutypicallyorderonline	100	1	4	2.83	.965
Whatistheapproximatemoneyyouspendonorderingfoodeachti	100	1	4	2.87	.971
Whichserviceprovidergivesmoreoffersanddiscounts	100	1	2	1.59	.494
WhatisyourmostcommonexperiencewithdeliveryboySwiggy	100	1	3	1.53	.577
WhatisyourmostcommonexperiencewithdeliveryboyZomato	100	1	3	1.48	.594
Whichamonghasmoretieupswithrestaurants	100	1	2	1.55	.500
HowwaspackagingoffooddeliveredSwiggy	100	1	3	1.57	.607
HowwaspackagingoffooddeliveredZomato	100	1	3	1.62	.678
Howlongdoesitusuallytakefororder todelivered	100	1	4	2.80	1.044
Whichamongprovidebettercustomerservice	100	1	2	1.60	.492

In this descriptive report, we will analyse several variables using descriptive statistics in SPSS. The variables include age, occupation, income, frequency of food orders, online ordering habits, amount spent on orders, and satisfaction with packaging. Here are the findings:
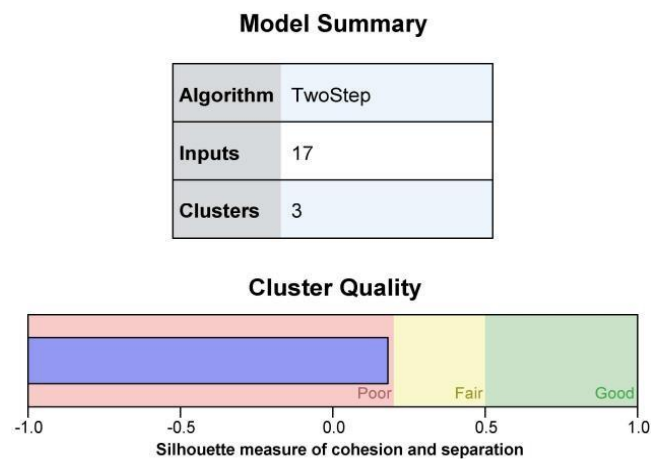
- Age: The mean age is 2.89, indicating that the majority of respondents fall within the age range of 25 to 35 years.
- Occupation: The mean occupation value is 2.15, suggesting that the most common occupations among respondents are employees, students, or businesspersons.
- Income: The mean income value is 2.49, indicating that the income range for most respondents lies between 15,000 to 30,000 units (currency).
- Frequency of Food Orders: The mean frequency of food orders is 2.27, suggesting that respondents typically order meals on a monthly basis.
- Online Ordering Habits: The mean value for ordering food online is 2.83, indicating that respondents tend to order snacks more frequently than other types of meals.
- Amount Spent: The mean amount spent on food orders is 2.87, suggesting that the typical range of spending falls between 300 to 400 units (currency).
- Packaging Satisfaction: The mean satisfaction level for packaging is 1.57, indicating that respondents' satisfaction with packaging falls between satisfactory and well-satisfied.

These descriptive statistics provide valuable insights into the characteristics and preferences of the surveyed population. They offer a clear understanding of the age distribution, common occupations, income range, ordering habits, spending patterns, and satisfaction levels with packaging. Such information can help businesses and service providers in making informed decisions, targeting specific customer segments, and improving their offerings to better align with customer preferences.

TwoStep Cluster Analysis

A data mining approach called two-step cluster analysis, commonly referred to as two-stage clustering, finds natural groups or clusters within a dataset. When working with huge datasets or datasets including multiple variable types, such as numerical and categorical variables, it is very helpful.

Model Summary

Model Summary

Algorithm	TwoStep
Inputs	17
Clusters	3

Cluster Quality

Silhouette measure of cohesion and separation

In the model summary of SPSS's two-step cluster analysis, the "17 variables" refer to the number of input variables or attributes that were included in the analysis. These variables could be any measurable characteristics or features of the data under investigation. On the other hand, the "3 clusters" refers to the number of distinct groups or clusters that were identified by the clustering algorithm. The algorithm analysed the data based on the 17 variables and grouped similar data points together into three separate clusters.
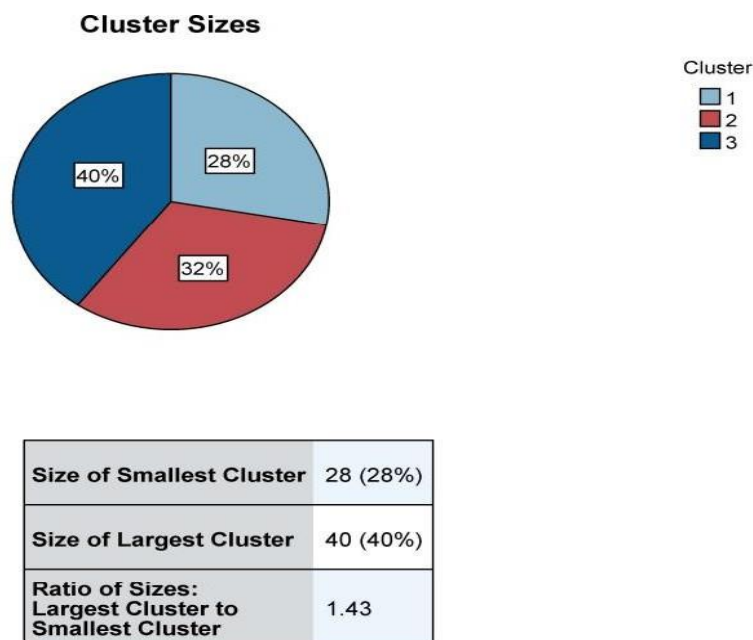
Predictor Importance
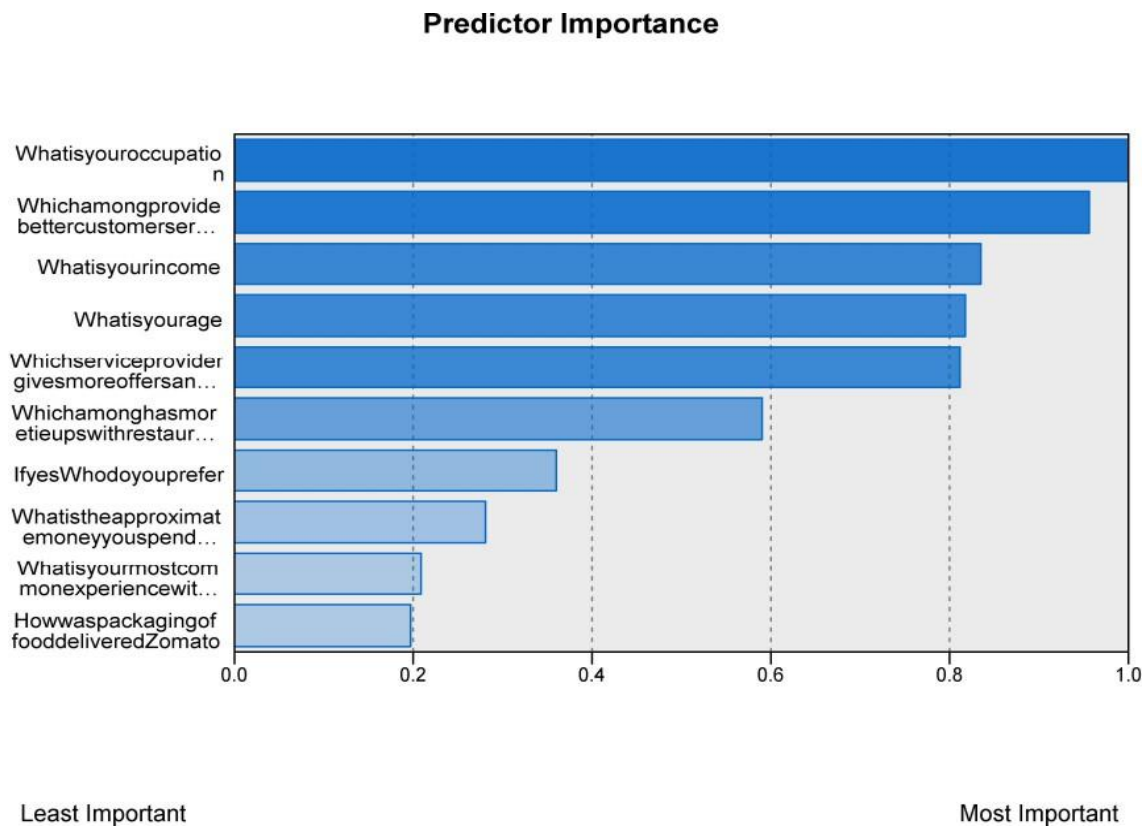
The predictor significance is a metric used to pinpoint the elements with the greatest influence on the clustering outcomes. According to the findings of our analysis of the predictor significance, occupation appears to be the key factor in influencing how service providers are clustered. This indicates that classifying service providers into discrete clusters is significantly influenced by their line of work. It suggests that service providers in related fields are more likely to have comparable traits or behavioural tendencies. The predictor significance reveals that quality of service is the next major determinant for clustering service providers after profession. This suggests that a service provider's level of client happiness or service quality affects how they cluster. Service providers are more likely to be grouped together if they continuously give great service. According to the predictor importance, the outcomes of the clustering are influenced by factors such as income, age, and discounts provided by service providers. Inferring similarities in their business practises, this shows that service providers with comparable income levels, age groupings, and discounting techniques likely to flock together. The predictor significance also emphasises how crucial partnerships with eateries are. This suggests that service providers are more likely to be clustered together in a cluster if they have more relationships or

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collaborations with eateries. This raises the possibility of a connection between the degree of restaurant affiliations and the general features of service providers. The average spends and packaging, on the other hand, appear to be of comparatively little significance in the clustering study. This suggests that these factors may not have as much of an impact on the development of unique clusters among service providers.

Cluster Sizes

Size of Smallest Cluster	28 (28%)
Size of Largest Cluster	40 (40%)
Ratio of Sizes: Largest Cluster to Smallest Cluster	1.43

40%, 32%, and 28% reflect the proportions of the relative sizes of the clusters produced by the two-step cluster analysis. These ratios show how the service providers are distributed throughout the clusters. The largest cluster, which accounts for 40% of all service providers, implies a reasonably dominating cluster with many service providers displaying comparable traits or behaviours. The second-biggest cluster is somewhat smaller than the largest cluster, but it is still sizable, accounting for 32% of all service providers. This cluster most likely reflects a unique set of service providers that differ from the bigger cluster in terms of traits or actions. The smallest cluster is considerably smaller in size but still indicates a distinct group in the data, accounting for 28% of all service providers. This group of service providers could be distinguished from the bulk by special qualities or distinctive behaviours. The relative size difference between these clusters is further revealed by the ratio of 1.43 between the bigger and smaller clusters. If the ratio is more than 1, it is possible that the larger cluster really outweighs the smaller cluster by a substantial amount.

Cluster Comparison

The cluster comparison analysis conducted using two-step cluster analysis in SPSS revealed several interesting findings. Firstly, clusters 2 and 1 were found to have a higher proportion of students as compared to cluster 3, which predominantly consisted of businessmen. This suggests that students are more likely to be grouped in clusters 2 and 1, while cluster 3 primarily comprises businessmen. In terms of service provider preferences, cluster 3 was found to perceive Zomato as providing better service, while cluster 1 had a preference for Swiggy. This indicates that within the different clusters, there are distinct opinions on which food delivery platform offers better service. Moreover, the income levels of clusters 2 and 1 were found to be greater than 15k, while cluster 3 had an income level of 30k. This suggests that cluster 3 comprises individuals with relatively higher incomes compared to clusters 2 and 1. When considering age, cluster 3 was found to be the largest cluster, followed by clusters 2 and 1. This implies that cluster 3 consists of individuals from a wider range of age groups compared to the other clusters. In terms of service quality, both cluster 2 and cluster 3 were found to believe that Zomato provides well-behaved and better service. However, cluster 1, which preferred Swiggy, did not have the same perception of Zomato. Regarding discounts, it was found that Swiggy provided more discounts compared to cluster 1, which could be a contributing factor to their preference for Swiggy. Cluster 2 and cluster 3 both believed that the average order amount is around 400, while cluster 1 believed it to be around 300. This suggests that clusters 2 and 3 have similar spending patterns, while cluster 1 tends to spend slightly less on average. In terms of customer satisfaction, Swiggy was perceived as providing satisfactory service by all clusters, which indicates a positive customer experience. Lastly, it was found that people across all clusters tended to order food on a monthly basis rather than on a weekly basis. This suggests a common ordering behaviour among the clusters. Overall, the cluster comparison analysis using two-step cluster analysis in SPSS provided insights into the differences and similarities among the clusters in terms of occupation, service provider preferences, income levels, age distributions, service quality perceptions, discounts, average spending patterns, customer satisfaction, and ordering behaviour.

CHAPTER: 5 FINDINGS & SUGGESTIONS

Findings

- Customer Preferences: The survey data indicates that Zomato holds a slight edge over Swiggy in terms of customer preference, with 51% of the respondents favouring Zomato and 49% preferring Swiggy. This finding suggests that Zomato has been successful in capturing a slightly larger share of the market compared to Swiggy.
- Discounts and Tie-ups with Restaurants: The survey reveals that respondents perceive Zomato to provide more discounts compared to Swiggy. This perception may influence customers to choose Zomato over Swiggy, as discounts can act as an incentive for customers to opt for a particular food delivery platform. Additionally, respondents also believe that Zomato has stronger tie-ups with restaurants compared to Swiggy. This implies that Zomato may offer a wider variety of dining options to customers, giving them more choices and increasing their preference for the platform.
- Customer Service: The survey findings indicate that Zomato is perceived to provide better customer service than Swiggy. Excellent customer service is crucial in the highly competitive food delivery industry, as it can significantly impact customer satisfaction and loyalty. Zomato's focus on providing superior customer service may have contributed to its higher customer preference.

- Demographic Insights:
- Age: The survey data shows that the mean age of the respondents is 2.89, indicating that the majority falls within the age range of 25 to 35 years. This demographic segment is likely to be technologically savvy and comfortable with online food ordering, making them a prime target audience for food delivery platforms like Zomato and Swiggy.
- Occupation: The mean occupation value is 2.15, suggesting that the most common occupations among the respondents are employees, students, or businesspersons. These occupations often involve busy schedules and limited time for cooking, making food delivery services a convenient option. Understanding the dominant occupations among the target audience can help in tailoring marketing strategies and service offerings to cater to their specific needs.

- Income: The mean income value is 2.49, indicating that the income range for most respondents lies between 15,000 to 30,000 units (currency). This insight into the income distribution can assist in pricing strategies and promotional offers that align with the customers' spending capacity.

- ➢ Behavioural Insights:
- Frequency of Food Orders: The mean frequency of food orders is 2.27, suggesting that respondents typically order meals on a monthly basis. This indicates that customers tend to use food delivery platforms as a convenience for occasional or special meals rather than for daily sustenance. Understanding the frequency of orders helps in optimizing delivery logistics and understanding customer expectations for prompt and reliable service.
- Online Ordering Habits: The mean value for ordering food online is 2.83, indicating that respondents tend to order snacks more frequently than other types of meals. This insight provides an opportunity for food delivery platforms to emphasize snack options and develop marketing strategies that target snack enthusiasts.
- Amount Spent: The mean amount spent on food orders is 2.87, suggesting that the typical range of spending falls between 300 to 400 units (currency). This information is valuable for pricing strategies, menu offerings, and promotions, as it helps in understanding the customers' affordability and willingness to spend on food delivery services.
- Packaging Satisfaction: The mean satisfaction level for packaging is 1.57, indicating that respondents' satisfaction with packaging falls between satisfactory and well-satisfied. While packaging satisfaction is important for a positive customer experience, it may not be a significant factor influencing customer preferences or clustering.

Suggestions

- Enhance Discounts and Promotions: Swiggy should focus on developing and implementing attractive discount and promotional strategies to compete effectively with Zomato. Offering exclusive deals, limited-time offers, and personalized discounts based on customer preferences can help Swiggy attract and retain customers. Additionally, introducing loyalty programs or reward systems can incentivize customers to choose Swiggy over its competitors.

- Strengthen Restaurant Partnerships: Swiggy should actively collaborate with a diverse range of restaurants to expand its culinary offerings and provide customers with a wide variety of options. Developing strong partnerships with popular and well-regarded restaurants can enhance Swiggy's reputation as a platform that offers high-quality and diverse dining experiences.

- Improve Customer Service: Swiggy should invest in training its customer service representatives to deliver exceptional customer experiences. Timely and effective resolution of customer queries, complaints, and feedback can significantly impact customer satisfaction and loyalty. Implementing customer-centric policies and proactive communication channels can also contribute to building a positive brand image.

- Targeted Marketing Strategies: Utilize the demographic insights to develop targeted marketing campaigns that resonate with the preferences and behaviours of the identified age group (25-35 years) and dominant occupations (employees, students, and businesspersons). Leverage digital marketing channels, social media platforms, and influencer collaborations to reach the target audience effectively. Highlight the unique features, convenience, and value proposition that Swiggy offers to attract and engage potential customers.

- Menu Optimization and Personalization: Analyse customer preferences and ordering habits to optimize Swiggy's menu offerings. Introduce new and innovative dishes, cater to specific dietary preferences, and highlight local and regional cuisines to attract a diverse customer base. Implementing personalized recommendations based on customer preferences and past orders can enhance the overall ordering experience and drive customer satisfaction.

CHAPTER:6 CONCLUSION

The analysis of customer preferences, demographic insights, and cluster analysis has provided valuable insights into the characteristics, behaviours, and preferences of the surveyed population regarding food delivery platforms. These findings can be utilized to inform business strategies, enhance customer experiences, and tailor services to better align with customer expectations.

Firstly, it was observed that Zomato is slightly preferred over Swiggy by the customers, with a preference rate of 51% compared to 49%. This suggests that Zomato has been successful in capturing a slightly larger market share. Additionally, Zomato was perceived as providing better customer service, which could be a contributing factor to its higher preference rate. Moreover, Zomato was found to have more tie-ups with restaurants compared to Swiggy, indicating a potentially broader selection of dining options for customers.

The demographic insights provide a deeper understanding of the target audience. The mean age of respondents falls within the 25 to 35 years range, indicating a significant proportion of young and middle-aged individuals. This age group is often associated with higher purchasing power and a higher likelihood of using food delivery services. Therefore, businesses can focus their marketing efforts and service enhancements on this age segment. The most common occupations among respondents were employees, students, or businesspersons, highlighting potential target groups for promotional activities and partnership opportunities. The mean income value suggests that the majority of respondents have a monthly income ranging from 15,000 to 30,000 units, providing insights into their spending capacity.

The analysis of frequency of food orders revealed that respondents typically order meals on a monthly basis, indicating a regular and consistent demand for food delivery services. Furthermore, the mean value for ordering snacks online more frequently than other types of meals suggests an opportunity for businesses to expand their snack offerings and tailor promotions to cater to this specific demand.

The average amount spent on food orders falls between 300 to 400 units, providing businesses with an understanding of the typical spending patterns of customers. This information can guide pricing strategies and promotional offers to align with customer expectations and affordability. Additionally, the mean

satisfaction level for packaging indicates that customers generally find the packaging satisfactory or well-satisfied, which is a positive aspect for service providers to maintain and improve upon.

The cluster analysis revealed three distinct clusters based on various attributes. Cluster 1 had a higher proportion of students and preferred Swiggy over Zomato. This group tended to spend slightly less on average and perceived Zomato's service quality differently from the other clusters. Cluster 2 and 3 comprised individuals with higher incomes, believed Zomato provided better service, and had similar spending patterns. Cluster 3, in particular, was the largest and consisted of individuals from a wider range of age groups, suggesting a diverse customer base. These findings highlight the importance of understanding customer segments and tailoring marketing strategies and service offerings accordingly.

Based on these findings, several suggestions can be made for businesses operating in the food delivery industry. Firstly, focusing on customer service enhancements and building strong partnerships with restaurants can further enhance the customer experience and attract a larger customer base. Additionally, offering attractive discounts and promotions, especially for students who represent a significant portion of the customer base, can be an effective strategy for increasing market share. Moreover, optimizing packaging solutions to ensure customer satisfaction can contribute to a positive brand image and customer loyalty.

Here are some additional points to consider:

- Marketing Strategies: The findings suggest that businesses should adopt targeted marketing strategies to reach different customer segments effectively. By understanding the preferences, behaviours, and demographics of each cluster, companies can design specific marketing campaigns that resonate with their target audience, thereby maximizing customer engagement and retention.
- Customer Retention: Building customer loyalty and retention should be a key focus for food delivery platforms. Enhancing customer service, providing timely and accurate deliveries, and addressing customer feedback and complaints can contribute to positive customer experiences and encourage repeat orders. Additionally, offering personalized recommendations based on past orders and preferences can create a sense of personalization and foster customer loyalty.

- Expansion of Tie-Ups: Since customers value the variety and options provided by tie-ups with restaurants, businesses should actively seek partnerships with a wide range of dining establishments. This can increase the appeal of the platform and attract more customers who are looking for diverse cuisine options.

- Pricing Strategies: Understanding the spending patterns and average order amounts of different clusters can inform pricing strategies. By offering competitive prices, attractive discounts, and value-added deals, companies can entice customers and differentiate themselves from competitors. Implementing dynamic pricing models or loyalty programs can also incentivize customers to choose their platform for frequent orders.

- Continuous Improvement: Regularly gathering customer feedback and analysing customer satisfaction levels can provide insights into areas of improvement. Companies should actively seek feedback, monitor customer reviews and ratings, and make necessary adjustments to enhance the overall customer experience. This can involve refining delivery processes, streamlining the ordering interface, and maintaining consistent quality standards.

- Technological Innovations: Embracing technological advancements, such as implementing user-friendly mobile applications, incorporating artificial intelligence for personalized recommendations, and utilizing data analytics for predictive modelling, can significantly enhance the overall customer experience. By staying at the forefront of technological innovations, businesses can stay competitive and cater to evolving customer demands.

- Market Expansion: Based on the demographic insights, companies may consider expanding their services to target specific geographic areas or demographic segments that exhibit a higher demand for food delivery services. This can involve strategic partnerships, marketing campaigns, and localized promotional activities to penetrate new markets effectively. In conclusion, the findings from the analysis of customer preferences, demographic insights, and cluster analysis provide valuable guidance for businesses operating in the food delivery industry. By tailoring marketing strategies, focusing on customer retention, expanding tie-ups, implementing competitive pricing, striving for continuous improvement, embracing technological innovations, and exploring market expansion opportunities, companies can position themselves for success in a highly competitive and evolving market landscape.

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APPENDIX

1. What is your gender?

   o Male
   o Female
   o Other

2. What is your age?

   o 15-20
   o 20-25
   o 25-30
   o 30-35
   o more than 35

3. What is your occupation?

   o Student
   o Employee
   o Businessman
   o Professional Person
   o Others

4. What is your income?
   o Below 15k
   o 15k- 20k
   o 20k - 30k
   o more than 30k

5. Do you order food Online?

   o Yes
   o No

6. If yes, who do you prefer?

   o Swiggy
   o Zomato

7. How often do you order food online?

    o Daily
    o Weekly
    o Monthly

8. Which meal do you typically order online?

    o Breakfast
    o Lunch
    o Snacks
    o Dinner

9. What is the approximate money you spend on ordering food each time?

    o Less than 200
    o 200-300
    o 300-400
    o more than 400

10. Which service provider gives more offers and discounts?

    o Swiggy
    o Zomato

11. What is your most common experience with delivery boy?

	Well Behaved and Service Oriented	Average Behaviour and Service	Rude
o Swiggy			
o Zomato			

12. Which among has more tie ups with restaurants?

    o Swiggy
    o Zomato

13. How was packaging of food delivered?

                                Very Well Packed   Satisfactory   Unsatisfactory

- o Swiggy
- o Zomato

14. How long does it usually take for order to delivered?

- o 15-25 min
- o 25-35 min
- o 35-45 min
- o more than 45 min

15. Which among provide better customer service?

- o Swiggy
- o Zomato