

Brand Equity: A Study of Food Delivery Apps in Aurangabad with special reference to Zomato & Swiggy

Pooja Deshmukh

Associate Professor & Research Coordinator
Institute of Management & Research
MGM University, Aurangabad, Maharashtra

Abstract: *The rise in the competition has ultimately changed the buying habits and purchasing decision making process of the consumers and has put more weight on the brand than any other product feature. This process has not only made the brand one of the most indispensable assets of the company but has also made marketers include strategies to build robust assertive brand equity. Food product awareness, loyalty, and perceived value are acknowledged widely as critical concerns by consumers and even service providers. Brand equity is the value of a brand or a review as the perceived expensive brand has positive brand equity. It can charge more for the products and services than the generic products or other competitors. The research has been conducted to find out the best food app in Aurangabad District, and compared two brands, i.e., Zomoto and Swiggy. The study further focuses on finding the differences between Brand Awareness, Brand Loyalty, and Perceived Values. This paper is also helpful to understand the role of awareness of brand loyalty becomes greater when customers are more aware of a brand.*

Keywords: *Brand Equity, Food Delivery, Brand Awareness and Brand Loyalty*

Introduction

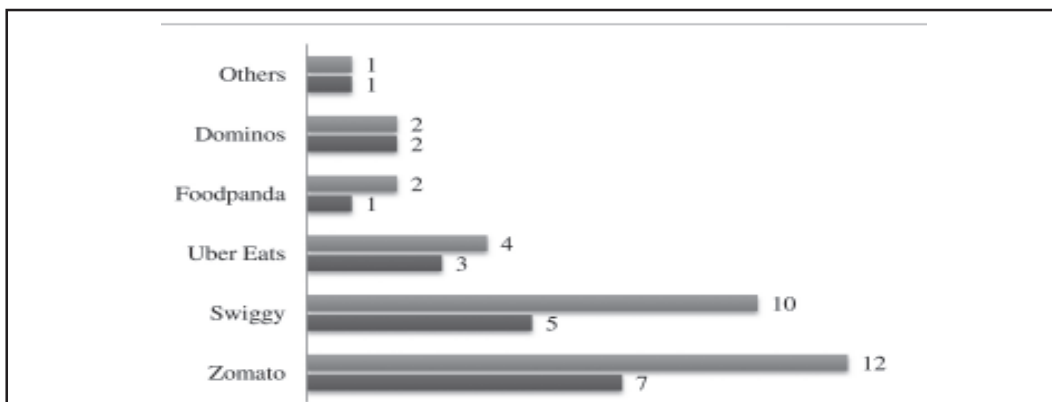
In the exceedingly modest business environment, military organizations have to distinguish themselves amongst their competitors to confirm their enduring existence and victory. Consequently, envisioning a tough brand has become the main concern for several prosperous enterprises as well. Unquestionably, nowadays, in the era of rapidity in the field of information technology, product similarity, and propagation, in the use of social media and access to unreserved information around the globe, globalization, and increase in the level of education, and emphasis on informed customers, firms are predicted to give more solid rationalization to customers. Indeed, they have no stress-free way left, without businesses modernly generate value via a brand trust (BT). On the whole, it is a condemnation of the customers that the brand will satisfy/perform the main functions and offers core benefits

Why Food Apps?

India is currently witnessing a Food Tech revolution. The increase in the country's urban population, coupled with the growth of nuclear families where both partners are working professionals, has led to a growing demand for Food Tech services such as on-demand delivery, cloud kitchen and food/restaurant discovery. Coronavirus pandemic has also led to reduced customer walk in at many public places, including restaurants and other food outlets. During this time, people want to get the most out of their gadgets by staying at home.

After technology startups have made their mark in the e-commerce, taxi and real estate sectors, now the ever-hungry Indian entrepreneurs are looking to satiate the appetite of others. Food tech is a vast market and food delivery startups are just a part of it.

Food Delivery Apps penetration across India in 2018 and 2019 respectively



Source: <https://scroll.in/article/930862/in-charts-who-leads-the-race-between-zomato-and-swiggy-and-where>

Over the last year, the food-delivery sector has witnessed a substantial 7% growth in Smartphone install base. The penetration of these apps is also higher in tier-2 cities than in metros.

Brand Equity

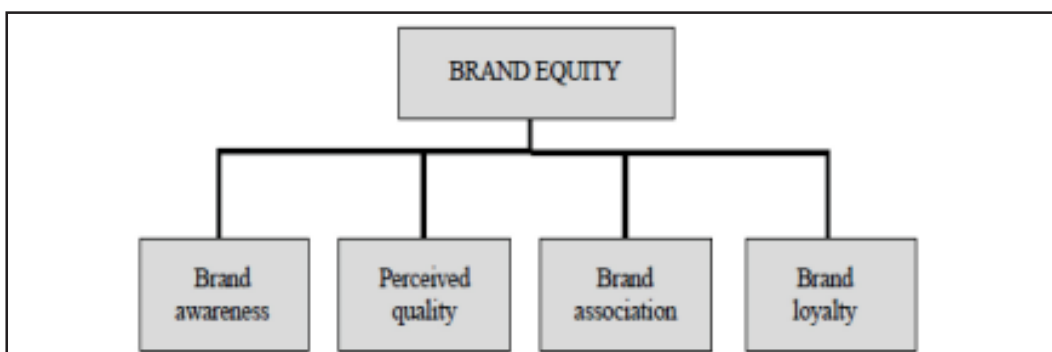
According to Mr. Aakar ‘Brand equity’ is a term used to describe the value of having a recognized brand, based on the idea that firmly established and reputable brands are more successful. More specifically, it’s a set of brand assets and liabilities linked to a brand name and symbol which add to or subtract from the value provided by a product or service.

The importance of brand equity has been recognized in the marketing literature for at least three decades as an intangible asset that promotes firm performance.

Connecting “brand” to the concepts of “equity” and “assets” radically changed the marketing function, enabling it to expand beyond strategic tactics and get a seat at the executive table. To help break down brand equity and provide details about how the term is used in the marketing industry, we’ve outlined how it all came into place, why it’s so valuable and a roadmap for success.

Why is Brand Equity is so Valuable

It enhances the customer’s ability to interpret and process information, improves confidence in the purchase decision and affects the quality of the user experience. The fact that it provides value to customers makes it easier to justify in a brand-building budget. This model provides one perspective of brand equity as one of the major components of modern marketing alongside the marketing concept, segmentation, and several others.



Awareness

Can consumers easily identify your brand? Messaging and imagery surrounding your brand should be cohesive so consumers can always identify it, even for a new product. What kind of values do consumers associate with the brand? Perhaps they think of sustainability, quality, or family friendly qualities.

Perceived Quality

The term refers to the quality that customers acknowledge via the look, the touch, and the feel of a car. For example, in a showroom, the customer would first take a glance around the car, then open the door, sit on the seat, and check the quality of the details.

Brand Association

The goal of brand association is to have a brand linked with positive attributes. Brand association builds value and equity for a company brand. It ultimately makes consumers aware of brand quality.

Brand Loyalty

This is present when a customer continues to purchase from your company, not because you're the only option, but because they trust your company.

Health considerations have significantly impacted the food industry forcing brands to change their product offerings to adapt to the changing demands of the Indian consumer. Since the universe of food is much larger and complex than the content we consume, it too needs technology as an enabler in helping consumers make the right choices.

Literature Review

Parashar and Ghadiyali (2002) stated that a huge rise in digital technologies has given rise to the industry because of which Zomato has become one of the most popular online food ordering service. With the boom in the digital industry, market size of food is expected to reach Rs. 42 lac crore by 2020. These apps should also be trustworthy. One more major reason for the customers getting attracted towards these apps is the special offers given to them. The best way for the marketer to promote these apps is through social media.

J. Das (2018) has studied, analyzed and compared the top 4 food delivery apps namely, Zomato, Swiggy, Foodpanda and UberEats. "Providing better discounts" and "better choices of restaurants," Zomato is positioned at the top by the customers. Zomato is also positioned at the top by the customers while considering delivery time and good customer service. In both the situations, customers ranked UberEats at the last position.

Filareti Kotsi, Steven Pike (2018), the study aimed to contribute to the destination marketing literature by testing CBBE theory in the context of stopover destination for the long haul international air travelers. The questionnaire was distributed to collect the data from the respondents of Australia and France. The findings suggest destination brand awareness, image and brand value are positively related to additional destination loyalty. As relatively new stopover destination for long haul travelers, Dubai was perceived more positively by previous visitors than those who never visited the destination.

Madhobi Hossain, Kazi Md Dahim Ahmed (2018), the study investigated whether brand equity dimensions have any relation with the buying behaviour of consumers who belong to millennial generation. The data was collected from 154 respondents by distributing questionnaires. The result states that there is a positive correlation between all the factors, including the 4 brand equity elements and consumer buying behavior. They concluded that millennials, when buying smartphones are moderately influenced by their awareness towards brands.

Palwinder Kumar, Dr. Shelly Rekhi (2018), the paper provided a detailed report on branding importance, maintaining trust, consistency and expectations on consumer's mind. The objective of the study was to examine the existing literature on branding, examine customer's attitude and behaviour related to branding. The data was collected from 150 respondents by distributing questionnaire. They suggested that customers buy brand product when quality is important to them. Therefore, they conclude that the company

should do more advertisement than other means of publicity to create more awareness about brand.

Naeem Akhtar, Qurat-Ul-Ain, et al. (2016), the objective of the study was to investigate the impact of brand loyalty, brand awareness, perceived quality and brand association on consumers purchase decision. They have used random sampling technique on students of University of Education, Lahore to collect the data. The results show that brand equity influences purchase decision. The study concluded that it explores the impact of brand equity on consumer purchase decision. With continuous influx of professionals in cities and rapid urbanization of Indian landscape, the food delivery and restaurant segment is now thriving at a blistering pace. Adding to this scenario is an increasing number of smartphones and food delivery apps.

N. Ajithadevi, N. Ramya (2012), the present study found a significant relationship between factors considered important while selecting a food delivery app. And from the analysis it was also found that the facilities offered play a major role in making a purchase from an app. Social media should be the most desired tool for marketing by firms. Currently cash on delivery is the most preferred option of payment by the respondents but other digital techniques are also in the growth stage. Firms must also make sure that the apps are comfortable and user friendly. The special apps are a convenient way for the consumers to place orders and for the company to attract more consumers but the comfort of usage must be given a higher preference.

Research Statement

2019 was a mixed bag for food delivery and aggregator apps. Their clash with the restaurant

owners over discounts and commission-related issues made news to say the least. And, perhaps, that is what contributed to Zomato, Swiggy and Uber Eats being some of the ‘buzziest’ brands of 2019. In this scenario it will be interesting to study the brand equity of Zomoto and Swiggy and their services.

Objectives

- To know the best food delivery app in Aurangabad city
- To study the impact of brand awareness on brand loyalty
- To find out the difference between brand awareness, brand loyalty and perceived quality
- To determine the impact of brand equity on sustainability of brand

Research Methodology

The descriptive research design was adopted in this study. The data has been collected from both primary and secondary sources. 120 respondents from Aurangabad and Aurangabad District were selected for study and collected the opinion through questionnaire by adopting convenient sampling and by using Likert scale method. Hypothesis has been formulated to get accuracy in the research problem. A Spearman’s rank-order correlation analysis has been adapted to analyze the relationship between brand awareness and brand loyalty and to find the difference between Brand Awareness, Brand Loyalty and Perceived Quality; A Mann-Whitney U test has been applied.

Hypothesis Formulation

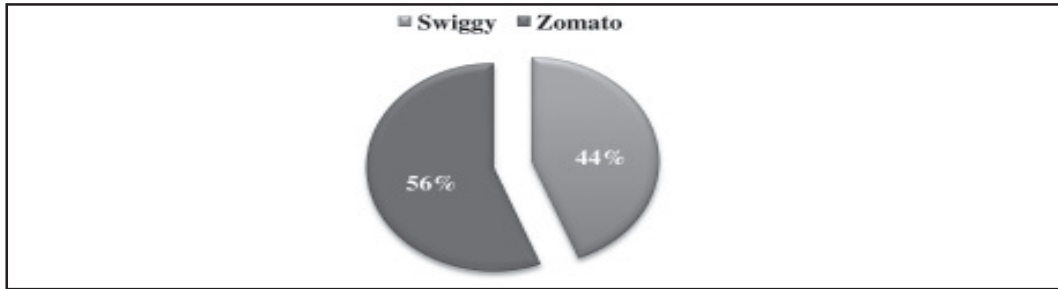
H01- There is no strong positive relationship between brand awareness and brand loyalty.

H02- There is no significant difference between Brand Awareness, Brand Loyalty and Perceived Quality.

Analysis and Interpretation

Category	Parameters	Responses (120)	% (100)
Gender	Male	86	71.66
	Female	34	28.33
Age	20-25	71	59.16
	25-30	34	28.33
	30-35	15	12.5
Occupation	Service	17	14.16
	Housewife	11	9.16
	Students	92	76.66

Graph -1 Favorite Food App in Aurangabad



Based on the collected data it has been found that Zomato is the favorite food app in Aurangabad city. The food lovers prefer Zomato for food orders and, the ratio is 56 % and 44% for

'Zomato' and 'Swiggy' respectively. Zomato is leading by 12%.

Hypothesis 1 (H01): There is no strong positive relationship between brand awareness and brand loyalty

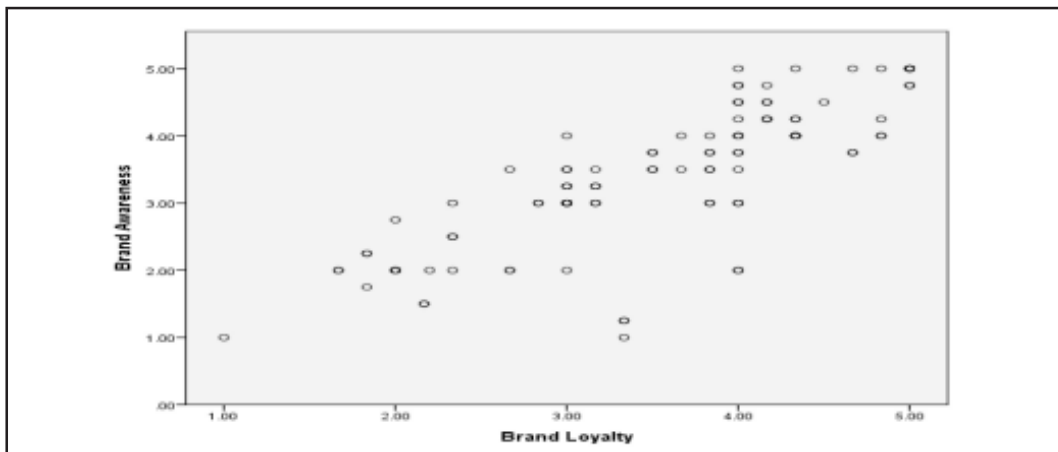
Correlations

			Brand Awareness	Brand Loyalty
Spearman's rho	Brand Awareness	Correlation Coefficient	1.000	.833**
		Sig. (2-tailed)	.	.000
		N	100	100
	Brand Loyalty	Correlation Coefficient	.833**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

Correlation is significant at the 0.01 level (2-tailed).

A Spearman's rank-order correlation was run to assess the relationship between brand awareness and brand loyalty. One hundred participants were selected for the study. Preliminary analysis

showed the relationship to be monotonic, as assessed by visual inspection of a scatter plot. There was a statistically significant, strong positive correlation between brand awareness and brand loyalty $r_s(100) = .833, p < .0005$.



There was a statistically significant relationship between brand awareness and brand loyalty. Therefore, we can reject the null hypothesis and accept the alternative hypothesis.

Hypothesis 2 (H02) - There is no significant difference between Brand Awareness, Brand Loyalty and Perceived Quality

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of Level of Brand Awareness is the same across categories of Name of the Company.	Independent-Samples Mann-Whitney U Test	.000	Reject the null hypothesis.
2	The distribution of Level of Brand Loyalty is the same across categories of Name of the Company.	Independent-Samples Mann-Whitney U Test	.020	Reject the null hypothesis.
3	The distribution of Level of Perceived Quality is the same across categories of Name of the Company.	Independent-Samples Mann-Whitney U Test	.992	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Level of Brand Awareness

Level of Brand Loyalty

Level of Perceived Quality

Level of Brand Awareness		Level of Brand Loyalty		Level of Perceived Quality	
Total N	100	Total N	100	Total N	100
Mann-Whitney U	1,753.500	Mann-Whitney U	1,566.500	Mann-Whitney U	1,230.500
Wilcoxon W	2,743.500	Wilcoxon W	2,556.500	Wilcoxon W	2,220.500
Test Statistic	1,753.500	Test Statistic	1,566.500	Test Statistic	1,230.500
Standard Error	143.289	Standard Error	143.481	Standard Error	142.370
Standardized Test Statistic	3.639	Standardized Test Statistic	2.331	Standardized Test Statistic	-.011
Asymptotic Sig. (2-sided test)	.000	Asymptotic Sig. (2-sided test)	.020	Asymptotic Sig. (2-sided test)	.992

	Cases					
	Included		Excluded		Total	
	N	Percent	N	Percent	N	Percent
Brand Awareness						
Brand Loyalty	100	100.0%	0	0.0%	100	100.0%
Perceived Quality	100	100.0%	0	0.0%	100	100.0%
	100	100.0%	0	0.0%	100	100.0%

Median

Name of the Company	Brand Awareness	Brand Loyalty	Perceived Quality
Zomato	3.0000	3.5000	4.0000
Swiggy	4.0000	4.0000	4.0000
Total	3.5000	3.8333	4.0000

A Mann-Whitney U test was run to determine if there were differences between Brand Awareness, Brand Loyalty and Perceived Quality. Scores for Brand Awareness, Brand Loyalty and Perceived Quality were not similar, as assessed by visual inspection.

Brand Awareness level for Zomato (mean rank = 3) was statistically significantly lower than for Swiggy (mean rank = 4), $U = 100$, $z = 3.639$, $p < 0.05$, whereas Brand Loyalty level for Zomato (mean rank = 3.5) was statistically significantly lower than for Swiggy (mean rank = 4) $U = 100$, $z = 2.331$, $p < 0.020$, and Perceived Quality level for Zomato and Swiggy (mean rank = 4 for both) was statistically significantly similar. $U = 100$, $z = -0.11$, $p = 0.992$, using an exact sampling distribution for U (Dineen & Blakesley, 1973).

There is a significant difference between the Brand Awareness and Brand Loyalty of Swiggy and Zomato whereas there is no significant difference in Perceived Quality in both brands hence, we accept the null hypothesis.

Conclusion

With the endless penetration of professionals in cities and rapid urbanization of the Indian landscape, the food delivery and restaurant segment are now flourishing at a blistering pace. This scenario is an increasing number of food delivery apps. Food delivery apps have now become a big hit with tech-savvy people across India. There are several food delivery apps in India that one can order from the comfort of home. While doing this study it has been found that Zomato is the most favorite food app brand in Aurangabad District. This study has tested the relationships between three constructs of Brand Equity: Brand Awareness, Brand Loyalty, and

Perceived Value. The findings revealed there is a statistically significant, strong positive correlation between brand awareness and brand loyalty. The study further revealed that there is no significant difference between the Brand Components of Swiggy. But, despite having a preferred brand in the Aurangabad district, Zomato has to work hard on brand awareness activities to make the consumer happy by offering unique and quality products that in turn, build a strong brand, because according to the research, there is a difference between Brand Components. When customers can identify the brand, they start connections and slowly build a strong bond with better performing products. All this comes under brand building exercise, which ultimately increases brand equity for the company.

Bibliography

Aaker, D.A. (1991), *Managing Brand Equity; Capitalizing on the Value of a Brand*, The Free Press, New York, NY.

Brakus, J.J., Schmitt, B.H. and Zarantonello, L. (2009), "Brand experience: what is it? How is it measured? Does it affect loyalty?" *Journal of Marketing*, Vol. 73 No. 3, pp. 52-68.

Chaudhuri, A. and Holbrook, M.B. (2001), "The chain of effects from brand trust and brand affect to brand performance: the role of brand loyalty", *Journal of Marketing*, Vol. 65 No. 2, pp. 81-93.

Keller, K.L. (1993), "Conceptualizing, measuring, and managing customer-based brand equity", *Journal of Marketing*, Vol. 57 No. 1, pp. 1-22.

Kotler, P. and Armstrong, G. (2010), *Principles of Marketing*, Pearson Education, Upper Saddle River, NJ.