

EFFECT OF ONLINE FOOD DELIVERY SERVICE ON A CHAIN CONVENIENCE STORE

(A STUDY OF 7-ELEVEN STORES IN
BANGKOK)

Miss Parita Varanusart 5904640090

Mr. Chanon Rungruangkit 5904640389

Mr. Thanabordee Chatchavalnanont 5904641262

Section I: Introduction

The emergence of delivery service has gained its popularity in convenience in several markets. Along with the change in consumer behavior, people are more engaged in the internet especially in social networks which widen opportunities for online business owners to connect with consumers more. Recently, food delivery service has been a prominent one as their growth rate significantly rose, particularly in the Bangkok metropolitan area.(Bangkok Bank, 2019) When consumers order food to their place it may imply that they are eating out less, however, when people dine out less, it does not necessarily mean they only purchase food online, alternatively they get their meals from convenient stores, local food providers, cooking by themselves and etc.(Dr. Mitali Gupta, 2019) Additionally, convenience plays a crucial role in this day and age as people are moving towards a fast-paced living. For that reason, we consider the arrival of food delivery service causes pain to convenience stores since both the delivery service and convenience stores essentially aim to provide the identical solution, convenience for consumers.

In Bangkok, the main convenient store that covers most parts of the city is 7-eleven, one of the success chain convenient stores that has long been provided convenient to customers by allowing buyers access to the shop a few steps away from their place. The stores do not only provide convenience by located at appropriate locations but also the innovation in products and services which shorten customers' time in doing certain activities. The store's revenue is mainly from food products, consuming 70% of total revenue. Ready-to-eat food has become more popular with the present active lifestyle. Currently, 7-eleven have over 10,000 branches in Thailand which there are approximately 11 million people using the service each day. This statistics alone can show us that 7-eleven has been very successful for over decades.

Be that as it may, technology disruption, food delivery mobile applications pose a threat taking away the ready-to-eat food market shares from the convenience stores for several reasons. For instance, consumers are being more health conscious by avoiding frozen food and seeking for more freshly cooked meals.(JK,2020) Although, as of now, some branches of 7-eleven have the fresh food corner providing to consumers yet the stores still lack a variety of dishes and

availability to reach out to consumers while food delivery service tends to serve people diversity of food and ability to serve meals at the door of consumers. In this study, the central question we would like to study is the impact of food delivery service on convenient store ready-to-eat food by observing possible various factors that affect consumers' buying decisions in both services.

Research Objective

- To analyze the factors influence consumers decision to prefer one service to the other
- To understand consumer attitude toward food delivery and RTE food

Scope of Study

This study aims to explore the effect of food delivery service to a chain convenience store, namely 7-eleven. We will look into the consequence of the emergence of food delivery service, particularly in Bangkok, to Ready-to-eat food, the main revenue stream of the chain convenience store. In the context of RTE food in this paper, it refers to packaged food which can be found in the chilled food section, excluding frozen food and other merchandise.

Section II: Review of Literature

There has been a paper that studied the customer buying decision process using an online platform for online food delivery in Thailand (Thanakrit, 2017) by using In-depth interviews for buying decision process models. The buying decision process model is the decision-making process used by consumers regarding the market transactions before, during, and after the purchase of a good or service (Engel, Kollat and Blackwell, 1968). The paper tried to understand consumer perception toward purchasing make to order food via the online platform and to understand the buying processes and factors which can influence consumers when using online make to order food delivery services. There is also a dependent variable which is the behavior of online purchasing while the independent variables included demographic, occasion, type of food, family size, type of place living and location. The result showed that the online platform has changed consumer behavior significantly toward purchasing behavior due to it can help to solve customer problems ,for instance, scarcity of time and level of convenience. Similarly, *Parashar*,

2017 said that food delivery apps are a convenient way to place food orders. Offering facilities in apps such as easy to access, more channels of payment method and easy process to place an order can attract more customer engagement.

Furthermore, another paper has studied Food delivery service and Customer Preference (Chandrasekhar, 2019) aimed to determine the impact of online food delivery service such as Swiggy, Foodpanda, Zomato etc. on consumers by conducting questionnaire and grey analysis technique, the analysis used to solve a variety of decision-making problems. The study has analyzed consumers' decisions in 4 perspectives including preference, reliability, consistency and preference decision. The results show that the first priority food delivery service has to focus is taste of food which infer to the quality of restaurant the services are partnered with. Then, most customers have issues with delivery and quality of food problems which mainly result from delay in delivery timing and food hygiene. Price also plays a significant role toward consumers preference which consumers are willing to switch to another delivery brand if they find it cheaper. Furthermore, as similar to other papers the author says “The most important reason that people order food online is that they find convenience and ease while ordering” (Kimes, 2011).

Moving on to literature about convenience stores, there is a paper that tried to find the relationship between variables of consumer behavior and willingness to buy a product in a 7-eleven store by using consumer behavior model (Purwanto, 2013). The result shows that regression coefficient of social factor and psychological factor are significant which means customers are buying products from 7-eleven according to their perception, belief and their own motivation. Also, they want to fulfil social needs because a store can be a place to hang out and chit-chat.

According to *Antara, 2019*, research on Factor Influencing Consumers' to Take Ready Made Frozen Food through questionnaires as their method to collect data. The factors include demographic factor, intrinsic factor and extrinsic factor. These factors will affect customer attitudes in positive or negative ways in which customers with positive attitudes will purchase products while customers with negative attitudes will not purchase or reconsider. From results, factors that have the most influence on consumer purchasing decisions are easy to cook, brand and taste along with tasty, inexpensive, favorability, safety, appearance, quality of the food,

advertising and availability which influence customers' positive attitude. However, time-saving and packaging factors did not have enough influence on consumers. Furthermore, people are changing their behavior from eating at restaurants to eating safely at home. customers are willing to pay higher price ready-made Frozen food if the products can assure safety and healthy issues.

Research Gaps

From the previous study in review of literature, we found that most papers have studied consumer behavior and consumers preference between food delivery apps and the effect of delivery apps toward restaurants. There is a little research that focuses on consumer decision between convenience stores and food delivery, which the main selling point of both services are convenience (case study of 7-eleven). It could be because convenience stores are not significant in other countries but in Thailand, convenience stores are a part of consumer daily life. Consumer behavior in different countries and regions should be different. Thailand consumers have interacted with convenience stores more than any other countries, and food delivery service has become more popular recently. The main product of both 7-eleven convenience stores and food delivery come from food products. Even if they serve different kinds of food products, we believe that the coming of food delivery would impact food market share of 7-eleven as customers have more options to order foods. So, this is the research gap and area of research that we would like to answer. Mainly through looking at customer behavior.

Section III: Background

Convenience Store

Convenience stores are small retailers that sell a range of daily life products such as coffee, food and beverage etc. located in or near communities. The major players in the market including 7-eleven, Family Mart, Mini Big C, Lawson 108 and etc. Compared to other types of retailers, convenience stores are becoming the king in modern trade channels. There are a total 15,300 convenient stores in Thailand which the largest players in the market are 7-eleven (10,268 outlets) followed by Family Mart (1,138 outlets) (DKSH, 2018). The number of total

7-11 branches in Bangkok alone represent up to 44 percent (4,556 branches) of total 7-11 branches in Thailand (CPall, n.d.)

In 2018 according to Kantar Worldpanel, convenience stores accounted for 17% of overall FMCG markets growing constantly for 2-3 years and it is the channel that has the 3rd highest sales ranking after grocery and hypermarket. The reason behind the growth is due to the change in demographic in urbanization which urban population had increased from 38.8 percent from 2006 to 50.4 percent in 2014. Beside the change in demographic, consumers in the younger generation prefer to go to stores which can save their time with shopping (DKSH, 2018).

7-eleven

The company was first established as Southland Ice Company located in Dallas, Texas, United States to sell block ice for food preservation to households without electric refrigerators. After the market expanded, one of the ice houses began to sell food items such as breads, hams and other everyday commodities. In 1946, the company was extended hours of operation from 7.00 AM to 11.00 PM, seven days a week and was renamed to 7-Eleven. The store expanded to over 6,000 branches over the United States in 1961. Starting from 1963, some 7-Eleven stores opened for 24 hours and the company began to franchise its store in following years (Lewis, 2017). The first 7-eleven store in Thailand was established in 1988 by Charoen Pokpham group or CP providing various products and services in one store such as counter service, food and beverage, bakery and etc. The main revenue streams are generated from food products which consume about 70% of total revenue. The stores have grown rapidly, 7,000 branches were opened in 2013 attributed to 69% of the convenient stores market share and reached 10,000 branches in 2018 (NACS, 2013)

Ready-to-eat Meal Trend

Among all types of food and beverage, ready-to-eat food are products with a higher tendency to grow more than the total market. It is expected that in 2020 the value of the ready-to-eat food market will be at 20,000-20,500 million baht increasing by 3-5 percent (YoY)

(Kasikorn, 2018). The major players in the industry include 7Fresh, Ezy Choice, Ezy Go and CP which Charoen PokPhand Foods (CPF) is leading players in the market with a retail value share of 43%.

Ready-to-eat meals are growing with increased numbers of convenient stores throughout nationwide which convenient stores represent as the main distributors of ready to eat food . The increase of busy life trends cause consumers to shop in convenient stores and dine out more often to save time. This leads to increased sales of ready to eat food for the same reason. Furthermore, competition among ready-to-eat suppliers are more competitive cause the products to improve quality, variety, innovativeness and nutrition value which all of this characteristics are very close and can be seen as substitute to fresh food in the market (Marketeeronline, 2019)

Food Delivery

Consumers traditionally have their meals by dining in restaurants, buying takeout food, and cooking by themselves. Consumers are offered a new alternative way, food delivery service, a platform that brings purchasers and restaurants closer with their fingertips, together with technology disruption or a sharp rise in e-commerce, the developers keep developing and advancing their system in order to answer consumers' needs better and better. (Ficnifi, 2018)

Food delivery service offers many opportunities not only for customers but also sellers in several ways. Restaurant owners can reach out to new potential customers and gain more sales. Owners also promote themselves via food delivery applications, and by doing so the owners do not have to invest much on promoting themselves. Food delivery service can be seen as an outsource of the restaurant who is incharge of the delivery job which allows the restaurant to focus less on the delivery part but focus more on other important processes (Thitipattakul, 2017). On the other side, consumers can enjoy their food without getting out of their places and waiting in line. Consumers rather pay for convenience over driving in a bad traffic condition in the city. According to Bangkok Bank, 2019, Food delivery users ranged from Gen X to Millennial whose age are in the range at which people are typically entered in the workforce and hence, they are willing to pay for convenience at a certain amount for their busy lifestyle.

Food delivery market in Thailand has shown significant growth since 2017 with average growth rate at 15% per annum. When compared to overall food business that began to slow down by 4% per annum. Food delivery is considered as a highly potent business. One of the oldest players in the market, FoodPanda has been in the market for 7 years and reports that the number of orders has reached 1 million orders in 2018 while Grab Food potential players has reached 4 million orders in the same period. This number has increased significantly from 2017 which total number of orders are only 3 million. This potential growing market has attracted many newcomers in the market such as NOW and GET FOOD (businesslink, 2019). In 2019, food delivery market was worth 26,000 million baht, growing 7-8% from previous year (Prince, 2019)

Section IV: Theoretical framework

Consumer Behavior

In order to understand consumers' decisions on buying products through each product and service. The consumer behavior model was adopted to find possible related factors that can affect consumers' decision making which we perceive that age, lifestyle, cultural/community, price, promotion, product, quality, technology, payments, delivery and web design are the potential related factors and therefore, we make use of the factors to support the study.

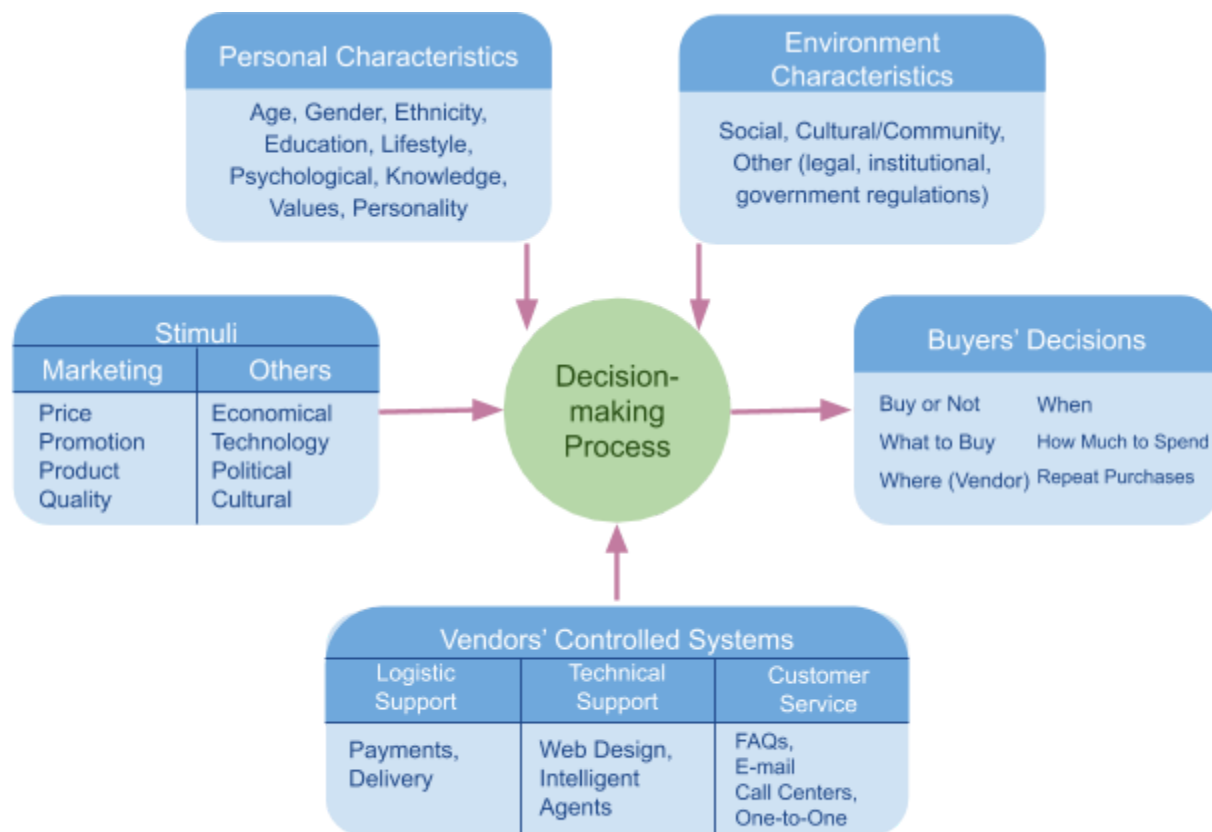


Figure1: Consumer Behavior Model

Section V: Methodology

5.1) Sampling Design

5.1.1) Population of interest

5.1.1.1) Target Respondents

The target respondents in this study are all customers who are interested in food delivery service in Bangkok and have ordered food from food delivery service, consumed RTE food or either at least two to three times per week.

5.1.1.2) Sampling Respondents

In this study, the sampling respondents consist of teenagers and a group of working people in Bangkok. The samples from the set of population are selected through random sampling. Moreover, this study will distribute the survey mainly through the online questionnaire since it is the most convenient way and this method can easily reach out to our target who is generally using a smartphone and connected with the internet.

5.1.1.3) Number of respondents

This paper collects the data from 150-200 respondents which have different demographic factors and consumer behavior.

5.1.2) Sampling Method

The data will be collected through online questionnaires from the sampling respondents and target respondents respectively. The online questionnaire will be distributed through LINE's groups and social media such as facebook, twitter and instagram.

5.1.3) Period of study

This study is in five-month period from January to May 2020, which is included the two-month period of collecting primary data

5.2) Data collection

5.2.1 Primary Data

The data will be collected from the sampling group through an online questionnaire.

5.2.2) Secondary Data

The existing related paper, research and information available on the internet will be applied as a reference for analyzing outcomes

5.3) Research Variables

$$\Pr(Y=j) = \text{DEM}_{ji}\alpha_j + \text{MAVR}_{ji}\beta_j + \text{FAVR}_{ji}\gamma_j + \text{POC}_{ji}\delta_j + \text{FDS}_{ji}\eta_j + \text{FPROM}_{ji}\theta_j + \varepsilon_i$$

Where $i = 1, 2, \dots, 189$ and $j = 0, 1, \dots, 4$

Table 1: The Variables of Each Factors Used in the Equation

Factors	Variables	Definition
Dependent Variables		
Frequency of using 7-11	Frequency of using 7-11	Frequency of order RTE food at 7-11
Independent Variables		
Demographic (DEM)		
Age	ud18	Respondent age under 18 years old (Yes = 1)
	btw18_24	Respondent age between 18-24 years old (Yes = 1)
	btw25_34	Respondent age between 25-34 years old (Yes = 1)
	btw35_45	Respondent age between 35-45 years old (Yes = 1)
	abv45	Respondent age above 45 years old (Yes = 1)
Location	low_d	Respondents live in low density areas where it has the population below 5,000 people per km ² . (Yes=1)

	mid_d	Respondents live in medium density areas where it has the population between 5,000 - 8,000 people per km ² . (Yes=1)
	high_d	Respondents live in high density areas where it has the population above 8,000 people per km ² . (Yes=1)
Occupation	std	Respondent is a student (Yes = 1)
	pbo	Respondent is a public officer (Yes = 1)
	pvo	Respondent is a private officer (Yes = 1)
	bo	Respondent is a business owner (Yes = 1)
	maid	Respondent is a maid (Yes = 1)
	unem	Respondent is unemployed/ retired (Yes = 1)
Family size	hhn	Family size or household number of respondent
Meal preference (MP)		
Variety of food	mp_vof	Respondent compare his or her meal preference in several characteristics of food between RTE from 7-eleven and food delivery service (7- eleven is much better, 7-eleven is better, 7-eleven and food delivery service are draw, food delivery service is better, food delivery service is much better)
Freshness	mp_fresh	
Taste	mp_taste	
Portion of food	mp_pof	
Cleanness	mp_clean	
Price	mp_price	
Meal preference average (MAVR _{ji})	mp_avr	Average score of total meal preference for each respondent (Range between 1 -5)
Facilities (FAC)		

Payment method	fac_pmt	Respondent compare his or her facility opinion in several characteristics between 7-eleven and food delivery service (7- eleven is much better, 7-eleven is better, 7-eleven and food delivery service are draw, food delivery service is better, food delivery service is much better)
Accessibility	fac_acs	
Speed of service	fac_sos	
Time of service available	fac_tsa	
Facilities average (FAVR _{ji})	fac_avr	Average score of total facilities for each respondent (Range between 1 -5)
Period of consumption (POC)		
Morning	rte_mrn	Respondents usually consume RTE food during 6.00-11.00. (Yes = 1)
Noon	rte_lunc	Respondents usually consume RTE food during 11.00-13.00 (Yes = 1)
Afternoon	rte_aft	Respondents usually consume RTE food during 13.00-16.00 (Yes = 1)
Evening	rte_evn	Respondents usually consume RTE food during 16.00-22.00 (Yes = 1)
Night	rte_night	Respondents usually consume RTE food during 22.00 onward (Yes = 1)
Frequency of using food delivery service (FDS)		
Frequency of using food delivery service	freq_fds	Frequency of using food delivery service
Promotion of food delivery service (FPROM)		
Promotion of food delivery service	fdprom	Promotion of food delivery service affect the respondent's decision to use food delivery service (Yes = 1)

Section VI: Result

From table 2, it consists of the variables, number of observations mean, minimum value, maximum value and standard deviation of each variable. The research has reached total of 251 respondents but since the target respondent are people who lived in bangkok, we excluded the respondents who live outside of the bangkok out, leaving the net respondents to study of 189 respondents. The variables include frequency of buying RTE food, frequency of using food delivery service, demographic, period of consumption, meal preference, facilities and food delivery service promotion.

Table 2: Summarized Table

Variable	Obs	Mean	Std. Dev.	Min	Max
freq_rte	189	1.132275	1.025456	0	4
freq_fds	189	-1.238095	.9517222	-4	0
btw18_24	189	.5767196	.4953913	0	1
btw25_34	189	.0952381	.2943232	0	1
btw35_45	189	.1216931	.3277994	0	1
abv45	189	.1851852	.3894795	0	1
hhn	189	3.941799	1.692222	1	10
low_d	189	.2751323	.447767	0	1
mid_d	189	.3068783	.4624234	0	1
high_d	189	.3439153	.4762749	0	1
rte_mrn	189	.2433862	.4302661	0	1
rte_lunc	189	.1322751	.3396895	0	1
rte_aft	189	.1322751	.3396895	0	1
rte_evn	189	.3439153	.4762749	0	1
rte_night	189	.037037	.1893542	0	1
mp_avr	189	3.664048	.5616236	1.667	5
fac_avr	189	2.720899	.69703	1	5
std	189	.4126984	.4936271	0	1
pbo	189	.047619	.2135245	0	1
pvo	189	.3439153	.4762749	0	1
bo	189	.0899471	.2868659	0	1
maid	189	.0529101	.2244485	0	1
unem	189	.037037	.1893542	0	1
fdprom	189	.7936508	.4057589	0	1

Table 3: Ordered Probit Result

VARIABLES	0	1	2	3	4
	Not buy RTE food mfx dydx	Buy RTE food 1 -2 times / week mfx dydx	Buy RTE food 3 -4 times / week mfx dydx	Buy RTE food 5 -6 times / week mfx dydx	Buy RTE food more than 7 times / week mfx dydx
freq_fds	0.0522* -0.0298	-0.0021 -0.0065	-0.0305* -0.0178	-0.006 -0.0042	-0.0136 -0.0086
btw18_24	0.0511 -0.0799	-0.0011 -0.0063	-0.0302 -0.0481	-0.006 -0.0099	-0.0138 -0.0226
btw25_34	-0.0241 -0.0859	-0.0002 -0.0058	0.0146 -0.0534	0.0029 -0.0111	0.0069 -0.0265
btw35_45	0.0938 -0.101	-0.0171 -0.0322	-0.0489 -0.0478	-0.0088 -0.0087	-0.0189 -0.0162
hhn	-0.0013 -0.0156	0.0001 -0.0006	0.0007 -0.0091	0.0001 -0.0018	0.0003 -0.0041
mid_d	-0.1093* -0.0585	-0.0076 -0.0178	0.0679* -0.0396	0.0142 -0.0104	0.0348 -0.0238
high_d	-0.0373 -0.0615	0.0005 -0.0048	0.0222 -0.0374	0.0044 -0.0077	0.0103 -0.018
rte_mrn	-0.2756*** -0.0498	-0.1210** -0.0597	0.1845*** -0.0419	0.0497** -0.0237	0.1625*** -0.0604
rte_lunc	-0.2356*** -0.0443	-0.1583** -0.0801	0.1678*** -0.0392	0.0497** -0.0249	0.1763** -0.079

This study applies an ordered probit model to estimate the result since it is the most appropriate model to study our dependent variables (Frequency of buying RTE food). The table 3 shows the ordered probit result which exhibits a marginal effect of five different frequencies and it shows the changes in the probability of each frequency subjected to the variables. Noted that the first column is the column which respondents do not buy ready to eat food from 7-eleven which means that the meaning of sign will be interpreted in the opposite way (The positive sign means that the probability not to buy ready to eat food from 7-eleven increases by x% while the negative sign means the probability of not buying RTE food decreases by x%). The column 2 shows the frequency of respondents that buy ready to eat food 1 - 2 times per week. The columns 3, 4 and 5 also show the frequency of buying ready to eat food from 7-eleven of respondents 3-4 times per week, 5-6 times per week and more than 7 times per week respectively. The interesting factors are discussed, including demographic (age, occupation, family size and location of respondents), frequency of using food delivery service, period of consumption, meal preference (variety of food, freshness, taste, portion of food, cleanness and price), facilities (payment method, accessibility, speed of service and time of service available) and promotion of food delivery service. Nevertheless, the meal preference and facilities were used in the averaged value of respondents to know whether it affects the frequency of ready-to-eat food or not.

First of all, by looking at the frequency of using food delivery service, the result shows that it has a negative relationship with frequency of buying ready-to-eat food from 7-eleven or dependent variables. The increase in one unit of `freq_fds` will cause an increase in the probability of not buying ready-to-eat food by 5.22% but it brings about an decrease in the probability of buying ready-to-eat food at 3.05% for the respondents who are buying ready to eat food 3-4 times per week at 90% level of confidence. The next variable to be discussed belonging to the demographic of respondents. For the age, the data was adjusted into the dummy variables, then the age of respondents who are above 45 years old was dropped and worked as a baseline. The age of respondents are surprisingly not statistically significant at all. However, age under 18 was removed due as there are no respondents whose age is under 18. The family size or household number also did not statistically significant to the dependent variable as well. The location of respondents, the data was grouped based on the population density which can be classified into

three types, low density, medium density, and high density. The data was set as dummy variables, low density was dropped to be a baseline. The result shows that the respondents who live in medium density have higher probability to buy ready-to-eat food from 7-eleven at 90% level of confidence by 10.93% for the respondents usually do not buy ready to eat food (Column 1) and 6.79% for respondents who buy ready to eat food from 7-eleven 3-4 times per week (Column 3). The last factor in the demographic that will be discussed is occupation. The occupation consists of students, public office, private officer, business owner, maid and unemployed/retired. The unemployed/retired was dropped and became a baseline. From Table 3, it can be easily seen that the respondents work as a maid, private officer and business owner have higher probability of buying ready-to-eat food than other occupations when these factors increase one unit, even the group of respondents that are not buying it compared to unemployed/retired. The probability of group of respondents that not buying RTE food increase 21.36%, 18.40% and 19.04% while group of respondents who buying RTE food 3-4 times per week increase 13.45%, 13.37% and 14.14% when the respondents have occupation as private officer, business owner and maid respectively.

The data of period of consumption was the time when respondents consumed the RTE food. The data was also set as a dummy variable, it means that there is one factor that needs to be dropped to be a comparing factor. For the period of consumption, the afternoon period was considered as a baseline. From table 2, it is easy to see that the morning, lunch and evening periods are statistically significant which are positive relationships to the dependent variable compared to the afternoon period, increasing the probability of frequency of buying RTE food. The reason behind this result may be the rushing hours of respondents.

Last but not least, the meal preference has a negative relationship to the dependent variable. The increase in one unit of meal preference decreases the probability of buying RTE food of the respondents even if the respondents are buying RTE food more than 7 times per week. The probability of frequency of buying RTE food decreased 9.03%, 5.27% and 2.36% for column 1, column 3 and column 5 respectively. The facilities were not statistically significant to the dependent variable. The reason is because the respondent may not take the facilities into consideration that much.

Table 4: Attitude towards food delivery application

Attitude towards food delivery service						
Statement	Preference	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
1.) Food delivery application is user-friendly and you do not face any problems while using it.	7-11	1.03%	3.09%	40.21%	43.30%	12.37%
	Food Delivery	1.11%	3.33%	28.89%	47.78%	18.89%
2.) Food that you received are same as shown in the application	7-11	0.00%	13.40%	51.55%	23.71%	11.34%
	Food Delivery	1.11%	6.67%	50.00%	34.44%	7.78%
3.) Ordering food through the application consumes less time than go getting food by yourself	7-11	0.00%	5.15%	27.84%	45.36%	21.65%
	Food Delivery	0.00%	7.78%	16.67%	38.89%	36.67%
4.) Food delivery applications is reliable	7-11	0.00%	5.15%	42.27%	43.30%	9.28%
	Food Delivery	1.11%	2.22%	31.11%	46.67%	18.89%
5.) You are willing to pay higher price if you can get the food at your front door	7-11	6.19%	7.22%	43.30%	32.99%	10.31%
	Food Delivery	2.22%	3.33%	31.11%	38.89%	24.44%
6.) You order food through application to try out new food	7-11	4.12%	14.43%	35.05%	32.99%	13.40%
	Food Delivery	5.56%	8.89%	26.67%	40.00%	18.89%
7.) You are willing to pay higher price for freshly cooked food	7-11	3.09%	5.15%	28.87%	48.45%	14.43%
	Food Delivery	2.22%	2.22%	22.22%	52.22%	21.11%

To understand consumer perception towards food delivery applications, Table 4 shows questionnaire results where Column 1 is the statement we ask respondents about their attitudes toward food delivery application. Column 2 is preference of respondents between food delivery and 7-eleven. Column 3 to column 7 show the percentage of respondents in each statement by their perception, the respondents assess from strongly disagree, disagree, neither agree nor

disagree, agree, strongly agree. We will analyze the result by each group and make a comparison between the group.

To begin with, respondents who prefer 7-eleven over food delivery. This group agrees that food delivery applications are easy to use, time-saving, trustworthy and they are willing to pay a premium price for freshly cooked meals. However, the majority of the respondents rate indifferent to three aspects, the food are the same as the image shown, willing to pay higher prices to get food at home and explore new food. These results indicate that even if the application itself is user-friendly, reliable and time-saving, the premium price for delivery service is still not worth enough. The value they give to the service is relatively low. Moreover, this group is likely to be more concerned about the expectation of food they will get, they seem to wonder if it is the same as shown in application, people who vote for disagree in this question are considerably higher than other statements with 13% of all respondents. Lastly, the majority of 7-eleven groups are still indifferent to the benefit of the application in order to explore new food.

For the respondents who prefer food delivery over 7-eleven, unsurprisingly, this group has agree toward all of the aspects about food delivery application except one aspects, similar to 7-eleven group, half of them tend to be indifferent on “Food that you received are the same as shown in the application”

In comparison from results of both groups, there are major differences in 2 aspects which are the use of application for trying out new foods and willingness to pay a higher price to get food at home which the majority of food delivery groups have voted in higher rate than 7-eleven groups.

Table 5: Attitude towards ready to eat food

Attitude towards Ready-to-eat food						
Statement	Preference	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
1.) RTE foods are bad for health	7-11)	2.06%	7.22%	42.27%	39.18%	8.25%
	Food delivery	2.22%	5.56%	32.22%	41.11%	17.78%

2.) You are willing to pay higher price for your favorite RTE menus	7-11	3.09%	10.31%	39.18%	35.05%	11.34%
	Food delivery	7.78%	4.44%	36.67%	33.33%	16.67%
3.) You buy RTE food to save your time	7-11	1.03%	4.12%	25.77%	40.21%	27.84%
	Food delivery	1.11%	8.89%	18.89%	41.11%	28.89%
4.) You choose to buy RTE food from 7-11 because it is standardized in every branches	7-11	3.09%	9.28%	47.42%	34.02%	5.15%
	Food delivery	5.56%	18.89%	40.00%	26.67%	7.78%
5.) You often buy RTE food to save it for other meals than fresh food	7-11	22.68%	19.59%	30.93%	19.59%	6.19%
	Food delivery	28.89%	27.78%	17.78%	17.78%	6.67%

Most of the respondents who prefer 7-eleven over food delivery are indifferent in all aspects of RTE food except one question which is “You buy RTE food to save time”. They agree that RTE food has saved their time.

For respondents who prefer food delivery over 7-eleven, these groups are more concerned about health effects that could result from eating RTE food and prefer to avoid RTE food as much as possible. Even the purpose of reserving RTE food for other meals which RTE food could do better than fresh food, this group of respondents strongly disagree in this aspect and prefer to consume fresh food over RTE food. However, they agree that RTE food help them to save time

In comparison, we can conclude that food delivery groups seem to be more worrisome about health effects from RTE food than 7-eleven groups and prefer not to buy fresh food even for reserving purposes. Moreover, both groups agree that RTE food has saved them time with their meal preparation.

Section VII: Conclusion

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