

PURCHASE INTENTION TOWARDS ONLINE FOOD DELIVERY APPLICATIONS AMONG YOUTHS IN MALAYSIA

Mahathir Muhamad ¹
Sandhya Parameswaran ²
Abd Aziz Bin Mat Hassan ³
Zulkarami Che Musa ⁴
Mohd Zulkifli Muhammad ⁵
Muhammad Naqib Bin Mat Yunoh ⁴

¹ Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan, Malaysia
Email: mahathir.m@umk.edu.my

² Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan, Malaysia
Email: sandhya.a18a0811@siswa.umk.edu.my

³ Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan, Malaysia
Email: abdaziz.mh@umk.edu.my

⁴ Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan, Malaysia
Email: zul@umk.edu.my

⁵ Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan, Malaysia
Email: zulkifli.m@umk.edu.my

⁶ Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan, Malaysia
Email: naqib@umk.edu.my

Article history

Received date : 13-10-2024
Revised date : 14-10-2024
Accepted date : 4-12-2024
Published date : 15-12-2024

To cite this document:

Muhamad, M., Parameswaran, S., Mat Hassan, A. A., Che Musa, Z., Muhammad, M. Z., & Mat Yunoh, M. N. (2024). Purchase intention towards online food delivery applications among youths in Malaysia. *Journal of Islamic, Social, Economics and Development (JISED)*, 9 (68), 61-69.

Abstract: *Online food delivery application is very common among youth nowadays all around the world. In Malaysia, there are many types of food delivery applications that have become the daily use of many people including youths. The biggest influences youths buying from online food delivery applications is because of their purchase intention towards it. So, this study was conducted to understand the purchase intention of youths towards food delivery applications and the main objective is to identify the relationship between the independent variables which are price value, time saving orientation and visibility with purchase intention. Convenience sampling is used in data collection through questionnaires made using Google Forms and distributed through social media platforms such as WhatsApp and Instagram. A total of 384 respondents were involved in this study which consists of active youth users of food delivery application in Malaysia. Descriptive test, Reliability test, normality test and Spearman correlation analysis were performed using SPSS version 26. The results of this study found that there is a positive relationship between independent variables and dependent variables.*

Keywords: *Purchase Intention, Online food delivery applications, Youths, Price Value, Time saving orientation, Visibility*

Introduction

Since the dawn of the industrial revolution in the 18th century, technology has played a key role in a wide range of industries. In many instances, technology has replaced human jobs because of its ability to generate quick and efficient output with limited resources and, in many situations, a safer working environment for people. Numerous sectors have begun to employ machinery and equipment to manage their everyday process more effectively, as well as to lessen the risk and wastage, as a result of the Internet's new paradigm change toward the use of technology. The Internet has given a moment of opportunity to contact with individuals all over the world without regard to time or geography, allowing anyone to conduct viable and direct commercial opportunities through a virtual platform. Consumers' online purchase (e-purchase) behaviour (also known as electronic commerce (ecommerce)) has spiralled upwards as consumers realise the power of e-purchase is just a click away, given the fast advancement and use of the Internet. Service providers can no longer depend just on cost to meet rising client expectations for pricing and quality. They must, however, be able to effectively manage the supply chain and gain a deeper understanding of their consumers' needs. Through online food delivery from a particular restaurant to the desired location, online ordering service applications have helped consumers remove redundant processes. Researchers throughout the world have been focusing on online buying behaviour, but there hasn't been much research done on food app supply chain management (Yeo et al., 2021). There is a lack of research in term of purchase intention towards food delivery applications especially among youths in Malaysia. Food delivery applications (FDAs) are a subset of online meal delivery (OFD) platforms, which include both restaurant to consumer delivery and food-ordering platforms (aggregator-to-consumer delivery). These platforms collectively represent online-to-offline (O2O) services. FDAs are utilised for 15 million food deliveries per day in China and 1 million food deliveries per day in India, indicating their expanding popularity.

Literature Review

Purchase Intention

Purchase intention can be influenced by several factors such as perceived price, perceived value, perceived quality and also perceived intention (Chang & Wildt, 1994). Purchase behaviour is the key point for a customer to buy a product. Brand names and also symbols are the ones that can create a positive intention among the customers. This will also help the brands to spread among users through word of mouth from their loyal customers. Product quality is also a main key point for the customers to consider. Product quality will help the brand to increase their service and also increase the customer satisfaction towards their brand and product. Furthermore, promotional mix is a subset from 4p (price, place, product and promotion) which can be crucial to increase the purchase intention towards a brand or a product. Promotional mix can increase the possibility of consumers to get to know the product and increase the curiosity to buy them and try it.

Price Value

Consumers always tries to save their money when they buy food or things. They tend to save their money through discounts and free gifts during their purchase (Prabowo & Nugroho, 2019). A study by Tversky and Kahneman mentioned by Prabowo & Nugroho, has discovered that consumers are willing to travel far for a cheaper food. The most important factor user uses the food delivery app is because of the price value and also the discount given through the app that make them save money and have the food that is worth of the price they pay (Saad, 2020).

H0: There is a negative significant relationship between price value and purchase intention towards online food delivery among youths in Malaysia.

H1: There is a positive significant relationship between price value and purchase intention towards online food delivery among youths in Malaysia.

Time Saving Orientation

In this fast-paced lifestyle we are living in now, the online food delivery apps are used to save the consumers time to cook and prepare for the cooking and also the cleaning up time becomes less (Yeo et al., 2017). Considering the numerous tasks that people handle every day, efficient time management becomes crucial, influencing their buying behavior (Bashir, 2015; Settle & Alreck, 1991). According to Bashir (2015), those with hectic schedules tend to prefer products or services that allow them to save time. Some of them save a lot of time by using this third-party delivery service. Also, Yeo et al., (2017) has mentioned that in United states of America, 2 out of 3 meals are consumed when they're away from home. This means that many of them are too busy to cook up at home thus, this online food delivery app helps them out to have food and also save time. Yeo et al., (2017) has also said that the online food delivery is very much favourable to the consumers because it's easy, speed and also accurate order taken. This also helps the consumers who are living in a big city to easily avoid traffic jams and time waste during the jams.

H0: There is a negative significant relationship between time saving orientation and purchase intention towards online food delivery among youths in Malaysia.

H2: There is a positive significant relationship between time saving orientation and purchase intention towards online food delivery among youths in Malaysia.

Visibility

Visibility help the consumer to create a curiosity in what they see. So, this will create a curiosity to consumers to order what others have ordered on their online food delivery apps. This also represents the promotional aspects such as promotion advertisement. This would create more and more curiosity in the consumers mind to try out the new promotional food showed in the ad (Kaur et al., 2021). It is also stated that visibility is the most effective purchase intention factor can have been discovered. This is because the appealing promotional advertisements that causes the curiosity to the consumers makes them to try it out as soon as possible (Tandon et al., 2021).

H0: There is a negative significant relationship between visibility and purchase intention towards online food delivery among youths in Malaysia.

H3: There is a positive significant relationship between visibility and purchase intention towards online food delivery among youths in Malaysia.

Conceptual Framework

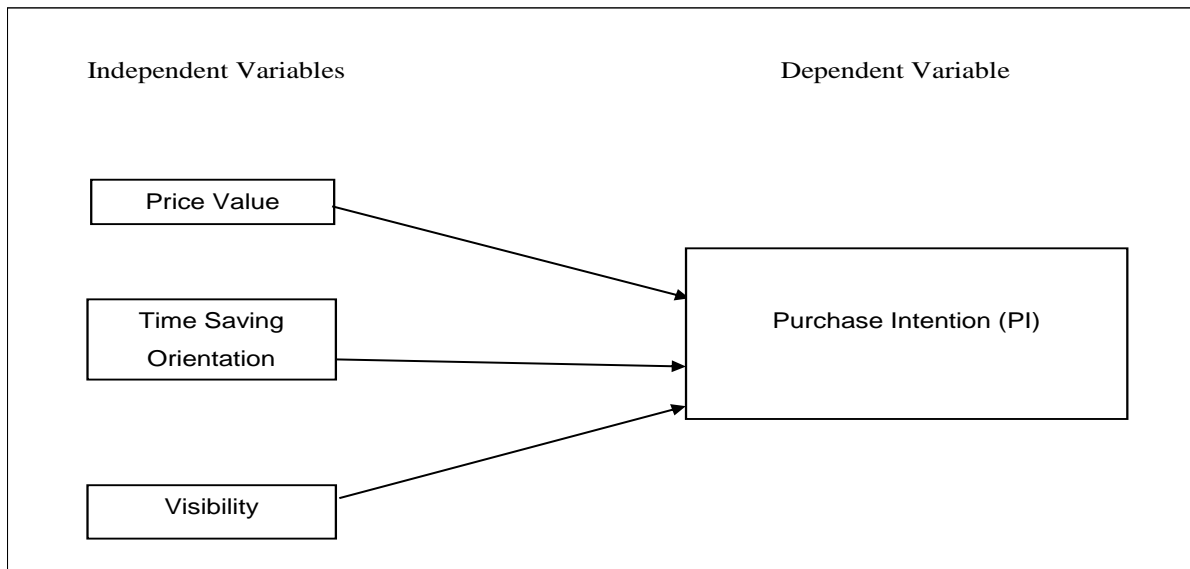


Figure 1: Conceptual Framework of purchase intention Towards Online food delivery applications among youths

Methodology

Research Design

Research design plays a part as a bridge between the research question and the particular research. Research design is plan that guides the arrangement and data collection in the element without distracting the purpose of the research. In general, research design can be characterized as a framework for planning and carrying out a study (Durrheim, 2006). The quantitative approach generates statistics by utilizing tools such as questionnaires. A structured questionnaire was created to collect information on the purchase intention towards food delivery applications among youths in Malaysia. The information was then examined using SPSS in order to acquire numerical measurements and uncover the relationship.

Data Collection

As mentioned by (Yang et al., 2006) there are two types of data collection method which is primary data and secondary data. Primary data has been taken from online questionnaire through Google Form. Secondary data obtained the data of population in Malaysia from the website called Knoema (Knoema, 2020).

Sample Size

The target population for this study is people between the ages of 15 and 24, who live all around Malaysia. The most acceptable sample size for this study is 384, which is based on the (Krejcie & Morgan, 1970) table, given the population size of about 5532.83 million people. Researcher managed to collect all 384 respondents within the time given.

Research Instrument

The questionnaire consists of two parts, namely Section A and Section B. Section A collects data on the personal details of the respondents which include gender, age, occupation, and others. Section B is about independent variables, namely price value, time saving orientation, and visibility while the dependent variables is about purchase intention. There are five questions

formed for one variable and four question for other variables in this study questionnaire. Nominal scale has been used in Section A. The interval scale is applied to Section B using 5-Point Likert Scale.

Procedure for Data Analysis

Researchers used Statistics Programmers for Social Science (SPSS) version 26 to calculate the data faster and easier. Pilot test, descriptive analysis, reliability test, and Spearman correlation analysis is a type of data analysis used in this study

Result and Data Analysis

Demographic Profile

For respondents of this study table below shows that the demographic profile and screening question of the respondents of 384 participants among youths who knows about and uses online food delivery applications. This can be seen by frequencies and percentage for every demographic analysis.

Table 1: Descriptive of Demographic Analysis.

No. Category	Details	Frequency (384)	Percentage (%)
1. Gender	Male	179	46.6
	Female	205	53.4
2. Age	15-19 Years old	169	44
	20-24 Years old	215	56
3. Occupation	Employed	173	45.1
	Unemployed	22	5.7
	Student	189	49.2
4. Usage of smartphone	Yes	378	98.4
	No	6	1.6
5. Are you a food delivery application user	Yes	342	89.1
	No	42	10.9

Reliability Test

Table 2: Reliability Test

Variable	Number of Item	Cronbach's Alpha	Internal Consistency
Dependent Variable Purchase Intention	4	0.890	Good
Independent Variable Price Value	5	0.898	Good
Time Saving Orientation	4	0.889	Good
Visibility	4	0.884	Good

Table 2 shows the results of independent variables and reliability analysis of dependent variables for this study. Cronbach's Alpha results for price value is 0.898, followed by 0.889 for time saving orientation and for visibility is 0.884. Next, the Cronbach's

Alpha result for the dependent variable which is purchase intention is 0.890. As a result, the dependability coefficients found in this study are reliable and acceptable.

Correlation

Pearson's coefficient of correlation (PCC). PCC is a statistic that assesses the strength and direction of a linear relationship between two random variables (Benesty et al., 2008). Researchers used Spearman correlation analysis in this study to analyze the relationship between the dependent and independent variables. The association between each variable and price value, time saving orientation, and visibility will be evaluated using Spearman correlation analysis. When the population is measured, the Spearman correlation sign is " ρ ". The symbol is " r_s " when measured in a sample. Because it will almost entirely deal with samples, Spearman's " r_s " will range from -1 to 1.

Table 3: Spearman's Correlation Analysis

		Mean Purchase Intention	Mean Price Value	Mean Time Saving Orientation	Mean Visibility
Mean Purchase Intention	Spearman Correlation	1.000	.661**	.671**	.642**
	Sig. (2 Tailed)		.000	.000	.000

Table 3 shows the Spearman correlation analysis that has been used to determine whether the independent variable which are price value, time saving orientation and visibility is statistically significant with the dependent variable which is online purchase intention.

Discussion

Price Value

Based on Table 3, the first hypothesis displays that the relationship between price value and purchase intention towards online food delivery among youths in Malaysia is positive relationship as of result of the significant value, ρ , for this analysis is lower than the alpha root (0.01) which is 0.000. From this significance, most of the respondents agree that price value do give an effect on purchase intention towards online food delivery among youths in Malaysia. The result of correlation coefficient for price value and purchase intention towards online food delivery is 0.661 and according to the strength value of correlation coefficient taken from Dinglasa (2020) this shows a strong strength of correlation between price value and purchase intention among youths towards online food delivery application in Malaysia.

Time Saving Orientation

Based on Table 3, the second hypothesis displays that the relationship between time saving orientation and purchase intention towards online food delivery among youths in Malaysia is positive relationship as of result of the significant value, ρ , for this analysis is lower than the alpha root (0.01) which is 0.000. From this significance, most of the respondents agree that time saving orientation do give an effect on purchase intention towards online food delivery among youths in Malaysia. The result of correlation coefficient for time saving orientation and purchase intention towards online food delivery is 0.671 and according to the table strength value of correlation coefficient taken from Dinglasa (2020) this shows a strong strength of

correlation between time saving orientation and purchase among youths towards online food delivery application.

Visibility

Based on Table 3, the third hypothesis displays that the relationship between visibility purchase intention towards online food delivery among youths in Malaysia is positive relationship as of result of the significant value, ρ , for this analysis is lower than the alpha root (0.01) which is 0.000. From this significance, most of the respondents agree that visibility do give an effect on purchase intention towards online food delivery among youths in Malaysia. The result of correlation coefficient for between visibility and purchase intention towards online food delivery application is 0.642 and according to the table strength value of correlation coefficient taken from Dinglasa (2020) this shows a strong strength of correlation between visibility and purchase intention among youths towards online food delivery application.

Hypotheses Testing

Table 4: Summary of Hypothesis Testing

Hypothesis	Spearman Correlation	Result
<p>H₀: There is a negative significant relationship between price value and purchase intention towards online food delivery among youths in Malaysia.</p> <p>H₁: There is a positive significant relationship between price value and purchase intention towards online food delivery among youths in Malaysia.</p>	0.661	H ₁ accepted
<p>H₀: There is a negative significant relationship between time saving orientation and purchase intention towards online food delivery among youths in Malaysia.</p> <p>H₂: There is a positive significant relationship between time saving orientation and purchase intention towards online food delivery among youths in Malaysia.</p>	0.671	H ₂ accepted
<p>H₀: There is a negative significant relationship between visibility and purchase intention towards online food delivery among youths in Malaysia.</p> <p>H₃: There is a positive significant relationship between visibility and purchase intention towards online food delivery among youths in Malaysia.</p>	0.642	H ₃ accepted

Recommendation and Conclusion

In future research, the sample size of the study could be increased to achieve an even higher degree of accuracy and a narrower margin of error. In order to gather more respondents who, use online meal delivery apps, future studies could be based on a larger sample and conducted over a longer period of time. In addition, future research can concentrate on a few data collection approaches, such as using various assessment devices, such as the survey, the analyst

can conduct a central gathering and top-to-bottom meetings, and use the open-ended poll. Instead of depending on a single methodology, the researchers can learn more about the consumer's perspective of online meal delivery applications by conducting a direct interview and an open-ended questionnaire. The result can be more grounded if different estimation methodologies are used instead of just one methodology.

When it comes to variable recommendations, the independent variable price value is the most important variable for the study. Future researchers should focus on exploring what makes price value the most relevant by studying the backdrop of every demographic profile, such as the association between employment and price value or the relationship between age and price value, according to the researchers. Future researchers could look into the relationship between the time frame in which a responder has money and the price value.

This research was conducted to figure out purchase intention towards food delivery application among youths in Malaysia and also aim to identify the relationship between three independents of the study which is price value, time saving orientation and also visibility. Researchers have collected data and distributed questionnaires made in Google Form through social media platforms such as WhatsApp, Instagram, Twitter and Facebook to a certain group of users that fit the scope of study. In this study, there are three hypotheses developed to test the relationship between the dependent variable and the independent variable. Researchers have used probability sampling which is convenience sampling in the collection of respondent's data because convenience sampling is a sample where respondents willing volunteer to answer the questionnaire. The minimum sample for this study is 384 people. The researcher has managed to obtain responses from the respondents in total of 384. Descriptive analysis, reliability tests and Spearman correlation analysis were executed using IBM SPSS 25 software. The results of the Spearman correlation analysis have shown that there is a positive relationship between the variables (price value, time saving orientation and visibility) to the dependent variables (purchase intention). This study becomes beneficial in all three recipient which are food delivery applications, consumers and researcher because of the new understanding and new knowledge it provides to them either directly or indirectly.

Acknowledgement

With the generous support and assistance of many people, this thesis becomes a reality. I'd want to express my heartfelt gratitude to each and every one of them. First and foremost, I want to thank our God for the wisdom, strength, peace of mind, and good health that he has bestowed upon me in order to complete this research. I'd want to convey my gratitude to my family, my mom, my dad and my sister for their support and encouragement in helping me finish this thesis. My loving and supportive parents, who were always there for me when I needed them the most and assisted me greatly in completing this research. I'd want to convey my gratitude and appreciation to my supervisor, Sir Mahathir Bin Muhamad, for sharing his knowledge and expertise with me. I would also like to thank all my respondents who helped me with research and cooperation during my research.

Reference

- Bashir, D. R., Mehboob, I., & Bhatti, W. K. (2019). Effects of online shopping trends on consumer-buying behavior: An empirical study of Pakistan. *Journal of Management and Research*, 2(2), 1–24. <https://doi.org/10.29145/jmr/22/0202001>
- Benesty, J., Chen, J., & Huang, Y. (2008). On the importance of the Pearson correlation coefficient in noise reduction. *IEEE Transactions on Audio, Speech, and Language Processing*, 16(4), 757-765.
- Chang, T.-Z., & Wildt, A. R. (1994). Price, product information, and purchase intention: An empirical study. *Journal of the Academy of Marketing science*, 22(1), 16-27.
- Dinglasa, R. A. (2020). Cultural and Emotional Intelligence: Its Role in the Cross-Cultural Adjustment of Filipino Expatriates in the Kingdom of Saudi Arabia. *International Journal of Human Resource Studies*, 10(1), 276303-276303.
- Durrheim, K. (2006). Research design. *Research in practice: Applied methods for the social sciences*, 2, 33-59.
- Kaur, P., Dhir, A., Talwar, S., & Ghuman, K. (2021). The value proposition of food delivery apps from the perspective of theory of consumption value. *International Journal of Contemporary Hospitality Management*.
- Knoema. (2020). *Malaysia - Total population aged 15-24 years*. Retrieved 8/11/2021 from <https://knoema.com/atlas/Malaysia/topics/Demographics/Age/Population-aged-15-24-years>
- Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and psychological measurement*, 30(3), 607-610.
- Prabowo, G. T., & Nugroho, A. (2019). Factors that influence the attitude and behavioral intention of Indonesian users toward online food delivery service by the Go-Food application. *Advances in Economics, Business and Management Research*, 72, 204-210.
- Saad, A. T. (2020). Factors affecting online food delivery service in Bangladesh: an empirical study. *British Food Journal*.
- Settle, R. B. and P. L. Alreck (1991). F-A-S-T: A Standardized Measure of Time Traits. *Special Conference on Time and Consumer Behavior*, Val-Morin, QC, Canad
- Tandon, A., Kaur, P., Bhatt, Y., Mäntymäki, M., & Dhir, A. (2021). Why do people purchase from food delivery apps? A consumer value perspective. *Journal of Retailing and Consumer Services*, 63, 102667.
- Yang, Z., Wang, X., & Su, C. (2006). A review of research methodologies in international business. *International Business Review*, 15(6), 601-617.
- Yeo, S. F., Tan, C. L., Teo, S. L., & Tan, K. H. (2021). The role of food apps servitization on repurchase intention: A study of FoodPanda. *International Journal of Production Economics*, 234, 108063.
- Yeo, V. C. S., Goh, S.-K., & Rezaei, S. (2017). Consumer experiences, attitude and behavioral intention toward online food delivery (OFD) services. *Journal of Retailing and Consumer Services*, 35, 150-162.