A Study On Age And Customer Expectation Of The Service Quality Variables Of Quick Commerce Grocery Shopping

Aparna Dhingra1

Dr Deepak Tiwari 2

1 Research Scholar, Barkatullah University, Bhopal

2 Director ,Duke College Of Management

Abstract : Quick commerce focuses on the delivering the goods in an extremely short span of time. Covid 19 has accelerated this trend as the lockdowns safety concerns prompted customers to adopt quick delivery of the goods at their door steps. It offers benefits such as convenience, faster delivery. Thus understanding the customer expectations of different age segment one can serve the customers better. This research is conducted to find the difference in expectations of the different age groups on service quality parameters. It is observed that there is significant difference for safety and security delivery, ease of ordering, return policy, ease of contacting company, low-cost shipping and delivery charges. Thus the managers need to frame the strategies according to age groups on these parameters.

Key Words: Quick Commerce, Service quality, Age groups, Customer expectations

Introduction:

Quick commerce (q-commerce) represents a significant shift in the retail landscape, driven by technological advancements and changing consumer behaviors. Unlike traditional e-commerce, which typically offers delivery within a few days, q-commerce focuses on delivering goods, particularly groceries, within an extremely short time frame—often within 30 minutes to an hour. This emerging model addresses the growing consumer demand for immediacy and convenience, leveraging innovations in logistics, supply chain management, and digital platforms. The roots of q-commerce can be traced back to the development of the on-demand economy, which began with services like food delivery and ride-hailing. The success of these services highlighted consumers' willingness to pay for speed and convenience, paving the way for the application of similar principles to the grocery sector. The COVID-19 pandemic further accelerated this trend, as lockdowns and safety concerns prompted more consumers to shop online and seek quick delivery options for essential items.

Several factors contribute to the rapid growth of q-commerce. Technological advancements in artificial intelligence, machine learning, and data analytics have enabled more efficient inventory management, demand forecasting, and route optimization, making ultra-fast delivery feasible. Localized fulfillment centers, also known as dark stores, are strategically located warehouses that keep inventory close to urban centers, significantly reducing delivery times. The widespread adoption of smartphones and mobile apps has facilitated the growth of q-commerce, allowing consumers to place orders quickly and conveniently from anywhere. Modern consumers prioritize convenience and speed, expecting seamless and immediate access to goods and services. Q-commerce meets these expectations, particularly for time-sensitive purchases like groceries.

Q-commerce offers numerous benefits. It provides unparalleled convenience, allowing consumers to receive their groceries almost instantly, which is particularly beneficial for last-minute needs or emergency purchases. Faster delivery times can help ensure that perishable items such as fruits, vegetables, and dairy products reach consumers in optimal condition, maintaining their freshness and quality. The ability to receive groceries quickly enhances the overall customer experience, fostering greater satisfaction and loyalty. However, q-commerce also poses several challenges. Building and maintaining an efficient network of localized fulfillment centers and delivery personnel requires significant investment and operational expertise. The promise of rapid delivery often comes with higher operational costs, which can impact profitability if not managed effectively. Additionally, the environmental impact of increased delivery traffic and packaging waste is a growing concern, necessitating sustainable practices and innovations. As more players enter the q-commerce space, businesses must continuously innovate and differentiate their offerings to stand out in a crowded market.

Quick commerce is redefining the grocery retail landscape by merging the digital and physical shopping experiences to deliver unprecedented speed and convenience. As this model continues to evolve, understanding the demographic variables and customer expectations that drive service quality will be crucial for businesses looking to succeed in this dynamic environment. This study aims to provide valuable insights into these factors, helping q-commerce providers enhance their service quality, meet customer demands, and achieve sustainable growth in the competitive market.

The rapid growth of quick commerce (q-commerce) has garnered significant attention from scholars and industry experts, reflecting its impact on the retail and logistics sectors. This literature review synthesizes existing research on the demographic variables influencing customer expectations and the key service quality variables in q-commerce, particularly within the grocery segment.

Literature Review

Q-commerce, also referred to as on-demand commerce, represents an evolution of traditional e-commerce with a focus on ultra-fast delivery times. Q-commerce, or quick commerce, represents the integration of information and communication technologies with online product exchange, coupled with the capability for rapid physical delivery. This combination has led to the emergence of a new business segment focused on swift product exchanges.

Research on demographic variables reveals that age, income level, and household size significantly influence customer expectations in q-commerce. Younger consumers, often more tech-savvy and accustomed to instant gratification, show a higher preference for q-commerce services (Verhoef et al., 2017).

Several studies have identified key service quality variables that are paramount in the q-commerce sector. These variables include delivery speed, reliability, product availability, and customer service. Delivery speed is often highlighted as the most critical factor, with consumers expecting their orders to be fulfilled within the promised timeframe (Jiang et al., 2013). Reliability, encompassing accurate order fulfilment and timely deliveries, is also essential for maintaining customer trust and satisfaction (Parasuraman et al., 1988). Product availability, particularly for essential and perishable items, is another critical variable, as stockouts can significantly impact customer satisfaction (Hübner et al., 2021). Lastly, customer service, including

responsiveness and problem resolution, plays a crucial role in enhancing the overall customer experience in q-commerce (Parasuraman et al., 1988).

As quick commerce apps gain popularity, it's crucial to understand what drives consumer purchases on these platforms. Utilizing the Mobile Service Quality (M-SERVQUAL) and Technology Acceptance Model (TAM), this study analysed 120 online survey responses using PLS-SEM. Findings indicate that perceived usefulness, perceived ease of use, interface quality, and information quality significantly influence consumer purchasing behaviour, though interaction quality varied. These insights help platform developers and businesses tailor strategies and enhance features for a user-centric approach in the evolving quick commerce landscape (Luna Sanchez, 2024).

Quick commerce (q-commerce) involves delivering online orders within minutes to meet consumers' immediate needs. Despite the critical importance of speed, the effects of deviations from promised delivery times on repurchase behaviour are not well-documented. Recent research utilizing a large dataset from a Western European food delivery service and a controlled online experiment reveals that late deliveries increase the time between purchases, while early deliveries decrease it. However, the impact of late deliveries on repurchase behaviour is stronger than that of early deliveries of the same magnitude. The study identifies customer satisfaction as the key psychological factor mediating these effects. These findings provide valuable insights into how delivery time deviations influence consumer behaviour and offer guidance for optimizing delivery algorithms, operations, and service recovery strategies (Harter, 2024).

Perceived service quality affects customer satisfaction and trust, trust impacts both customer satisfaction and repurchase intention, with customer satisfaction driving repurchase intention (Kusumawardani, 2020). The analysis reveals that both e-service quality and e-WoM positively impact consumer e-trust and these factors, in conjunction with e-trust itself, significantly influence consumers' decisions to make purchases (Astini, 2024). the customers face problems in terms of the security when they sometimes feel that the stores seek for more information than necessary (Ahmed, 2022). the effect of logistics and policy service quality on customer trust, satisfaction, and loyalty within the quick commerce landscape in Jordan, with a particular focus on generational differences between generation Y (Gen Y) and generation Z (Gen Z) users (Al-Muani, 2024). Among consumers with greater levels of service experience consciousness, the impact of service experience on continuance intentions and eWOM is stronger (Kurt, 2023).

Research Methodology :

The researcher collected the data by structured questionnaire on the different service parameters on the modified E SERVQUAL model for quick online grocery shopping. The researcher used convenience sampling method. The sample size is 600.The data is analysed by ANOVA method.

Testing of Hypothesis and Analysis:

Ho 1: Expectation of Safety and Security Delivery differ significantly with the age group

Ho 2: Expectation of Ease of ordering differ significantly with the age group

Ho 3: Expectation of Ease of paying differ significantly with the age group

Ho 4: Expectation of Return Policy differ significantly with the age group

Ho 5: Expectation of Ease of contacting company differ significantly with the age group

Ho 6: Expectation of Low-cost shipping and delivery charges differ significantly with the age group

Ho 7: Expectation of Deliveries in a timely manner differ significantly with the age group

Table 1: ANOVA table for service parameters and decision

Service Attributes	F	df1	df	P Value	Decision
Safety and Security Delivery	4.251	3	596	<0.05	Significantly different
Ease of ordering	5.582	3	596	< .05	Significantly different
Ease of paying	0.901	3	596	0.44	Insignificantly different
Return Policy	5.769	3	596	< .05	Significantly different
Ease of contacting company	8.136	3	596	< .05	Significantly different
Low-cost shipping and delivery charges	6.086	3	596	< .05	Significantly different
Deliveries in a timely manner	1.312	3	596	0.269	Insignificantly different

Source: Primary Data

Conclusion: it can be observed that the p value of for Safety and Security Delivery, Ease of ordering, Return Policy, Ease of contacting company, Low-cost shipping and delivery charges is less than .05 thus we reject Ho. Thus with the age group the expectations differ significantly for Safety and Security Delivery, Ease of ordering, Return Policy, Ease of contacting company , Low-cost shipping and delivery charges.

For the service attribute Ease of paying, and Deliveries in a timely manner we accept Ho as p value is more than 5 percent level of significance. Thus, with the age group expectation does not differ significantly for Ease of paying, and Deliveries in a timely manner.

Discussion and Managerial Implication:

Understanding that different age groups have unique expectations is crucial for creating a great customer experience in quick commerce. Businesses can tailor their approach to meet these diverse needs in the following manner:

Safety and Security

For younger customers, who are often tech-savvy and deeply engaged with digital platforms, it's important to emphasize cutting-edge security. Integrating features like strong encryption and multi-factor authentication, and communicating security measures to tech savvy customers. This helps build trust and reassures them that their information is safe. Older customers, who may have different concerns, appreciate clear and simple explanations of how their data is protected. Offering straightforward security protocols and personal support can make them feel more secure.

Delivery

Young consumers are all about speed and convenience. They want their orders quickly and might appreciate features like real-time tracking and flexible delivery windows. They might prefer knowing exactly when their order will arrive and appreciate options for scheduled delivery times. Keeping them informed with timely updates can make a big difference.

Ease of Ordering

For younger shoppers, a smooth, intuitive ordering process is essential. They value fast and easy checkouts, with features like saved preferences and quick payment options. Investing in a user-friendly app can make their shopping experience seamless. Older customers, on the other hand, might find simplicity and clear instructions more helpful. Making the ordering process easy to navigate and offering additional support, like phone assistance or easy-to-follow guides, can make their experience more comfortable.

Return Policy

Young consumers value flexibility and ease when it comes to returns. They'll appreciate a hassle-free return process, with options to handle returns online and quick processing times. Offering incentives or a no-questions-asked return policy can also win them over. For older customers, a straightforward return process is important.

Ease of Contacting the Company

When it comes to communication, younger customers like having multiple digital channels at their fingertips, such as chatbots and social media. They appreciate quick responses and the ability to solve issues independently. In contrast, older customers might prefer traditional contact methods like phone support. Providing easy access to friendly and helpful customer service can make them feel valued.

Shipping Costs

Young shoppers often look for deals and transparency. Highlighting affordable shipping options and offering promotions can attract their attention. For older customers, clear explanations about shipping costs and providing value through loyalty programs or discounts can enhance their satisfaction. They appreciate knowing that they are getting good value for their money.

Overall Strategy

To effectively meet the needs of all age groups, businesses should segment their strategies and personalize their approach. By using data to understand preferences, gathering feedback, and adapting to what customers want, businesses can create a more satisfying and engaging experience. Tailoring services to different age groups not only improves satisfaction but also helps build lasting loyalty.

References

Ahmed, F. &. (2022). Growth of Q-Commerce Industry in South Asia: Challenges and Opportunities. *IOSR Journal of Business and Management., 24*, 67-74. doi:10.9790/487X-2412016774.

Al-Muani, L. A.-M.-R. (2024). The effect of logistics and policy service quality on customer trust, satisfaction, and loyalty in quick commerce: A multigroup analysis of generation Y and generation Z. *Uncertain Supply Chain Management, 12*(3), 1417-1432. doi: 10.5267/j.uscm.2024.4.009

Astini, R. R. (2024). The Impact of Quick Commerce that Influence the Purchase Decision of E-Grocery. *Przestrzeń Społeczna (Social Space), 24*(1), 110-128. Retrieved July 15, 2024, from https://socialspacejournal.eu/menu-script/index.php/ssj/article/view/336

Harter, A. S. (2024). The Effect of Delivery Time on Repurchase Behavior in Quick Commerce. *Journal of Service Research*. doi:DOI: 10.1177/10946705241236961

Kurt, U. K. (2023). Experience and Loyalty Relationship in Online Quick Grocery Shopping by the Mediating Role of Customer Satisfaction and Service Experience Consciousness. *İşletme, 4*(2), 190-210. doi:0.57116/isletme.1335560

Kusumawardani, K. A. (2020). Predicting the effects of perceived service quality and logistics service innovation on repurchase intention of instant courier services through customer satisfaction and trust. *Jurnal Manajemen Indonesia, 20*(3). doi:10.25124/jmi.v20i3.3515

Luna Sanchez, P. (2024). An analysis of the drivers of consumers' purchasing behavior in quick commerce platforms.