Continuous improvement for the incursion into the home delivery service of small fast food businesses

Mejora continua para la incursión al servicio de entrega a domicilio de pequeños negocios de comida rápida

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Abstract

Since March 2020, when the pandemic began, the home delivery service as a business model has increased significantly. However, despite this, various businesses have not identified this area of opportunity as continuous improvement and have decreased their sales or failed because they have not been able to adapt to this new way of distributing their products or have entered without having any knowledge. Objective: first, an analysis of the restaurants that offer home delivery services was carried out and then some useful tools are identified and proposed that allow the incursion of businesses in the region to make home deliveries, and that may be applicable in other regions or in other types of establishments with different businesses. Materials and methods: The materials used under the circumstances were impressions, computer equipment and stationery; The research method used was basically descriptive, since the research was generated from the collection of field information through direct and other indirect interviews to later carry out their respective analysis. Results: As part of the results, it was basically to collect data and from this generate useful information based on its analysis, expose it to small business owners and identify areas of opportunity through a SWOT analysis, and learn about digital platforms, which could use and apply to identify and improve the distribution and delivery of their respective products. Conclusions: all of the above generates a holistic view of the panorama that is presented in local businesses in a broader way, and contextualize the problems faced by them in the region, and through said analysis, generate proposals for continuous improvement, and even resort to instances Governments to request support in training of this type of digital tools, this will allow the growth and surely the permanence of many fast food businesses in the region.

Keywords: Continuous Improvement, SWOT, Home Delivery, Raid, Restaurants

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Abstract

Desde marzo del 2020 que inicio la pandemia el servicio de entrega a domicilio como modelo de negocio ha incrementado significativamente. Sin embargo, a pesar de esto, diversos negocios, no han identificado esa área de oportunidad como mejora continua y han disminuido sus ventas o fracasado debido a que no han podido adaptarse a esta nueva forma de distribuir sus productos o bien han incursionado sin tener algún conocimiento. Objetivo: primeramente, se realizó un análisis de los restaurantes que ofertan servicios a domicilio en la región de la Mixteca, específicamente en la ciudad de Huajuapan de León, y después se identifican y proponen algunas herramientas útiles que permitan la incursión de los negocios de la región para realizar entregas a domicilio, y que pueda ser aplicables en otras regiones o en otros tipos de establecimientos con giros distintos. Materiales y métodos: Los materiales utilizados dadas las circunstancias, fue impresiones, equipo de cómputo y de papelería; el método de investigación utilizado básicamente fue descriptivo, dado que se generó la investigación a partir de la recolección de información de campo a través de entrevistas directas y otras indirectas para realizar después su respectivo análisis. Resultados: como parte de los resultados, básicamente fue recolectar datos y a partir de estos generar información útil a partir de su análisis, exponer ante los dueños de los pequeños negocios e identificar áreas de oportunidad a través de un análisis FODA, y conocer plataformas digitales, que podrían utilizar y aplicar para identificar y mejorar la distribución y entrega de sus respectivos productos. Conclusiones: todo lo anterior genera una visión holística del panorama que se presenta en los negocios locales de forma más amplia, y contextualizar la problemática que enfrentan las mismas en la región, y a través de dicho análisis, generar propuestas de mejora continua, e inclusive recurrir a instancias gubernamentales a solicitar apoyo en capacitación de este tipo de herramientas digitales, esto permitirá el crecimiento y seguramente la permanencia de muchos negocios de comida rápida de la región.

Palabras Clave: Mejora Continua, FODA, Entrega a domicilio, Incursión, Restaurantes

Introduction

The home delivery or delivery service is a branch of logistics, which is dedicated to the process of delivering a product or service to a place established by the client.

It is for this reason that many fast food companies see in this channel another opportunity to increase their sales, but when it comes to incorporating it into their offer, it is necessary to take into account a number of variables that make it not a simple process to implement and have to resort to people who are experts on the subject to develop it, which is why companies implement it poorly (Vázquez, et al., 2015; Medina, 2020).

Currently in Mexico, this service showed an increase since, according to the Mexican Association of Online Sales, food delivery sales represented 40% of all online purchases made in 2020. Likewise, the frequency of purchase online weekly food delivery increased 32% over 2020 and 9% in orders placed daily. It should be added that according to what was reported by Didi Food, its total sales showed an increase of 45%, in addition, the number of registered restaurants increased by 75% due to the conditions caused by COVID-19.

Based on what is referred to in the Mexican Employer Confederation [COPARMEX] (2020), the commercial repercussions caused by the coronavirus in Mexico forced 35,000 Mexican companies to close, which caused a drop of 8.5% of GDP in 2020.

This situation generated a change in habits, among which, according to the Mexican Association of Online Sales (2021), the Internet search for products or services and the consequent purchase on the Internet stand out. It should be added that 56% of those interviewed by the association make purchases on the Internet and 16% are new buyers. On the other hand, according to Reyes (2021), 44% of the interviewed population affirms the

decrease in purchases in physical places, thus representing an opportunity for restaurants and home delivery. It should be added that food and home delivery represent the most relevant actions for the consumer (Mexican Association of Online Sales, 2021). Mainly for people who do not have enough time, older adults or people with various health problems (Rodríguez, 2007).

All this has caused interest in the process that involves the home delivery service, since, being an effect of an unexpected event, several restaurants were forced to close the doors of their companies and change their operations to a home delivery service (McCann, 2020; Ferrer, 2022). However, according to what was reported by the National Chamber of the Restaurant and Seasoned Food Industry (2020), only 15% of restaurants in Mexico have home delivery. In turn, only 1 out of 20 restaurants was in a position to establish the home delivery service (Lozano, 2020).

In Mexico there are various home delivery platforms such as UberEats, DiDi Food, SinDelantal, Rappi, Kitzen and Jüsto, however, these types of applications are only located in the capitals of each state or in the main cities of the country.

In addition to delivering your food in the comfort of your home, these platforms allow users to order food from any restaurant that is affiliated with the application and in the process they will have the opportunity to geographically follow the course of the order and thus ensure that arrive at your home without any problems (Vásquez, et al. 2015).

According to a report published by the analysis firm Allie Market Research, the food delivery service application market reached a value of 3,970 million dollars in 2017 and it is expected that by 2023 this figure will rise to 16,600 million. dollars with an annual growth of 27.9% (Payo, 2019).

It is important to mention that there are small cities with sufficient commercial logistics in different regions, such is the case of the city of Huajuapan de León, Oaxaca, which has approximately 78,000 inhabitants. This city still does not have these platforms, so home delivery is still carried out in the traditional way through phone calls or with the most common social networks, which are not specialized in sales, such as Facebook, WhatsApp and Instagram. In this context and in the environment caused by COVID-19, local companies are in uncertainty regarding the incursion of home delivery service with other strategies or platforms, since there is not enough information.

Méthods
This research is considered according to its purpose, in applied research since, according to Bunge (2008) and Torres and Navarro (2007), it is characterized by the type of problem that is studied, since it is always chosen with a defined final objective, and because it is linked to development, its primary purpose is the analysis of a practical situation. In this case, its result is to generate improvement proposals to enter the home delivery service by local fast food businesses through a SWOT analysis.

Due to its scope, it is exploratory and descriptive (Hernández et al., 2020), since with this work an overview and general knowledge of the subject or problem in question is achieved, generating proposals for continuous improvement, in search of improving the service offered by the restaurants, considering the existing digital tools and also self-evaluate with the SWOT tool.

However, the methods used in research are of different types, depending on the final objective or type of knowledge that is to be generated (Pimienta et al., 2017). Based on this, this research work would be within the action methods, that is, they are those that seek to transform reality, such as work and production methods, which try to carry out continuous improvement in local businesses.

To achieve the above, the main information collection techniques for the research were the primary and secondary sources for which bibliographic information on the subject was consulted and a field research work was carried out.

Results

The research focused on the Mixtec region of the state of Oaxaca, specifically in the City of Huajuapan de León, since most of the businesses are concentrated there and it is the city where more than 50% of the Mixtec population lives. According to what was reported by the National Statistical Directory of Economic Units, 552 restaurants are reported in the entire municipality, which are shown in graph 1. The number of restaurants and their physical location is exemplified in graph 1, and is represented through the number of places that exist in each of the neighborhoods of the City of Huajuapan de León.
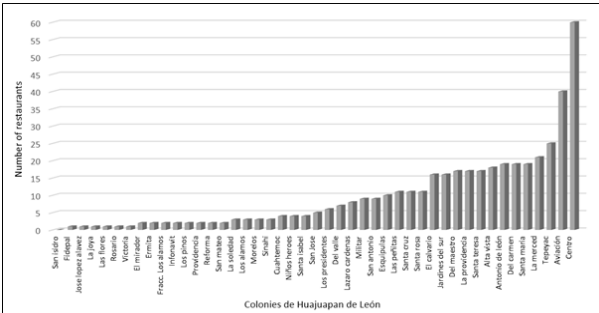

Graph 1. Number of restaurants in the neighborhoods of Huajuapan de Leon, Mixteca Region

Likewise, of the 552 existing restaurants in the region, the majority are located mainly in the center of the cities, followed by some more central and larger colonies in terms of population.

On the other hand, of the total number of restaurants, only 8% offer home delivery, this is represented in graph 2, the rest (92%) do not have home delivery (graph 2).

This information could be collected based on a direct field survey.
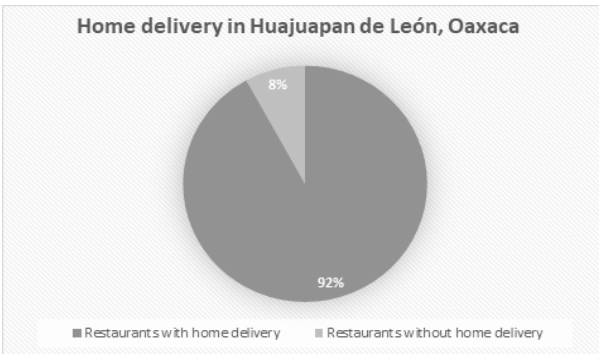
Graph 2. Restaurant delivery service

Now, with respect to the products offered in the 522 restaurants found in the region, pizzas are in first place, followed by fast food restaurants. This is represented in graph 3. As can be seen, the possibility of distributing these products is feasible, planning and optimizing the resources of each business to make a timely and quality delivery.
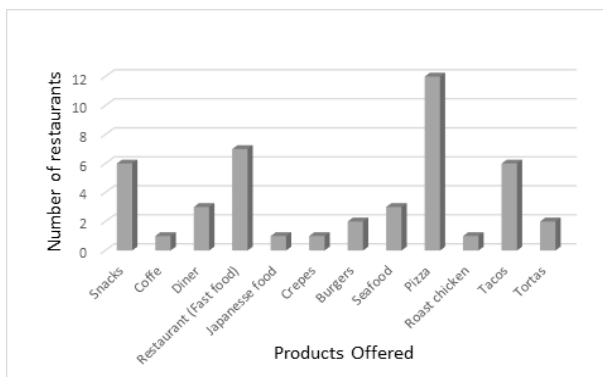
Graph 3. Products offered by the different restaurants in the region

It should also be commented and clarified that this sales model is a direct channel, so, as referred by Otero (2017), this channel is characterized by the fact that the company is in charge of the entire logistics distribution process.

Proposal for incursion into home service

The sales channel through e-commerce or electronic commerce refers to business activities that involve customers, producers, service providers and intermediaries using computer networks such as the Internet (Andrews, 2002). Likewise, as referred by Fernández, et al. (2015), this facilitates the creation of new markets and the reduction of costs. Arellano, et al. (2020) also points out that e-commerce serves to make products known and increase sales.

As mentioned, in the Mixtec region most restaurants still do not have home delivery applications, so their main means of placing an order are social networks and calls. This is how, to improve the sales service, the development of digital tools is proposed, which, although it is true that they were launched previously, these acquire relevance in the current era. It should be added that for digital business communication through social media to be developed successfully and achieve its objectives, it must be participatory and interactive (Castelló, 2012).

Below are some easily accessible and free tools that could be implemented as a business model in some of these establishments at a given time, previously defining a planning of the materials, investment and human resources required:

Google My Business. This application allows establishing a profile on Google, facilitating the search for the company, as well as positioning it on Google Maps, while allowing consumers to evaluate the experience, although this tool was launched in 2014, in in the Mixtec region according to the Google search engine only 41.12% of restaurants are registered (Google Support, 2021).

Facebook ads. Tool to establish advertisements for the Facebook web page that are established according to a segmentation chosen by the advertiser, likewise statistics of the scope of the advertisement and potential customers are created.

WhatsAppBusiness. Application developed to facilitate interaction with customers, offering a company profile that includes a description of the company, address, email and website, in addition to having a customer classification system through labels and quick answers as automatic. The application was launched in 2018, however, WhatsApp Messenger is still used by local businesses today.

InstagramBusiness. It is an Instagram tool that allows you to establish a business profile, metrics of the clients reached and promotion of ads through the page.

In addition, other important elements to generate a broader market niche and satisfy the needs of customers, considering their opinions, are the following:

Delivery optimization. The optimization of the delivery routes is a very important point, for which it is suggested to apply the scanning method that consists of the triangulation of the routes traveled, which can be carried out easily, in collaboration with the delivery route system. delivery offered by Google Maps. This option allows an efficient delivery time.

Customer service. Customer service according to Najul (2011) is an activity of importance for the success of any organization in the current world scenario. Therefore, attention should be paid to this, specifically in the delivery process, for which it is suggested to train the delivery person, for excellent customer service and thus generate added value. Within these consider elements such as friendliness, hygiene, adequate facilities, entertainment services, including promotions.

Product quality. Quality is one of the main pillars of any establishment, if not the most important, in an increasingly demanding and highly competitive market, hence the need to identify mechanisms or indicators to assess the quality of the products and services offered as it is well argued by Monroy and Urcadiz (2019).

The pandemic brought with it changes that are here to stay. One of these is the increase in the implementation of the home delivery service in many companies. This modality continues to grow day by day and companies seek to continue developing this channel to increase their sales and of course to be prepared in the future in case of more extraordinary events.

This is why, according to (Ferrer, 2022) in the year 2022 new trends have arrived for this type of sale, among which are:

- Reduction of time in home deliveries with greater visibility of the order: Customers are increasingly more demanding and have higher expectations, not only is the delivery time itself important, but there is also the need to monitor the location of an order in real time, with the use of GPS (Global PositioningSystem).
- Dark kitchens: Also known as "ghost kitchen", it is a new concept that consists of having kitchens enabled to produce food, but the difference is that they are only dedicated to home deliveries, since there is no physical place for the customer to go to consume the food.
- Dark stores: Its objective is 100% online sales, that is, there is no physical place for the customer to go to buy their products, but purchases are made through a mobile application or web page and they receive their orders through deliveries at home

The application of the SWOT tool (Strengths, Weaknesses, Opportunities and Threats) was carried out, which is a powerful tool for planning strategies in any area such as analysis, useful for evaluating the incursion of local companies into new trends in the market. home delivery service with the intention of identifying areas of opportunity to apply continuous improvement (Montesinos et al, 2020), which is shown in figure 1.
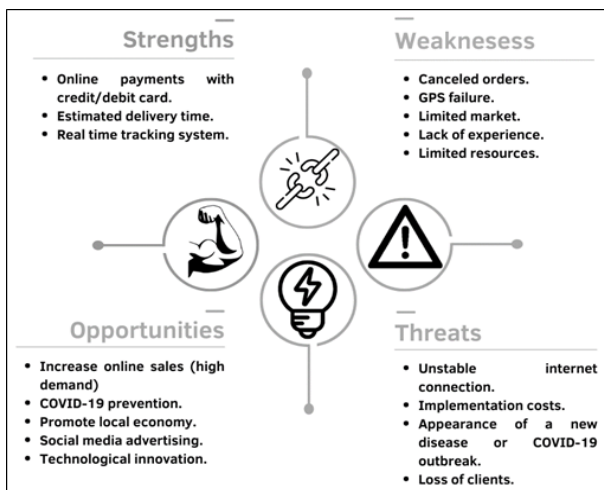

Figure 1. SWOT analysis of local businesses

CONCLUSIONS

The incursion of e-commerce has improved the quality of life of many people, including older adults, because it facilitates access to having food at home without the need to expose themselves to going out and being able to be victims of crime or present an accident and put your health at risk.

That is why implementing this type of system in this city would be very useful, since there is a large elderly population in the city, who benefit from this home delivery system. It will also be useful for small businesses in the locality, since with this outsourced distribution method they can increase their income and expand their market. But to achieve this implementation, a SWOT analysis must first be carried out for each of the small entrepreneurs in the city, and then identify, analyze and consider the benefits that joining e-commerce will bring.

Currently, home delivery is a fundamental tool in the positioning of small local businesses, because this channel allows products or services to be delivered in a more efficient and comfortable way for customers and as a result differential links are established with the same.

The restaurants of the region can use some of the tools mentioned above to enter the home delivery service or improve their delivery system. The existence of these tools may seem obvious for years, however, their use increased due to the pandemic.

In the specific case of the Mixtec region, restaurants continue to limit themselves to the use of traditional telephone calls to serve their customers, without opting for applications specifically for business, when in reality these applications can help establish a new type of market , since according to the Mexican Association of Online Sales (2021) the pandemic

generated changes in habits that modified sales systems, thus highlighting that customers now usually search for and purchase products or services online before going out to look for a place.

In this way, the sales methods of restaurants in this places and many other more vulnerable regions with fewer services near this town are almost obsolete. Although it is true that home delivery platforms have not yet been established in these places, businesses have not opted for the use of the aforementioned tools, due to ignorance of their existence or to the belief that this implies a cost, when in fact the mentioned applications are free and easily accessible.

Declaración de conflicto de intereses
Los autores manifiestan no tener ningún conflicto de intereses. La información y los datos son propiamente de los autores.

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