

# Customer Satisfaction on Online Delivery Service in Olongapo City

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**Abstract:** *In today's state of affairs, there has been a marked shift from a focal point entirely on food to the quality of food delivery services offered as well, and customers are paying extra interest in how the food is delivered to them and what quality of service the restaurants or food delivery service organizations are providing. This study aims to define customer's expectations as what customers think should be offered by the online delivery service apps within Olongapo, which are: Ordermo, Foodpanda, and Groover, while customer's perception is defined as what they experienced in the applications and will be assessed after the performance. In this context, service quality is mainly focused on meeting the customer's needs and also how well the service offered meets the customer's expectations of it. The respondents of the study are 300 conveniently chosen residents of Olongapo City who use the services of the said online delivery apps. The primary data was accumulated through an online survey on social media platforms via electronic comprehensive surveys and questionnaires in Google Forms. The data gathered was tabulated and analyzed using weighted mean, and One-Way Analysis of Variance (ANOVA). Based on the findings, the three online delivery service apps have satisfactory results in both expectation and perception aspects. Meaning, the three ODS apps have provided satisfactory services to the users within Olongapo City, with Ordermo having the most users in regards to the SERVQUAL model. This study will help both the customer and the owner of the delivery service understand their needs and wants, as well as the future entrepreneurs who will try to venture into similar businesses by aligning their strategy to customers' demand.*

**Keywords**— food delivery service, customer's expectation, customer's perception, SERVQUAL model, online delivery apps, service quality

## 1. INTRODUCTION

In today's state of affairs, there has been a marked shift from a focal point entirely on food to the quality of food delivery services offered as well, and customers are actually paying extra interest in how the food is delivered to them and what quality of service the restaurants or food delivery service organizations are providing. Studies like that of Prabhash (2020); Kalimuthu and Sabari (2020); Beliya et al. (2019); Sethu and Saini (2016); Chorneukar (2016); Donkoh et al. (2012) depicted such perspective and notion. This type service especially this time of pandemic is a necessity since restriction of movements in the metro is implemented therefore residents need an alternative means to get their basic needs like food. Of course the service involved is not possible if there is no good working environment (Asio, 2021a) and team work in the organization (Asio, 2021b).

Observing the famous and developing trend of electronic commerce (Online Delivery Service), there is absolute confidence that businesses, including the ones selling food and basic necessities, can now use the Internet to interact with customers and benefit from a competitive edge. To measure customer perceptions of service quality, the SERVQUAL model, which was first developed by Parasuraman et al. (1988), has been extensively adopted. The SERVQUAL model consists of five dimensions, namely, tangibles, reliability, responsiveness, assurance, and empathy. Previous research on the measurement of e-service quality focused on the "rewording" of the unique scale items of the application of

the SERVQUAL model. Such application of the model includes the study of Sultana et al (2016).

Therefore, in this study, we will define customers' expectations as what customers think should be offered by the online delivery service apps within Olongapo, which are: ordermo, foodpanda, and Groover, while customers' perceptions will be defined as what they experienced in the applications, and this will be assessed after the performance. In addition, service quality is mainly focused on meeting the customer's needs and how well the service offered meets the customer's expectations of it.

The study is specifically designed to answer the following questions:

1. How may the respondents' experiences with online food delivery services in Olongapo City be described in terms of the SERVQUAL RATER:
  - a) Tangible
  - b) Reliability
  - c) Responsiveness
  - d) Assurance
  - e) Empathy
2. How may the three online delivery services be described in terms of customers' satisfaction?
3. Is there significant difference Customer Service Satisfaction on Online Delivery Service when grouped according to profile variables?

**2. METHODOLOGY**

This study will utilize a descriptive method of research through a survey questionnaire. A quantitative research method attempts to collect quantifiable information to be used for statistical analysis of the population sample. Asio (2022) also discussed that quantitative research method involves understanding certain characteristics of a population. It is a popular market research tool that allows researchers to collect and describe the nature of the demographic segment. This aims to classify features, count them, and construct statistical models in an attempt to explain what is observed. The target respondents of this study are the customers who use the online delivery services of Ordermo, Foodpanda, and Groover applications and are residents of Olongapo City. The researchers used convenience sampling, wherein 300 respondents participated in the Electronic survey questionnaires distributed to them. The SERVQUAL research questionnaire was adapted from the "SERVQUAL: A multiple-item Scale for measuring consumer perceptions of service quality", a research study conducted by Parasuraman et al. (1988).

The data gathered was tabulated and analyzed by the researchers using descriptive analysis. Frequency and percentage distribution were used to measure the profile of the respondents. The study used a weighted mean to determine the factors of customer satisfaction among the three online delivery services. It implies an average and it is the sum of a set of data divided by the number of data. One-Way Analysis of Variance (ANOVA) was used to determine whether there are significant differences among the three online delivery services when grouped according to the respondents' profiles with the application of the SERVQUAL model.

**3. RESULTS AND DISCUSSION**

The following table's shows the competitive analysis of the three online delivery services and the level of evaluation of the respondents on the online delivery services in Olongapo City with respect to the SERVQUAL mean. Specifically, this section measures the perception of customers towards the online delivery they are using. Perceptions of customers are based solely on what they receive from the service encounter. (Douglas and Conor, 2003 p. 16)

Table 1. Customer Service Satisfaction on Online Delivery Service in Terms of Tangibility

Tangibility	OrderMo	Groover	FoodPanda
Statement 1	4.6807	4.7907	4.7143
Statement 2	4.6687	4.7907	4.5604
Statement 3	4.6265	4.7674	4.6813
Statement 4	4.6988	4.8372	4.7033
Weighted Mean	4.6687	4.7965	4.6648

Verbal Interpretation	SA	SA	SA
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Legend: 1.00-1.79= Strongly Disagree; 1.80-2.59= Disagree; 2.60-3.39= Neutral; 3.40-4.19= Agree; 4.20-5.00=Strongly Agree

Table 1 shows that all three online delivery services received an evaluation of "Strongly Agree", this implies that all of them follows the safety and health protocols implemented during this time of pandemic. In this table it shows that Groover has the highest mean 4.7965 when it comes to tangibility dimension followed by Ordermo at 4.6687

Table 2. Customer Service Satisfaction on Online Delivery Service in Terms of Reliability

Tangibility	OrderMo	Groover	FoodPanda
Statement 1	4.6867	4.6977	4.6044
Statement 2	4.6386	4.7209	.5714
Statement 3	4.6928	4.7442	4.7253
Statement 4	4.6747	4.7209	4.6813
Statement 5	4.6807	4.7209	4.6703
Weighted Mean	4.6747	4.7209	4.6505
Verbal Interpretation	SA	SA	SA

Legend: 1.00-1.79= Strongly Disagree; 1.80-2.59= Disagree; 2.60-3.39= Neutral; 3.40-4.19= Agree; 4.20-5.00=Strongly Agree

Table 2 shows that all three online delivery services received an evaluation of "Strongly Agree", this implies that all of three online delivery services are performing the required service and for their customers as promised. In this table it shows that Groover has the highest mean 4.7209 when it comes to reliability dimension followed by Ordermo at 4.6747. Poor-quality delivery service, it's going to have a significantly negative impact on your reputation.

Table 3. Customer Service Satisfaction on Online Delivery Service in Terms of Responsiveness

Tangibility	OrderMo	Groover	FoodPanda
Statement 1	4.6566	4.7442	4.6703
Statement 2	4.6446	4.7442	4.6813
Statement 3	4.6807	4.7674	4.7033
Statement 4	4.6627	4.7442	4.7253
Weighted Mean	4.6611	4.7500	4.6951
Verbal Interpretation	SA	SA	SA

Legend: 1.00-1.79= Strongly Disagree; 1.80-2.59= Disagree; 2.60-3.39= Neutral; 3.40-4.19= Agree; 4.20-5.00=Strongly Agree

Table 3 shows that all three online delivery services received an evaluation of “Strongly Agree”, this implies that all of three online delivery services provide a responsive service. In this table it shows that Groover has the highest mean 4.7500 when it comes to responsiveness dimension followed by Foodpanda at 4.6611.

Table 4. Customer Service Satisfaction on Online Delivery Service in Terms of Assurance

Tangibility	OrderMo	Groover	FoodPanda
Statement 1	4.6386	4.6977	4.6703
Statement 2	4.6627	4.6977	4.6813
Statement 3	4.6747	4.8140	4.7033
Statement 4	4.6807	4.7674	4.7253
Weighted Mean	4.6642	4.7442	4.6429
Verbal Interpretation	SA	SA	SA

Legend: 1.00-1.79= Strongly Disagree; 1.80-2.59= Disagree; 2.60-3.39= Neutral; 3.40-4.19= Agree; 4.20-5.00=Strongly Agree

Table 4 shows that all three online delivery services received an evaluation of “Strongly Agree”, this implies that all of three online delivery services provide a service in accordance with the statement above. In this table it shows that Groover has the highest mean 4.7442 when it comes to assurance dimension followed by Ordermo at 4.6642. Assurance is the knowledge and courtesy of employees and their ability to inspire trust and confidence to customers.

Table 5. Customer Service Satisfaction on Online Delivery Service in Terms of Empathy

Tangibility	OrderMo	Groover	FoodPanda
Statement 1	4.6325	4.7209	4.5934
Statement 2	4.6807	4.7674	4.6044
Statement 3	4.6506	4.7442	4.6593
Statement 4	4.6446	4.8140	4.7033
Statement 5	4.6687	4.7674	4.6484
Weighted Mean	4.6554	4.7628	4.6418
Verbal Interpretation	SA	SA	SA

Table 5 shows that all three online delivery services received an evaluation of “Strongly Agree”, in this table it also shows that Groover has the highest mean 4.7628 when it comes to empathy dimension followed by Ordermo at 4.6554. This implies that all of three online delivery services provide a service that prioritize and value each customer individually.

The following tables show the expectation of the customers from the three online delivery service. Expectation is defined as what the customer feels the service provider “should” offer, in service quality it is viewed as the desire and wants of customer. (Douglas and Conon, 2003 p. 167).

Table 6. Customer Service Satisfaction on Online Delivery Service in Terms of Reliability

Tangibility	OrderMo	Groover	FoodPanda
Statement 1	4.8072	4.9302	4.8132
Statement 2	4.7470	4.8837	4.7143
Statement 3	4.7410	4.9070	4.7253
Statement 4	4.7651	4.9535	4.7802
Statement 5	4.7410	4.9302	4.7802
Statement 6	4.7410	4.9302	4.7363
Statement 7	4.7590	4.9302	4.7582
Statement 8	4.7289	4.9070	4.7802
Statement 9	4.7349	4.8837	4.7373
Statement 10	4.7410	4.9070	4.7363
Statement 11	4.7229	4.8605	4.7253
Statement 12	4.7470	4.9070	4.6923
Statement 13	4.7410	4.8837	4.7143
Statement 14	4.7279	4.9070	4.7143
Statement 15	4.7651	4.9070	4.6813
Statement 16	4.7530	4.9070	4.7033
Statement 17	4.7279	4.9070	4.7143
Statement 18	4.7108	4.8837	4.7363
Statement 19	4.7349	4.8837	4.7143
Statement 20	4.6988	4.8605	4.7143
Statement 21	4.7169	4.9070	4.7582
Statement 22	4.7229	4.8605	4.7363
Weighted Mean	4.7396	4.8996	4.7353
Verbal Interpretation	SA	SA	SA

Legend: 1.00-1.79= Strongly Disagree; 1.80-2.59= Disagree; 2.60-3.39= Neutral; 3.40-4.19= Agree; 4.20-5.00=Strongly Agree

Table 6 shows that all three online delivery services received an evaluation of “Strongly Agree”, this implies that all customers of three online delivery services agreed to all of the statement under expectation.

The overall expectation mean falls under the Likert Scale 4.21-5.00 which indicates that all respondents using the three online delivery service “Strongly Agree” about all the expectation statement above. In satisfaction literature, expectations are considered as “predictions” by customers about what is likely to happen during a particular transaction while in service quality literature, it is viewed as the desire and wants of customer, that is, what they feel a service provider “should” offer rather than “would offer”.

Table 7. Summary of Means of Customer’s Expectation, Perception and Gap Score

Dimension	Statement	Expectation Score	Perception Score	Gap Score
	TA1	4.8267	4.7067	0.12

Tangibility	TA2	4.7567	4.6533	-0.103
	TA3	4.7600	4.6633	-0.097
	TA4	4.7967	4.7200	-0.050
Reliability	RL1	4.7800	4.6633	-0.117
	RL2	4.7667	4.6300	-0.137
	RL3	4.7833	4.7100	-0.073
	RL4	4.7700	4.6833	-0.087
	RL5	4.7567	4.6833	-0.073
Responsiveness	RS1	4.7633	4.6733	-0.090
	RS2	4.7433	4.6700	-0.073
	RS3	4.7533	4.7000	-0.053
	RS4	4.7533	4.6933	-0.060
Assurance	AS1	4.7500	4.6533	-0.097
	AS2	4.7600	4.6567	-0.103
	AS3	4.7600	4.6833	-0.077
	AS4	4.7433	4.6833	-0.060
Empathy	EM1	4.7433	4.6333	-0.110
	EM2	4.7500	4.6700	-0.080
	EM3	4.7267	4.6667	-0.060
	EM4	4.7567	4.6867	-0.070

Table 7 shows the summary of customer’s expectation and perception and the computed gap score for each dimension. Expectations and perceptions were both measured using the 5-

point Likert Scale, whereby the higher numbers indicate a higher level of expectation or perception. In the table, it shows that expectation mean exceeded perception mean resulting to a negative gap score (Perception-Expectation).

Table 8. Significant Differences in the Customer Service Satisfaction on Online Delivery Service

Variables	Tang.	Relia.	Respon	Assuranc	Empath
Age	2.720* (.030)	3.676* (.006)	4.558* (.001)	4.486* (.002)	5.684* (.000)
Gender	2.288* (.023)	1.952 (.052)	1.613 (.108)	1.316 (.189)	2.022* (.044)
Civil Status	2.316 (.100)	3.024* (.050)	2.781 (.064)	2.593 (.076)	2.585 (.077)
Employment Status	5.797* (.001)	8.397* (.000)	6.466* (.000)	6.435* (.000)	4.679* (.003)
Monthly Income	1.481 (.220)	1.984 (.116)	1.939 (.123)	2.436 (.065)	2.357 (.072)
Location	2.683* (.001)	2.040* (.011)	1.819* (.029)	1.784* (.033)	2.212* (.005)

\* $p < .05$

Based on table 8, there was a significant difference observed among the five variables of SERVQUAL when they are grouped according to demographic profiles of the respondents. Age obtained significant variations among the respondents in terms of tangibility, reliability, responsiveness, assurance and empathy. In terms of gender, tangibility and empathy revealed substantial result. For civil status, only reliability produced a significant result. In terms of employment status, significant findings were found among the five variables. And lastly for location, all of the five variables generated significant results. Only Monthly income did not produced a substantial score to elicit significant differences among the five variables of SERVQUAL.

#### 4. CONCLUSION

Based on the results of the study, the respondents’ experiences and satisfaction with the three online delivery services were all affirmative and in general, responded “strongly agree” in all dimensions of SERVQUAL model.

On the other hand, significant differences were observed in general in the area of age (tangibility, reliability, responsiveness, assurance, and empathy); gender (tangibility and empathy); civil status (reliability); employment status (tangibility, reliability, responsiveness, assurance, and empathy); and location (tangibility, reliability, responsiveness, assurance, and empathy).

## 5. Recommendation

After the conclusions were drawn, the following recommendations are posited:

- 1) The Customers or people using Delivery Services should carefully look into the profile of Delivery Services, especially those which are identified in this study. This is to assist them with their preferences in choosing which Delivery Service they will take.
- 2) Delivery Services employees should also focus on enhancing their services in diversified customers in different locations. This will further eliminate or at least reduce the level of customer complaints particularly on the areas of Reliability, Responsiveness, Assurance, and Empathy.
- 3) Delivery services should consider enhancing their service qualities through trainings intended to increase their service quality that is reliable and dependable.
- 4) Delivery Services Providers should develop their communication skills to customers and should always maintain quality service that offers customers' satisfaction beyond expectation.
- 5) Delivery Services Providers need to be responsive to the needs of the people they serve by maintaining food carrier safety standards and following health and sanitation protocols especially this time of pandemic.
- 6) There should always a need for re-evaluation of Delivery Services Providers. This should be done by concerned agency in the locality of Olongapo City. Services' requirements should be designed to address infectivity of the delivery applications so that people can rely on them.
- 7) A related research or study associated with Quality Delivery Services should be explored to enhance and progress the level of quality service for customers' satisfaction

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