

Food delivery

The topic of this study is the future of the online food delivery service in Thailand. There are four main research questions which are 1)What is the market structure of the online food delivery service in Thailand? Who are the players?, 2)What is the nature of the business? How does it make profit?, 3) How competitive are the current players?, and 4) How likely is it for this industry to stay highly competitive?. The main research question of this paper is “How competitive are the current players?”. Researchers collect primary data from the in-depth interview for restaurants and drivers and gather secondary data from news, websites, articles, and relating research. The analytic tool adopted by this group is SCP paradigm which is used to illustrate industry’s structure, conduct, and performance.

The result of this paper shows that this industry is categorized as oligopoly whose four main current players. There is a high level of competition in this industry. The industry works as a two-sided market. Players in the industry adopt both non-pricing strategy , advertisement, and pricing strategies which are penetration pricing and price discrimination. The determinants of performance are number of downloaded applications, restaurants, and number of food ordered.

I think the research question is interesting since, nowadays, we are all familiar with food delivery applications, especially during this quarantine period. It would be good if we know the insight of this industry since it is quite new for Thai people. It is interesting that this kind of business grows really fast but, unfortunately, these players still loss. The economic theories used in this paper are penetration pricing and price discrimination. I think data collection method and analytic tool adopted in this paper is reasonable and appropriate. Their presentation is well prepared and quite smooth. Although they did a good job in comparing applications in many aspects such as the price charging, the advertisement, and the network effect, those tables should be more interesting, easy to read, and not contain too many words. I think their presentation covers all elements but it would be better if they can also interview restaurants to obtain the insight of the other side. The information from partnered restaurants may strengthen the result of the research.