Comparative Study on A Branding Strategy of Online Ordering and Delivery Platforms of Food Industry with Reference of Zomato & Swiggy

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Abstract

Branding is necessary aspect in modern day business to improve the popularity of the products. The aim of this study is to determine the branding strategy differences between Swiggy and Zomato in terms of business growth. Aim and objectives are presented effectively along with background. The data indicate that Zomato have 11.2 million customer base that is good enough in terms of internationalization of the business of online food. Different articles are analysed to identify that strategies associated with branding. Effective branding strategies are personal strategy of branding, corporate strategy, service-oriented branding, online social media-based branding and product-based branding. Survey is done with 20 people each who generally use the online food delivery services from Zomato and Swiggy. However, secondary data are not collected for further data analyses that have created issues in terms of in-depth analysis and gathering knowledge. Comparison shows that Swiggy has an advantage in terms of branding however; Zomato has advantage in terms of social media branding. Future scope indicates the possibility to use this study as the secondary source due to its authenticity in result.

Keywords:"Branding", "Zomato", "Swiggy", "Social media branding", "Competitive advantage"

1. INTRODUCTION

Branding strategy can be termed as a planning of an organisation that helps in achieving the long-term goals in business by maintaining customer satisfaction. Effective branding strategy of organisations helps to attract a new potential customer that helps in improving the business. This study is based on the analysis of the branding strategy of two online food delivery companies such as Swiggy and Zomato for attracting new customers. Details of the background of this study with the support of literature and respective research tools will be discussed here. Further, the limitations of the research and future perspectives of this research will be discussed in this study.

2. RESEARCH OBJECTIVES

RO 1: To determine the branding strategy of different online ordering and

delivery platforms of foods such as Zomato and Swiggy

RO 2: To analyse the importance of effective branding strategy of different online ordering and delivery platforms of foods such as Zomato and Swiggy

RO 3: To identify the issue regarding the implementation of an effective branding strategy for different online ordering and delivery platforms of foods such as Zomato and Swiggy

RO 4: To recommend solutions for the issues regarding the implementation of an effective branding strategy for different online ordering and delivery platforms of foods such as Zomato and Swiggy

3. BACKGROUND

Strategic branding is termed as an important factor in any organisation. This strategy helps in growth of business especially for the online ordering platforms such as Swiggy and Zomato. This strategy helps to improve its business functions in any market. Online delivery of food can be termed, as a self-service for which an accurate design of the branding and services are required (Suhartanto et al. 2019). Therefore, strategic planning for branding the online food pruning business for Swiggy and Zomato is essential through which effective customer attraction can be possible. Recent statistical data indicates that Zomato has 11.2 million transacting customers globally for which effective branding is necessary to maintain such a customer base (Statista, 2022a).
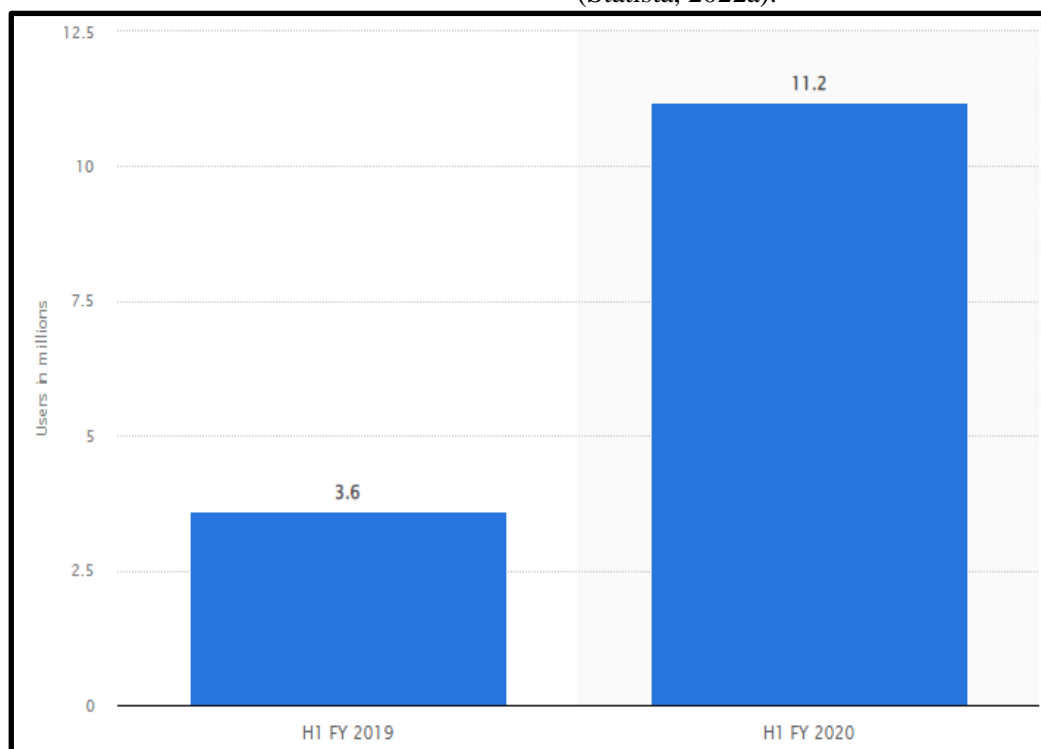

Figure 1: Customer base of Zomato

(Source: Statista, 2022a)

Innovation is an important aspect of branding for those online food-ordering organisations for which technology selection is necessary. According to Gavilan et al. (2021), the use of technology in innovative strategy implementation in online food delivery systems is necessary to maintain a competitive advantage. Therefore, the main asset of branding is regular innovation that helps in improving the brand awareness to customers for improvement of the business aspects.
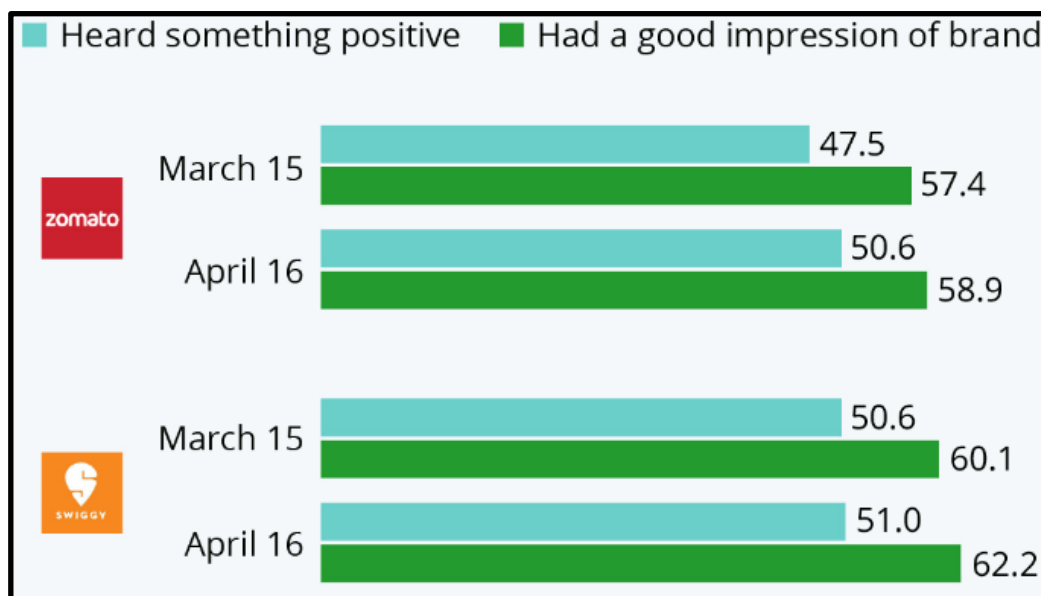
Figure 2: Swiggy vs Zomato comparison

(Source: Statista, 2020)

The above data indicate that Swiggy has increased its popularity and customer base that Zomato in India shows strong branding of Swiggy in terms of customer attraction. Therefore, technology usages along with innovation in branding for both of them are required to maintain a large customer base in any market.

4. LITERATURE REVIEW

4.1 Functionality of online food delivery organisations

Online food delivery companies generally work based on the online orderings by customers as per their requirements. According to Annaraud & Berezina (2020), identification of the influential factors that are associated with customer requirements is necessary for the improvement of the online delivery of food. Customer-based service strategy and branding can be termed as necessary steps that any online food delivery company can sleet to improve its business. In contrast, Chandrasekhar et al. (2019) have opined that online delivery services of food by companies depend on the service quality, perceptions and promotional strategy of the products and services. Therefore, it can be considered from the above fact that effective branding strategy in different online food companies needs to be customer-centric along with needs to include better strategies for service development.

Proper service helps in the improvement of the rate of customer satisfaction level of customer in any market. According to Lu et al. (2020), key elements of customer satisfaction of customer can be termed as an important factor for which quality, effective services and value management are necessary. Therefore, a strategic process of business development is necessary for every online food delivery company that can create barriers in terms of managing effective strategic business growth.

4.2 Importance of branding strategy in online food delivery business

Branding strategy is important as it helps in improving brand awareness for customers. According to Chang et al. (2018), effective branding in business helps in achieving success of the business however, issues are associated with the branding strategy for organisations, and technology-based strategy of branding can be supportive enough to improve the customer knowledge that supports the attraction or change indecision regarding the online ordering of food products.

In contrast, Astrachan et al. (2019) have opined that management of effective communication using advanced marketing or promotional strategy is an essential aspect that

helps in improving the branding strategy of an organisation. Therefore, it can be considered from the above fact that strategic branding is necessary to achieve success in the business for different online food delivery companies in any national or international market.

4.3 Different strategies for online food delivery business for effective branding

Different styles of branding are present in the market using which companies can experience business growth. Such effective branding strategies are a personal strategy of branding, corporate strategy, service-oriented branding, online social media-based branding and product-based branding. According to Wegerer & Munro (2018), ethical consideration in corporate branding is an important aspect that supports the manager of loyalty online food ordering and other perspectives. Corporate branding along with other styles of braiding is completely dependent on the market requirements of products along with strategy made by any company in terms of sales. In contrast, Lund et al. (2018) have opined that the social media strategy of branding is effective in managing effective communication that helps in influencing the decision-making ability of customers. Therefore, it can be termed as an important aspect of a business to manage social, media branding to increase the promotion of products. Keller's model of brand equity can be termed as an important factor that helps in the creation of high brand value of any business along with both helping in maintaining effective customer engagement with brands.

5. METHODS

5.1 Sampling

Companies such as Swiggy and Zomato have selected a purposive style of sampling here for the conduction of this research as it helps in the determination of the effective strategy of branding for online food delivery. Purposive sampling is highly efficient in determining the useful respondents who provide useful information regarding topics in a survey (Campbell et al. 2020). Therefore, flexibility in the selection of respondents along with effective strategic data collection to maintain authenticity is important

aspects for which purposive sampling has been chosen here. Purposive sampling is effective enough in achieving an accurate outcome from any small population.

5.2 Data collection method

Primary data has been collected in this study to determine the branding strategy of online food companies such as Zomato and Swiggy for improving their business. According to Al-Ababneh (2020), surveys are termed an important strategy for the collection of authentic primary data in any research. A total of 20 people each from the companies such as Zomato and Swiggy were selected for this survey to analyse the strategy of branding for these companies. Those responses from Swiggy and Zomato are selected randomly from the companies to collect their responses. Secondary data are not selected here to eliminate the data handling issue for a bulk range of data.

[Refer to Appendix 1]
[Refer to Appendix 2]
5.3 Data analysis method

Primary analysis is made based on the responses of 20 respondents each from Swiggy and Zomato. This style of analysis is highly effective in analysing a small range of data regarding the topic. Further, the accuracy of such primary analysis is supportive enough in achieving authentic results from the data to maintain the success of the result.

5.4 Reliability and validity

Secondary data are not selected in this research therefore; primary data that are collected in this study from survey analysis supports the reliability of answers. All data are stored in digital gadgets to make it safe along with they are not used for any commercial purpose from which data security issues of respondents can be possible.

6. RESULT AND ANALYSIS

Analysis and results are discussed based on the age and gender along with the questions that are asked to respondents. Comparison has been mentioned based on the graphical representation of the primary data using which effective comparisons are made. The strategy of online branding and use of social media branding strategy in Swiggy and

Zomato are presented in this study through which effective strategic differences between these two online food delivery companies are discussed appropriately.
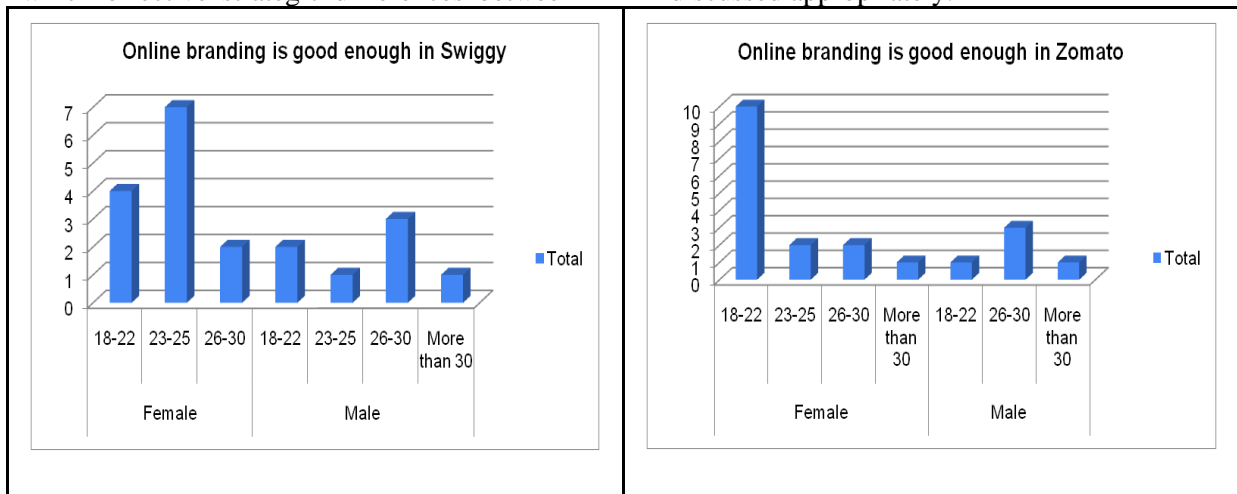

Figure 3: Comparison of online branding by Swiggy and Zomato for branding

(Source: EXCEL)

The above graph indicates the differences in an online branding strategy that strongly influences the customer to avail of the service. The graphical representation indicates that females in the age group of 23-25 years prefer the strategy of online branding of Swiggy to that of Zomato. Therefore, this value indicates that Swiggy has attracted a large number of female customers based on its branding strategy. However, male customers between the ages of 26-30 years have preferred the branding strategy of Swiggy most compared to Zomato. Therefore, it can be considered that Zomato needs to improve its braiding and service strategy for attracting a large number of male and female customers for which innovation is required. Comparison is made based on the primary data collected via a survey that shows a better competitive advantage for Swiggy over Zomato in terms of branding and improvement of service delivery of food via online platforms.
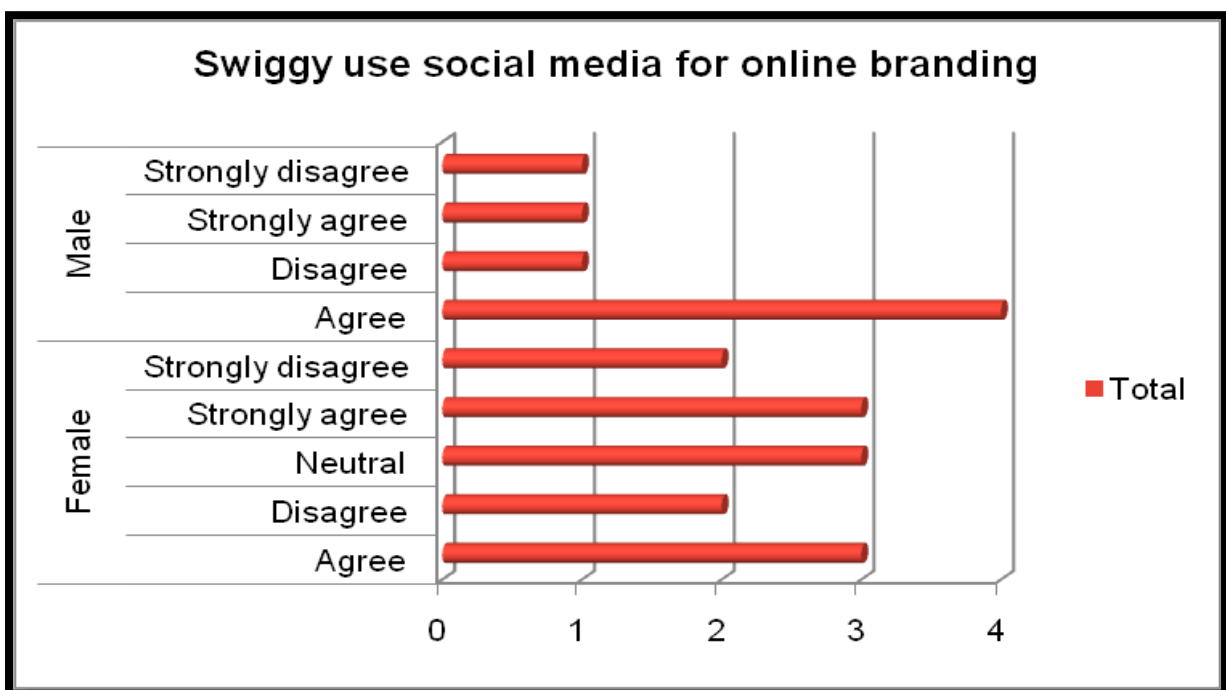

Figure 4: Social media usage by Swiggy for branding
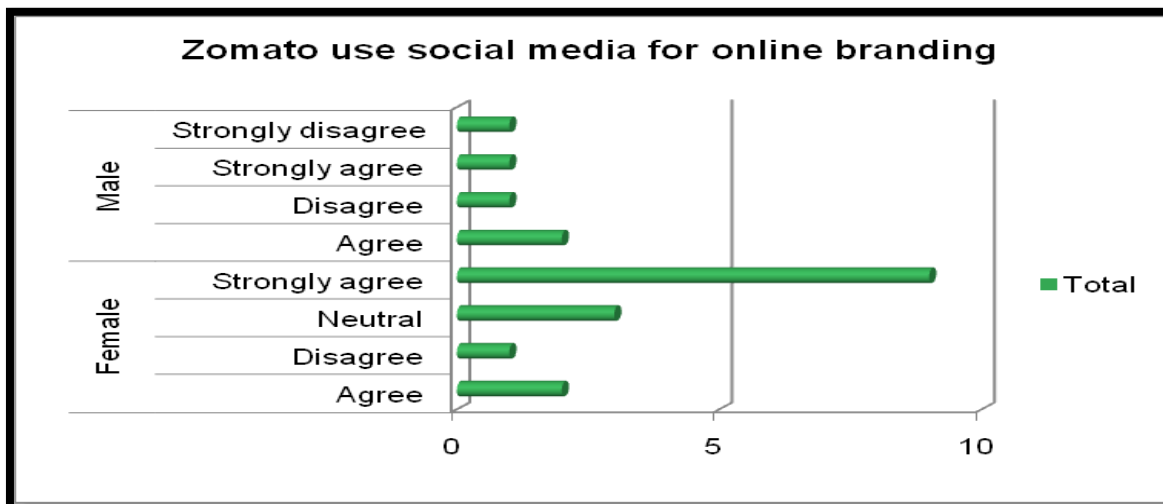
(Source: EXCEL)

Figure 5: Social media usage by Zomato for branding
(Source: EXCEL)

The above plotindicates the use of social media platforms by Swiggy and Zomato in terms of improvement of the branding strategy. The above graphical representation indicates that a large number of male respondents in the survey have agreed that Swiggy has improved its social media branding strategy for the promotion of its service and products. Whereas the data in the graphical representation shows that males have agreed that Zomato has improved its social media branding strategy, however, these responses are not strong enough, such as Swiggy. Therefore, it is obvious from the graphical analysis that Swiggy is far ahead in terms of customer attraction for its social media branding compared to Zomato. Therefore, Swiggy needs to become more innovative in terms of social media promotion and branding to improve its promotional quality.

Further, the above graphical representation indicates that different female participants in this survey have provided different answers by remaining neutral, agreeing and disagreeing with the fact that Swiggy has maintained a strong social media promotion for braiding of tier products. However, a large number of female candidates have strongly agreed with the fact that Zomato has improved its braiding and promotional strategy via social media. Therefore, in terms of female responses, Zomato is far ahead of

Swiggy based on the social media-based branding strategy and popularity.

7. DISCUSSION

Branding is an essential strategy for an organisation, especially for online food delivery companies through which the growth of a business can be possible. The primary analysis of the data indicates that the online branding of both Swiggy and Zomato is good enough to attract potential customers. Providers of food delivery online can be determined as either the restaurant-to-customer delivery prices or a platform-to-consumer delivery strategy (Li et al. 2020).

Therefore, selecting the proper strategy for online delivery of food is necessary to attract a specified number of customers to avail of the online food service. Swiggy has implemented a strategy of cloud-based business strategy to support the safety management and growth in the business (Statista, 2022b). Therefore, it is obvious that the data outcome from the primary source supports that female and male customers generally prefer Swiggyto Zomato in terms of online food ordering. Customer-centric up-gradation of marketing strategy and branding strategy by Swiggy has improved its service quality that has satisfied customers.

Social media is an important aspect of braiding and the service portion for which effective strategy is necessary. Social media is an important aspect that supports the cost-effective promotion and braiding of online

food products in different markets (Ebrahimi et al. 2020). Therefore, the analysis of this data strongly supports that customers use social media for online ordering of dos along with the applications or websites of the restive companies. Therefore, Swiggy and Zomato

both use an advanced strategy of branding; however, the strategy of branding is good enough for Zomato via social media that attracts a large number of female customers to avail of the services.
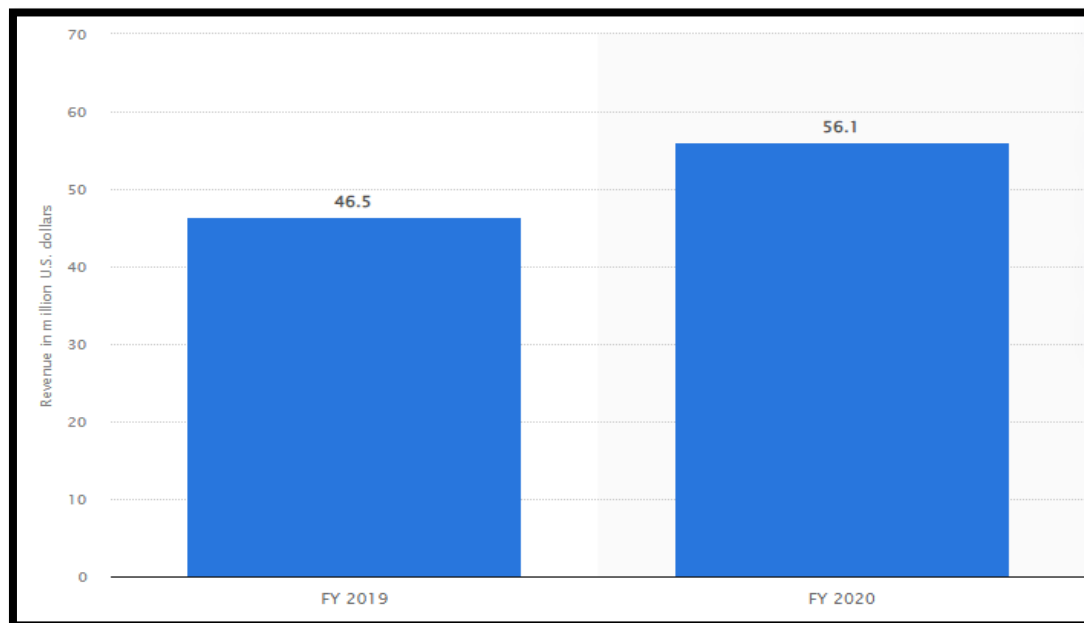

Figure 6: Revenue of Zomato
(Source: Statista, 2022c)

Data indicates that Zomato has experienced sharp growth in its revenue due to a proper social media presence for online delivery services. Data suggests further that the revenue of Zomato is almost $56 million globally, which indicates a strong social media presence of Zomato over Swiggy to become the preferable online food delivery application (Statista, 2022c). Therefore, it is obvious that Swiggy needs to improve its social media promotion strategy to become a global leader by improving its competitive position over Zomato.

8. CONCLUSION

Branding is an essential aspect of modern-day business development, as an effective strategy is required to support the growth of the customer base. This study has helped in comparing the branding strategy of Swiggy and Zomato in terms of customer attraction. Different objectives and the aim of this research are mentioned here along with the background for the selection of the study. Different articles are analysed to identify the advantages of using the braiding strategy for the promotion of the [product and service in online food delivery. Primary data is collected

from 20 people who use Zomato or Swiggy as the primary online food-ordering platform. A comparison between these two companies' strategies of reading is presented here along with the limitation of the study and future perspectives.

9. LIMITATION

The main limitation of this study is the collection of primary data only that creates limitations in terms of in-depth analysis of the topic. According to Byrd (2018), a branding strategy is beneficial for an organisation that helps in improving the competitive position of an organisation in a market. Therefore, the collection of secondary data is absent, which creates barriers in terms of managing data accuracy. Further, the literature gap regarding secondary data is a critical aspect to create the limitations in this study. Mitigation of any current aspect is necessary to help in the elimination of future issues in any research.

10. FUTURE SCOPE

This research is completely based on the survey analysis prices of primary data that can be used as an authentic secondary source in future research. Branding strategy with its

implementation in a business effectively can be essential to maintain innovative planning in business (Flikkema et al. 2019). Therefore, such innovative aspects associated with this study regarding branding for online food companies will be helpful to deal with issues in service improvement strategy implementation.

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