Effect of Negative Customer Experience and Negative Confirmation on Electronic-Word of Mouth: Acase of Food Delivery Apps in India

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https://sajet.in/index.php/journal/article/view/279

Abstract

The purpose of this study is to examine how the customers influenced by electronic word of mouth which effects the customer perception and customer experience while using the food delivery apps the reviews and comments are the format of the electronic word of mouth which is considered by the customer as an influential factor for their confirmation and this case study also measures the relationship based on negative customer experience and effect of negative confirmation on electronic word of mouth. This study enables whether negative confirmation on electronic word of mouth affects the customer perception on food delivery apps and examines how the electronic word of impacts on the customer perception and customer confirmation. This case study depicts the sources of the electronic word of mouth and how it is an influential factor in customer point of view while using the food delivery apps. The results of the analysis of the case study shows the customers are influenced by the electronic word of mouth while using the food delivery apps so this depicts that the electronic word of mouth gives rise to the change in the customer confirmation and customer perception while using the food delivery apps.

I. INTRODUCTION

In today's digital age, where social media platforms and online reviews wield significant influence, electronic word-of-mouth (eWOM) has become a powerful force shaping consumer perceptions and purchase decisions. Understanding how negative customer experiences and negative confirmation bias affect eWOM is crucial for businesses striving to maintain a positive brand image and foster customer loyalty.

Negative customer experiences can have far-reaching consequences beyond the individual encounter. When customers encounter dissatisfaction with a product or service, their inclination to share their experiences electronically amplifies the impact, potentially reaching a vast audience within moments. Moreover, the phenomenon of negative confirmation bias, wherein individuals actively seek out information that confirms their negative perceptions, can exacerbate the repercussions for brands.

This paper explores the intricate interplay between negative customer experiences, negative confirmation bias, and eWOM. By examining the effects of these factors on trust, credibility, purchase intent, and brand reputation, we can glean valuable insights into consumer behavior in the digital era. Furthermore, we delve into strategies that businesses can employ to navigate and mitigate the challenges posed by negative eWOM, transforming adverse situations into opportunities for improvement and brand enhancement.

Through this exploration, we aim to provide businesses with actionable insights to effectively manage negative customer experiences and mitigate their impact on eWOM, thereby safeguarding brand reputation and fostering sustained success in an increasingly interconnected and opinion-driven marketplace.

negative customer experiences and confirmation bias can significantly impact electronic word-of-mouth, leading to decreased trust and credibility, increased negative feedback, decreased purchase intent, and long-term damage to a brand's reputation. However, by actively addressing customer concerns and leveraging feedback to improve the customer experience, brands can mitigate these effects and build stronger relationships with their customers over time.

It was recommended that service managers should fill voids that pertain to the link between negative customer engagement and what may come thereafter. It would reduce the number of brand switchovers and lessen the dilution of service value.

It investigated how negative customer engagement occurs in online service relationships; a construct that has never been employed in the customer confirmation–customer experience–word-of-mouth paradigm.

II. REVIEW OF LITERATURE

Amal Wijenayaka (2022), As a new food delivery system has emerged to capture a larger share of the industry's sales, the online food delivery sector has risen. This new business delivery system has gained widespread acceptance, particularly among young, active, and hardworking individuals. Furthermore, this business has become more competitive due to the increasing number of new business entries and the expectations of users as a result of the anxiety associated with online ordering and the convenience of ordering at any time. In order to succeed in this emerging market, Customers require online service providers to understand the true nature and requirements of their customers and all essential points of the online service industry. This study aims to gather the information that will assist online food service providers to understand the requirements and characteristics of this new service delivery system, which is currently under development. The purpose of this study is to examine the relationships between customers' perceived service quality for online food delivery and its effect on customer satisfaction by adopting a questionnaire from the Mobile Service Quality Study (M-S-QUAL).

R. Katoch, A. Sidhu (2021), With the advent of digital technology in food market, online platforms have been used to deliver meals from a variety of restaurants through a mobile app. The pace with which this industry is flourishing. It becomes imperative to have real knowledge about the factors which are contributing to the popularity of these apps and enhancing customer satisfaction. The present research reports the results of an empirical study covering 300 respondents across India, based on exploratory, confirmatory factor analysis and Structural Equation Modeling (SEM) to identity satisfaction determinants among food aggregators Viz. single online portal users. Present study envisages three dimensions which are given importance by the customers and suggests that food aggregator industry should primarily focus on product quality and pricing as core attributes of their service offerings followed by consumer convenience by leveraging the technology to ensure their

sustainability in the era of stiff competition in this fast-changing food aggregators market rather than competing on the basis of delivery staff competence as the results give least importance to staff competence (significant at 10% level of significance).

D Gayathiry (2020), India is developing country in recent years many industries are growing and significant increase in the employment, due to this disposable income is increased, more urbanisation, lifestyle are changing. Participation of women in all areas is increasing. They are not preferred traditional way of preparing food, mostly preferred for prepared food. Increasing internet and development of digital world online food services providing easy way of access a prepared food, through this customer has enjoying more benefit such as doorstep delivery, various payment options, attractive discounts, cash back offers this would lead to increasing online food services day by day. The online food ordering market in India is likely to grow at over 16 percent annually to touch US$ 17.02 billion by 2023, according to a study by business consultancy firm Market Research Future. This paper has exhibit the customer perception on the online food services and their satisfaction.

Smita Kavatekar (2022), The development in internet and E-business has boosted the usage of food delivery channels. In today's generation more people are getting connected through mobile applications and are using these apps to trade. Traditional business strategies are being changed to new online marketing strategies to meet the customer needs and preferences. The internet is used to advertise and market new products; this gives customers a large variety of products or services to choose from. This study aims for the discussion about the customer perceptions over food delivery system, that too online in Bangalore. 224 respondents were taken to conduct the study. This research is focused to study andanalyze those customers who are already using different portals of online food delivery.

AMIR MANSHOOR (2021), Online food ordering and delivery services are the platforms that provide a system and service to the consumer to order and buy food products from foodservice or restaurant operators. The service is an up-and-coming trend among Millennials and the trend has ballooned with the introduction of movement control order (MCO) due to the pandemic COVID-19. The consumer's demand towards online food ordering and delivery service has increased markedly due to the prohibition of dine-in at restaurant premises. This study focuses on highlighting the factors that influence consumer's intention to use online food ordering and delivery services. The survey questionnaires were distributed among 384 respondents that represent the customers of restaurants in Shah Alam, Selangor. Data analyses were conducted using SPSS and multiple regression analysis.

III. RESEARCH METHODOLOGY
RESEARCH GAP:

Briefly introduce the concept of electronic word-of-mouth (eWOM) and its significance in the context of consumer behavior and marketing. Highlight the importance of understanding the impact of negative customer experiences and negative confirmation on eWOM for businesses, particularly in the food delivery app industry. Summarize relevant studies and literature on eWOM, customer experiences, and confirmation bias. Identify key findings and trends in the literature regarding the effects of positive and negative eWOM on consumer behavior and brand perception.

NEED OF STUDY:

Discuss how existing literature primarily focuses on the effects of positive eWOM, with limited research addressing the impact of negative customer experiences and negative confirmation on eWOM. Highlight the lack of comprehensive understanding regarding:

The specific mechanisms through which negative customer experiences influence eWOM.

The role of confirmation bias in amplifying the impact of negative eWOM.

The implications of these factors for businesses operating in the food delivery app industry.

PURPOSE OF STUDY:

Emphasize the importance of filling this gap in the literature to: Provide a more holistic understanding of consumer behavior in the context of eWOM Offer actionable insights for businesses to effectively manage negative customer experiences and mitigate the impact of negative eWOM. Contribute to the advancement of theory and practice in the fields of marketing and consumer behavior.

OBJECTIVE OF STUDY:

1. To analyzing how the customers influenced by electronic word of mouth which effects the customer experiences.
2. To measuring the relationship based of negative customer experience and effect of negative confirmation on electronic word of mouth.

RESEARCH DESIGN:

It takes a thoroughly thought-out research design to examine how it affects consumers decisions to buy goods from online based on electronic word of mouth and influencing factors of negative confirmation. It should contain things like identifying the population and sample size, choosing suitable data gathering methods such as surveys and interviews, describing the important variables, and applying statistical tools to analyse the data. The study's breadth and applicability can also be improved by taking into account elements like customer confirmation, consumer preferences.

Research type: Descriptive in nature.

Sampling Techniques: Simple Non random sampling technique was utilised for the purpose of study .

Data Collection: Data is collected in two ways

Primary data: Primary data is gathered through surveys, interviews and case study observations. Here the survey conducted by questionnaire to gather opinions and insights from the customers regarding food delivery apps in India.

Secondary Data: On the other hand, secondary data refers to information that has already been collected by someone else for a different purpose. It come from sources like books, articles, reports or online database.

Population size:100

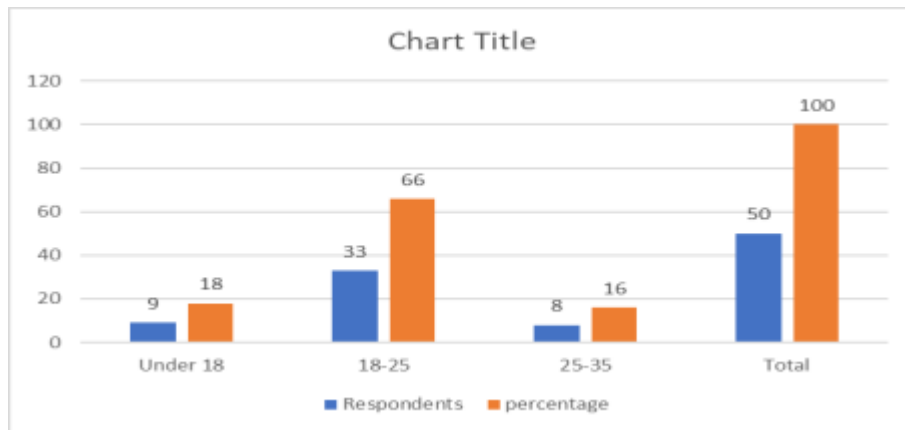Sample Size: 50

Sample Unit: Students.

HYPOTHESIS:

H0: Negative confirmation on electronic word of mouth does not affect customer perception on food delivery apps.

H1: Negative confirmation on electronic word of mouth affect the customer perception on food delivery
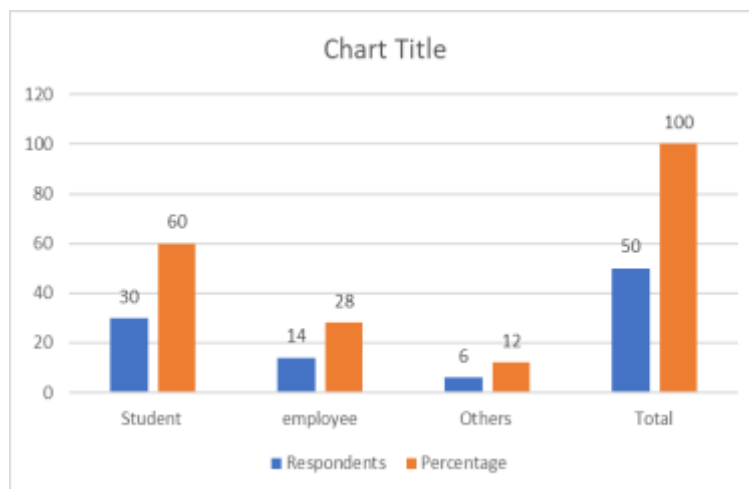
apps.

IV. DATA ANALYSIS

| Age	Under 18	18-25	25-35	Total
Respondents	9	33	8	50
Percentage	18	66	16	100

Interpretation: majority of the respondents are between age 18-25 and followed by age 25-35.

| Occupation	Student	Employee	Others	Total
Respondents	30	14	6	50
Percentage	60	28	12	100

Interpretation: Most of the respondents are students which contributed 93% compared to the employee and other business holders.

Qualifications	PG	UG	PUC	10th	Total
Respondents	26	24	0	0	50
Percentage	52	48	0	0	100
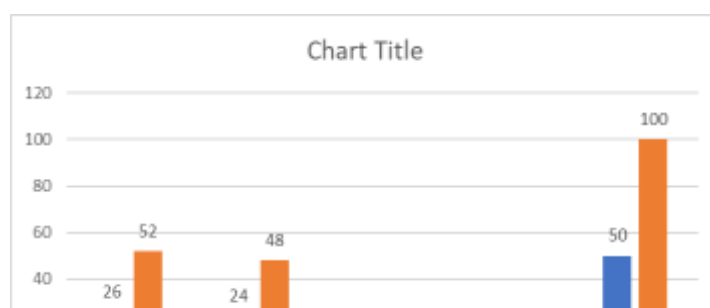
Interpretation: Most of the respondents are from PG followed by degree customers.

| Annual Income	Below 200000	200000-400000	None	Total
Respondents	33	9	8	50
Percentage	66	18	16	100
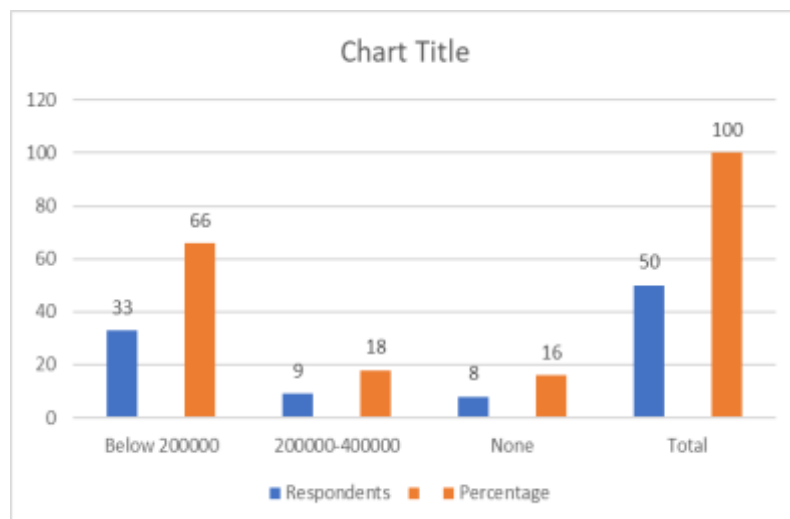
Interpretation: Most of the respondents are unemployed as it resembles 62% have no annual income and remaining 31% have income of below 2lakhs.

How frequently do you use food delivery apps	Daily	Weekly	Monthly	Rarely	Never	Total
Respondents	3	7	15	23	2	50
percentage	6	30	46	14	4	100

Interpretation: Majority of the respondents use rarely the food delivery apps as it depicts 44.8% and other respondents use 27% on monthly basis and another 24% on weekly basis.

On which platform you faced negative experience	Zomato	Swiggy	Amazon	Flipkart	Total
Respondents	11	8	13	18	50
Percentage	20	18	26	36	100
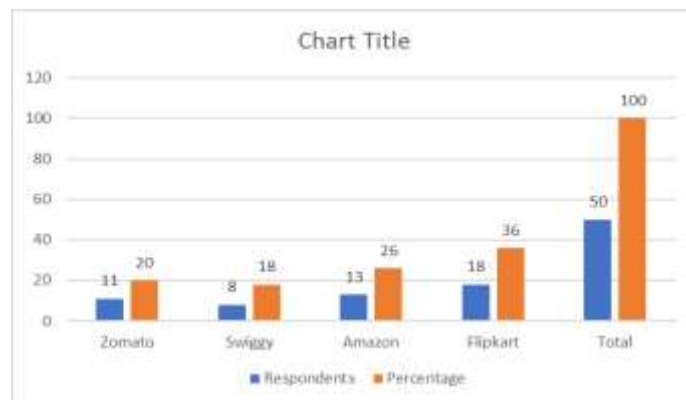
Interpretation: Majority of the respondents say that they faced negative experiences through flipkart online platform as it depicts 34% of the respondents choose flipkart.

STATISTICAL TOOLS FOR ANALYSIS:

H0: Negative confirmation on electronic word of mouth does not effect customer perception on food delivery apps.

H1: Negative confirmation on electronic word of mouth effects customer perception on food delivery apps.

	High effect	**Low effect**	**Marginal Row Totals**
Male	6(8.64) [0.81]	10(7.36) [0.95]	16
Female	21(18.36) [0.38]	13(15.64) [0.45]	34
Marginal columns Totals	27	23	50 (grand total)

The chi-square statistic is 2.5789. The p-value is 0.1083, the result is not significant at $p<0.05$.

Conclusion:

Since p value is less than 0.05.H0 rejected and H1accepted. So negative confirmation on electronic word of mouth effects the customer perception on food delivery apps.

RESULT

	High Effect	**Low Effect**	**Row Totals**
Under 18 years	5(6.00) [0.17]	5(4.00) [0.25]	10
18-25 years	12(12.00) [0.00]	8(8.00) [0.00]	20
25-35 years	13(12.00) [0.08]	7(8.00) [0.12]	20
Column Totals	30	20	50 (Grand Total)

The chi-square statistic is 0.625. The p-value is 0.731616. The result is not significant at p<0.05.

V. FINDINGS & CONCLUSIONS:

- The total respondents are 50 out of which male are 31% and 69% are female.
- It is observed that 28% of the respondents are married and remaining 72% are unmarried.
- The most of the respondents are from PG of 52% as UG of 48% which follows with the difference of 4%.
- Majority of the respondents followed the range between 25to 35 with 66%.
- Most of the respondents are students which contribute with 60% and next follows with employees of 28%.
- 90% of the respondents are aware of food delivery apps and electronic word of mouth and remaining 10% were not.
- Most of the respondents says that they prefer Zomato food delivery app as depicts with 76% of responses are allocated.
- 44.8% of the respondents use the food delivery apps on rarely basis and the other 27% of the respondents use on monthly basis 24% and remaining respondents use food delivery apps on weekly basis.
- Most of the respondents say that they encountered the negative experience while using food delivery apps as 63% of the respondents encountered negative experience like late delivery, incorrect order, poor customer service.
- 69% of the respondents says they prefer Zomato and 31% of the respondents says that they prefer swiggy.
- 41% of respondents are aware of food delivery apps through advertising and the other 34% of respondents are aware of food delivery apps through family and friends and other 24% of respondents are aware through online research about food delivery apps.
- 49% of the respondents says that they share their negative experiences with others via electronic word of mouth (eg: social media, review platforms) where as remaining 51% of the respondents says that they won't share their negative experiences with others via electronic word of mouth.

- 72.4% of the respondents says that negative reviews comments influence their perception on food delivery apps and other 27.6% they won't change their perception on food delivery apps based on negative reviews and comments.
- 58% of the respondents says that they believe negative confirmation (hearing negative opinions from others) affects how they perceive their own negative experiences with food delivery apps.

CONCLUSIONS:

According through the report majority of the customers know about the food delivery apps through online advertising and have knowledge how to use the food delivery apps and customers PRIORY depend on word of mouth or EWOM electronic word of mouth (online reviews, online comments ,opinions of individual on online platforms) accordingly the customers perception and preferences changes if encountered any negative experience during the delivery process or gone through any negative confirmation. negative reviews and negative comments regarding their respective opinions are shared through online as EWOM (electronic word of mouth) tends to change customer perception on the food delivery apps.

The study main findings is that customers while using food delivery apps maximum rate of responses shown that higher rate of customers experienced the negative outcome through the food delivery apps which resembled the negative electronic word of mouth of the food delivery apps like negative comments gave rise to change the perception of the customer on the food delivery apps. This is regarding the customer negative experiences like delay in delivery, order default, order MIS REPLACEMENT, poor customer service, inappropriate food tastes are all negative experiences which are faced by customers which depicts the negative impact on food delivery apps.

The study concluded that saying, negative confirmation on electronic word of mouth effects the customer perception on food delivery apps.

We may draw the conclusion that the food delivery apps can become morefriendly in the economy by obtaining the appropriate usage of food delivery apps. This can arm the food delivery apps successfully outlining the key preferences of the customers and implementing the new allocations accordingly through the preferences of the customers and excluding the negative aspects of food delivery apps in order to create a sustained and productive enhancement of food delivery apps.

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