

SERVICE MARKETING MIX AND LIFESTYLE INFLUENCE CONSUMERS' DECISION TO USE FOOD DELIVERY SERVICES IN BEIJING, CHINA

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ABSTRACT

The objective of this study was 1) To study the personal factors influencing consumers' decision to use online food delivery services in Beijing, China, 2) To examine the service marketing mix factors influencing consumers' decision to use online food delivery services in Beijing, China, and 3) To investigate the lifestyle factors influencing consumers' decision to use online food delivery services in Beijing, China. The data was collected from 300 consumers living in Beijing, China, who had previously experienced using food delivery services. The research instrument used in this study is a structured questionnaire. Descriptive statistics were used to explore preliminary data from the sample and inferential statistics were employed to test hypotheses in this study. The results found that individual factors of different occupations have significant influence on food delivery decision-making, while gender, age, education level and income have no significant influence on food delivery decision-making. Service marketing mix, that is, price, place, promotion, people and process, has a significant impact on the decision-making of food distribution service with a prediction rate of 89.8%, and lifestyle, that is, activities and opinions, significantly affects the decision-making of food distribution service with a prediction rate of 87.0% and the statistical significance level of 0.05.

Keywords: Service Marketing Mix, Lifestyle, Consumers' Decision, Food Delivery Services

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INTRODUCTION

Due to the COVID-19 pandemic, many changes and challenges have arisen in people's daily lives. How people can survive and cope with these changes has become a popular topic in recent years. With the easing of preventive measures against the spread of the virus, COVID-19 is no longer the same, and it is considered as the "new normal". However, after experiencing the pandemic for the past three years, people's lifestyles have changed significantly, and this is a topic that deserves a more detailed discussion on its impact. For example, it is undeniable that there have been significant changes in people's lives, especially in terms of basic necessities, preventive measures, and social distancing. As we know, during the outbreak, food delivery played a crucial role in people's food purchasing habits. Even though the pandemic has subsided, food delivery services remain popular and are widely used, especially among the younger generation (Sharma et al., 2020).

It is well-known that all professions have been impacted by the pandemic. One topic that has gained widespread attention is the work-from-home arrangement. Alexander, Adam, and Karel (2020) conducted a study titled "Work from Home after the COVID-19 Outbreak" and found that the COVID-19 pandemic and social distancing measures led to unprecedented job losses. Additionally, it caused significant disruptions in work patterns and travel behaviors. In reality, there have been numerous studies and research on the impact of COVID-19 on people's lives. For instance, a study found that COVID-19 has both immediate and long-term effects on activities and daily behaviors of young Chinese individuals (Zhou, Xie, Guo, Pei, Pei, Yang & Jia, 2021). This aligns with the research by Rawat, Dixit, Gulati, Gulati, and Gulati (2021) on the impact of the pandemic on lifestyle behaviors in India. However, there are still many other issues that warrant further investigation, such as the impact of service marketing mix and lifestyle on consumer decisions to choose food delivery services.

Apart from the two major online food delivery giants, Meituan Food Delivery and Are you Hungry, there are also other food delivery platforms such as McDelivery, Dazhongdianping, KFC Home Delivery, Pizza Hut Delivery, Tik Tok Takeaway, and more. It is evident that there is fierce competition among these food delivery platforms due to the increasing demand for their services, regardless of whether there is a pandemic or not. Meituan Waiwai, operating under Meituan Company, is one of the most popular online food delivery platforms. It was officially launched in November 2013 and is headquartered in Beijing. According to data, Meituan has over 250 million food delivery users, more than 2 million partner merchants, and over 500,000 active delivery drivers, covering more than 1,300 cities. They process around 21 million orders per day. In 2017, Meituan Food Delivery's total transaction volume reached an impressive 171 billion RMB (Zhang, Deng, & Wang, 2021). Besides the rapid development of food delivery services, it has also significantly changed consumers' lifestyles, particularly in terms of accessing and enjoying food conveniently.

In the capital city of Beijing, China, life and work pace are rapid and hectic. People prioritize convenience and efficiency more than in other second-class cities. It is no surprise that food delivery services are highly favored by the public. However, for the food delivery companies, increasing competition is a pressing issue. Understanding the factors influencing consumer decisions and behaviors regarding food delivery services is crucial.

This research aims 1) To study the personal factors influencing consumers' decision to use online food delivery services in Beijing, China, 2) To examine the service marketing mix factors influencing consumers' decision to use online food delivery services in Beijing, China, and 3) To investigate the lifestyle factors influencing consumers' decision to use online food delivery services in Beijing, China.

LITERATURE REVIEWS

Concepts and Theories in Service Marketing Mix

This concept of service marketing mix was first introduced by Professor Neil Bowden of Harvard University in 1950 (Tang, 2020). It is well known that the service marketing mix is a

useful and widely used tool in marketing. The traditional marketing mix focuses on the four components, which commonly referred to as the 4Ps (Product, Price, Promotion, and Place). In recent years, three additional components (Physical Evidence, People, and Process) have been added to the traditional marketing mix to form the new 7Ps. It has been proven that the service marketing mix plays a significant role in identifying unique selling points of products and brand equity, allowing them to differentiate from competitors (Khan, 2014).

Concepts and Theories in Lifestyle Patterns

Lifestyle is a crucial factor influencing consumer behavior in various products as these products reflect the identity of the consumers (Akkaya, 2021). Activities, interests, and opinions (AIO) are personal characteristics that market researchers use to create psychological profiles of individuals. Hence, the AIO model or principle is widely used by companies to focus marketing efforts and sales promotions towards target groups. This helps companies gain a better understanding of customers' attitudes and potential prospects for becoming their customers. When combined with demographic data, the AIO model provides in-depth information about the target customers for various companies. Additionally, AIO data is highly valuable and more informative when integrated (Kenton, 2022).

Concepts and Theories in Consumer Purchasing Decisions.

Consumer purchasing decisions refer to the process where consumers assess the characteristics of products, brand equity, or services comprehensively and then make purchases to meet specific needs. In a broader sense, consumer purchasing decisions are related to consumers' analysis, evaluation, selection, and the best decision-making process. During the decision-making process for purchasing, consumers have two or more purchase plans under the influence of motivating factors to purchase something or to meet certain needs. The best purchase plan is evaluated after the purchase, which becomes a systematic decision-making process. This process includes determining requirements, creating purchase motivations, selecting and implementing the purchase plan, post-purchase evaluation, and more (Cohen, Pham, & Andrade, 2018). Consumer behavior significantly influences purchasing decisions and is considered as a problem-solving process to fulfill customers' desires or needs (Jasmani & Sunarsi, 2020).

From the literature review, the conceptual framework can be drawn as shown in Figure 1.

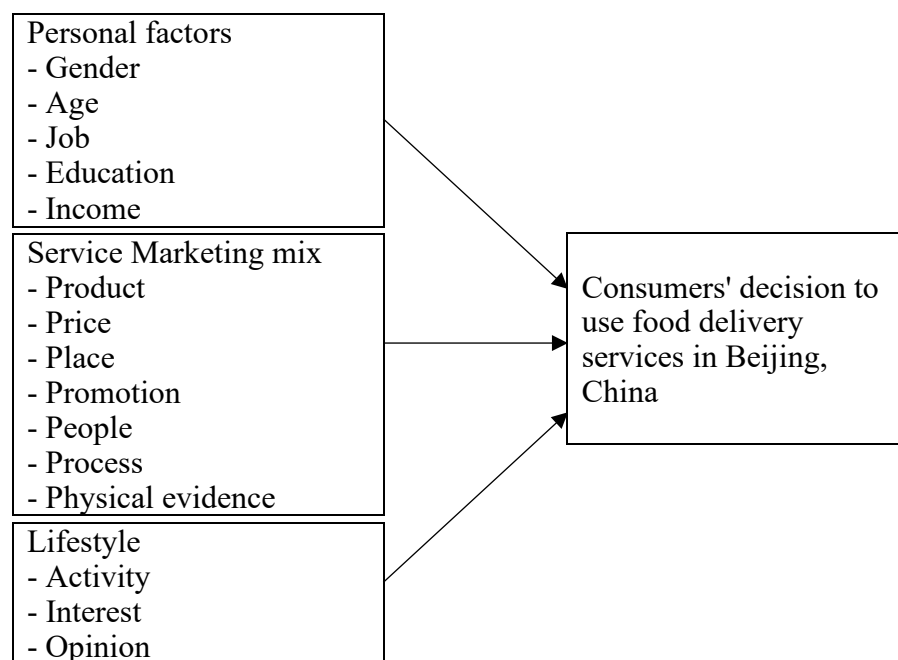


Figure 1 Conceptual Framework

RESEARCH METHODOLOGY

The population used for this study consists of consumers residing in Beijing, China, who have previous experience using food delivery services. The research focuses on this specific population to obtain in-depth information about their behavior, preferences, or opinions related to food delivery services. The sample size calculation has been done using the G*power software with the following specified values: effect size of 0.10, α (alpha) of 0.05, β (beta) of 0.95, and a total of 10 predictors. This results in a sample size of 254 individuals. However, the researchers account for potential data errors or additional information needed, adding 46 more participants to the sample group. As a result, the desired sample size for this study is 300 individuals, representing 18.11% of the total population.

The research instrument used in this study is a structured questionnaire which is developed based on the concepts and theories of service marketing mix and lifestyle, which have an influence on consumers' decisions to use online food delivery services in Beijing, China. The questionnaire consists of the questions in terms of the following 6 aspects which are general information, consumer behavior, service marketing mix, lifestyle, and consumers' decision to use food delivery services, recommendation and other opinions.

For this research, data analysis and hypothesis testing were conducted using computer software. The analysis consisted of two main components: descriptive statistics and inferential statistics. Descriptive statistics were used to explore preliminary data from the sample. This involved presenting data in the form of frequency tables, percentages, means, and standard deviations. These descriptive measures helped to provide initial insights into the specific characteristics of the sample. Inferential statistics were employed to test hypotheses in this study. The statistical significance level was set at 0.05.

RESEARCH RESULTS

Table 1 shows the conclusion of hypothesis test of personal factors.

Personal factors	Statistical	Statistical value	Sig.	Test results
- Gender	t-test	1.764	.079	-
- Age	F test	0.646	.525	-
- Education	F test	1.884	.154	-
- Occupation	F test	2.858	.037*	✓
- Incomes	F test	1.542	.204	-

* Statistical marks at level 0.05.

As we can see above, for personal factors, different occupations with the statistical significance leave of 0.037 (less than 0.05) have significant influence on food delivery decision-making, while gender, age, education level and income have no significant influence on food delivery decision-making.

Table 2 provides a summary of the mixed hypothesis test of service marketing.

Service marketing mix	Statistical	Statistical value	Sig.	Test results
- Product	MRA	0.545	.586	-
- Price	MRA	4.267	.000*	✓
- Place	MRA	2.141	.033*	✓
- Promotion	MRA	4.036	.000*	✓
- People	MRA	3.133	.002*	✓
- Process	MRA	3.069	.002*	✓
- Physical evidence	MRA	1.086	.278	-

* Statistical marks at level 0.05.

Regarding service marketing mix, place, promotion, people and process have a significant impact on the decision-making of food distribution service, with a prediction rate of 89.8% and the statistical significance level all below 0.05.

Table 3 shows the conclusion of lifestyle hypothesis test.

Lifestyle	Statistical	Statistical value	Sig.	Test results
- Activities	MRA	9.965	.000*	✓
- Interests	MRA	1.584	.114	-
- Opinions	MRA	8.231	.000*	✓

* Statistical marks at level 0.05.

With regard to lifestyle, activities and opinions significantly affect the decision-making of food delivery service with a prediction rate of 87.0% and the statistical significance level both less than 0.05.

DISCUSSION & CONCLUSION

Different personal factors in terms of occupations affect the decision to use food delivery services differently, with statistical significance at the .05 level. The last several years have seen a meteoric rise in the popularity of meal delivery services, which has fundamentally altered the way we acquire and consume food. The decision to make use of these services, on the other hand, varies widely from person to person due to the myriad of diverse situations that are specific to the individual. These factors, such as a person's place of employment, play an important role in affecting the preferences and actions of customers.

In the meantime, different personal factors in terms of gender, age, education level and incomes affect the decision to use food delivery services indifferently, with statistical significance at the .05 level. Indeed, gender plays a significant part in the decision-making process, particularly with relation to the use of food delivery services. According to the findings of several studies, gender inequalities are often the result of conventional gender roles and the expectations of society. Men, for example, are more likely to use food delivery services owing to higher levels of familiarity with technology and a greater openness to accept novel practices (Bui, 2020). Women, on the other hand, are more likely to utilize meal delivery services. On the other hand, women may see ordering meal delivery as a way to abdicate their duties around the home or as an alternative that will allow them to meet their other obligations (Rehman, Ahmad, & Hou, 2021). The gender gap in the use of food delivery services highlights the need of developing gender-specific marketing tactics in order to maximize the potential of both sexes. It is a key factor to consider in respect to age as a predictor of using meal delivery services.

Service marketing mix in terms of price, place, promotion, people and process affect the decision to use food delivery services, with statistical significance at the .05 level. In this day and age of the digital revolution, customers are coming to depend more and more on online platforms for the sake of convenience and effectiveness in their day-to-day lives. This pattern is especially noticeable in the food business, where the use of meal delivery services has skyrocketed in popularity in recent years. The choice to employ food delivery services is impacted by a number of things, one of which is the components of the service marketing mix. Several studies have been conducted to investigate the ways in which the aspects of the service marketing mix known as pricing, site, promotion, people, and process have a substantial influence on the decisions that customers make about the use of meal delivery services.

Lifestyle in terms of activity with engaging with family and friends and using food delivery services on workdays and opinion including being positive to food delivery affect the decision to use food delivery services, with statistical significance at the .05 level. In recent years, food delivery services have grown more popular, which has fundamentally changed the way individuals get access to meals. Individuals now have the chance to order food from a broad variety of restaurants and cuisines and have it delivered directly to their doorstep thanks to the

proliferation of multiple platforms and applications giving convenience and accessibility. However, the choice to go with meal delivery services is impacted by a number of different aspects, such as a person's lifestyle and the degree to which they maintain relationships with their family and friends. The decision to utilize meal delivery services may be influenced by a number of factors, including one's lifestyle choices and their relationships with others in their social circle. Take, for instance, the elimination of time limitations brought up by meal delivery services. The capacity to prepare complex meals at home is sometimes hindered by the prevalence of fast-paced lifestyles. People who are time-crunched because of work or other responsibilities in their personal lives may decide to use meal delivery services as an option that is more convenient for them. The choice to use food delivery services is influenced not only by one's lifestyle in terms of activity level when it comes to interacting with family and friends, but also by one's good impression towards the usage of food delivery services. The growing awareness of the need of maintaining healthy eating habits is one of the fundamental factors that influences people's decisions on whether to utilize meal delivery services. As individuals grow more health aware, and they have a stronger tendency to choose meals that are healthy and well-balanced. This trend is expected to continue. On the other hand, folks often struggle when it comes to finding the time to prepare nutritious meals at home. In this respect, food delivery services function as a feasible alternative as they provide customers with a variety of healthy meal options that are tailored to meet certain dietary needs.

Conclusion of personal factor analysis: The subjects are mainly male, aged between 21 and 30 years old, with higher education and less than bachelor's degree, and their occupation is private sector employees, with an income of 4001-5000 yuan. Most users use the food delivery service, 6-10 times a month, ordering 1 box each time, and the ordering time is from 12:00 pm to 3:00 pm. The most people use Meituan service, and the person who decides to use the service is himself, and the amount used each time is lower than CNY 30.

The conclusion of service marketing mix data analysis is that most interviewees' opinions on service marketing mix are consistent at the agreement level. According to the average of each aspect, most respondents have the most opinions on products, followed by physical evidence. The smallest is the process. Details of each aspect are as follows:

1) Products: Most respondents rated the taste of food similar to that of regular restaurants, with the lowest evaluation of proper packaging, durability and temperature maintenance, and the lowest evaluation of food stores.

2) Price: Most respondents have the same overall view of the agreement level. According to the average of each item, most respondents think it is reasonable in charging for services, followed by reasonable prices for service charges and the quantity of food and the smallest is the cheap price, which is purchased directly from regular restaurants.

3) Place: Most respondents' opinions are at the agreement level. Based on the average for each item, most respondents thought it was convenient and easy to use the food ordering app, followed by queries on tracking systems and channels that were readily available, and the smallest was that the app was comprehensive and accessible from anywhere.

4) Promotion: Most respondents have the most comments on service provider's application promotion, sales promotion, discount, exchange, giveaway, etc., followed by service provider's application cooperating with restaurants and business partners to carry out joint activities, and followed by service provider's application through advertising.

5) People: The general opinion of most respondents is at the agreement level. Based on the average of each project, most respondents had the most opinions about the good, accurate and clear communication between the employees of the application provider and customers, followed by the friendly service and good employees of the application provider, and the smallest was that the employees of the application provider were able to solve problems and reply to customers.

6) Process: Most respondents expressed satisfaction with the overall opinion at the agreement level. From the average of each item, most respondents have the most opinions on the service provider's application providing multiple payment methods, followed by the service provider's

application having a fast communication and coordination system to provide customers with information or solve problems, and the lowest is that the service provider's application has a fast and efficient registration and usage process.

7) Physical evidence: The overall opinion of most respondents is at the agreement level. From the average of each project, most respondents have the most opinion that the service provider's application has a beautiful and user-friendly design, followed by the service provider's application is in progress, and the smallest is that the service provider's application covers all the required tools or functions.

The analysis of lifestyle data concludes that most respondents' opinions are at the agreement level. On average, most respondents have the most opinions on opinions, followed by activities. The least is interest. Details of each aspect are as follows:

1) Activity: The overall opinion of most respondents is at the agreed level. From the average of each project, most respondents have the most opinions about my frequent participation in activities with family and friends on a normal basis, followed by my frequent use of food delivery services on weekdays, and the lowest is that I often use various convenient applications in my daily life.

2) Interest: The overall opinion of most respondents is at the agreement level. Based on the average of each item, the opinion of most respondents is: I can order any type of food I want, followed by I like to use the food delivery service, and the smallest is the food I like to eat at home, the food I like to eat.

3) Opinion: The overall opinion of most respondents is at the agreement level. Based on the average of each item, most respondents thought that I thought the food delivery service I used was aligned with my lifestyle, followed by that I thought the food delivery service I used was more convenient than going to a restaurant, and the smallest was that I thought the food delivery service I used was cheaper.

The decision of consumers to use food distribution services was summarized and analyzed, and it was concluded that the overall opinion of most respondents was in agreement. According to the average of each project, most respondents have reservations about providing better service in normal restaurants. The most was to keep buying online, followed by my decision to use food delivery services because they kept me up to date with technology and innovation, and the least was my decision to use food delivery service because they offer the best option for finding the food I want.

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