Assessing the Degree of Readiness for Online Campus Food Ordering and Delivery Service at Northwest University Kirkland, Washington

Graduate Research

In partial fulfillment of the

Masters of Business Administration degree requirements

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December 10, 2005

Table of Contents

Abstract

This research document studies a number of online campus food delivery businesses located in the United States to determine the degree of readiness for a similar campus food delivery service from outside vendors at Northwest University in Kirkland, Washington. Data was collected from a variety of businesses and Northwest University students regarding the plausibility of a business model. A survey was administered to 200 students at Northwest. Results of the survey were quantified and analyzed. Local businesses were contacted and presented the survey results to determine their likeliness to participate in a program. Based upon the analysis of the survey data from end users and suppliers, as well as the identification of "best practices" by the best web-based campus ordering businesses, conclusions are presented regarding the degree of success for a business model at Northwest University.

Introduction – Research Problem

Northwest University and the Ideal Online Food Service Business Model

One desired output of this study is to determine the viability of an online campus food and delivery service business model at Northwest University. Benchmarking similar online businesses is utilized to identify best practices to determine the ideal online food service business model for Northwest University. Is it capable of providing full-time or part-time employment, and is it expandable beyond the Northwest University campus? Would it also work in the community? Could it be expanded to other small colleges and universities? What are the optimal characteristics that meet the needs of the campus community and local business? These questions will be answered as a result of this research.

As consumers, College students wield significant spending power. According to Harris Interactive research, the most recent findings from the 360 Youth/Harris Interactive College Explorer Study demonstrate the significant power of the U.S. college market, with spending at nearly $200 billion a year. It is a large and influential market, with over 15.6 million students, and is a vital segment for marketers concerned with serving the needs of young college age consumers.

Shattering the paradigm that college students lack sufficient resources to have discretionary spending, this is a remarkable amount of spending. In fact, according to the same Harris Interactive research, college students spend an average of $287 a month on discretionary items (spending on anything other than tuition, room/board, rent/mortgage, books/school fees). A good portion of that discretionary spending is on beverages and snack foods, with total spending on those categories projected at $11.4 billion per year (harrisinteractive.com). See appendix A for a breakout of projected annual discretionary spending on beverages and snacks by College students.

Online research into Internet food and product ordering services targeting college and university students has revealed a wide array of services. There are National chains, such as campusfood.com and single campus businesses, such as campussnacks.com, and enablers such as webfood.com.

Campusfood.com specializes in online food-ordering from college area restaurants with discounts exclusively for students. It averages about 400 orders a night at its first location, the University of Pennsylvania, where it offers 37 businesses to students. Campusfood.com is a privately held company headquartered in New York, NY.

Northwest University, located in Kirkland, Washington, is relatively small in comparison to larger universities such as the University of Pennsylvania. Sheer volume alone would suggest a campus-based online ordering business would be challenging. Another factor which must be considered is that the resident dorm students must participate in a dining plan at the campus based cafeteria. These meals are included in the room and board which all resident students are expected to pay. So any type of online food ordering and delivery service would be providing supplemental food and beverages, above that of the cafeteria.

However, a campus-based online ordering business would seem to have a couple things in its favor. Data indicates that college students do a lot of supplemental eating, yet many students lack the transportation resources to be able to go pick up something to satisfy their hunger. So an online ordering and delivery service conveniently meets the appetite needs of students.

Literature Review

According to the Harris Interactive 360 Youth Survey, technology, and, therefore, spending on technology, plays a central role in the lives of college students. With 93% accessing the Internet, college students are the most connected segment of the population. Ninety-two percent (92%) own a computer, and (13%) say they plan to buy one in the next year. Cell phone ownership is at 69%, with (18%) of students planning to buy one in the next year. Fifteen percent (15%) of college students say they are among the first to buy a new technology device or gadget, and another (53%) say they are likely to buy one after seeing others try it. Only (32%) say they tend to wait a long time before purchasing a new technology. (harrisinteractive.com)

Although online ordering seems to be popular with students, there seem to be very few businesses that are taking advantage of the technology trends. Some predict that the future of computing is going to meld with the cellular phone, and college students are certainly tuned into that trend. Businesses on the technological cutting edge will be able to tap the college student discretionary spending.

The intention in this section is to introduce the reader to many of the campus food ordering businesses and applications discovered in the research, attempting to dissect them into their basic component parts, looking for industry "best practices".

Most of the businesses identified in this genre were founded by college and university business students who while attending and residing on campus were tired of their lack of campus food choices. For instance, according to campusfood.com, it was founded in 1997 by University of Pennsylvania student Michael Saunders. He launched the site in response to frustration over getting busy signals while trying to order a tuna sandwich as a student. Campusfood.com is now affiliated with approximately 1,500

restaurants at more than 300 college campuses nationwide, says Christine Heller, a spokesperson for the business.

Campus online ordering systems can be categorized into two subcategories:

1) National or regional multi-campus

2) Single-campus

National or regional multi-campus are defined as those services which encompass multiple campus locations with either a national coverage or intention to become such. Examples are campusfood.com and eorders.com

Single-Campus businesses were created to service the students of a single campus. Examples are tarheeltakeout.com and thesink.com

Listed below are some of the most popular food ordering business sites currently functioning on the internet:

National or Regional Multi-Campus Business Models

Campusfood.com

Eatnow.com

Simpledine.com

Single-Campus Business Models

Gdbdelivery.com

Longhorndelivery.com

Raleightakeout.com

Tarheeltakeout.com

UTMenus.com

This list represents just a portion of the many online ordering businesses that are functioning on campuses and communities across the United States and in some cases internationally. Executive summaries of the aforementioned business models follow.

Campusfood.com

Established in 1997 by University of Pennsylvania student Michael Saunders, it has a successful business model, is attractive to students and businesses, and utilizes an effective "free food" deployment to establish business at new campuses. However, it does not utilize cutting edge technologies to simplify ordering and delivery. According to April Lisante (2005), some customers complain of slow service and limited selection in some locations. Revenue is created as a percentage of each order. Campusfood.com has the largest market penetration, with enough market capital to cover the cost of expansion to new markets (colleges and universities). Campusfood.com needs to take advantage of new technologies or they may begin to lose market share. In my opinion, the company may be spread too thin in some locations, since restaurant partnerships seem quite limited (University of Washington). "For a student living on three-dollar slices of pizza and mundane meal plans, the promise of free catered food might seem like a little piece of heaven on campus. With campusfood.com — a new food delivery agency available to all University students via the Internet — students can get just that during a two-week trial period." Meghan McCormick (2003)

Eatnow.com

Established in 2005 by Wharton School sophomore Nat Turner, along with three other students, this business model is limited to a few major cities on the east coast, but they have plans to rapidly expand. The strength of Eatnow.com is their use of cutting edge technologies such as Global Positioning to gain competitive advantages; utilizing a free restaurant delivery system rather than their own. Revenue is derived by charging a 5% commission on all customer orders from participating restaurants.

"New York has had similar sites for a few years now, and others that strictly serve campuses exist across the United States, but Turner and his friends used their computer savvy to improve on current technology. They programmed their site with geographical coordinates that calculate whether a restaurant delivers to a customer's address, and they installed a real-time clock that keeps track of when restaurants open and close." (April Lisante, 2005)

Simpledine.com

SimpleDine.com is a national business that was formed in 2003 by recent Williams College graduate Chris McAleenan, along with Michigan State University graduates Jon Dodge and Mike Bowers. SimpleDine, which is simple to use and attractive to students and businesses, is currently deployed to just a few campuses but they have aggressive expansion plans. Restaurants pay a nominal fee for the listing and each order placed. According to Simpledine.com president Chris McAleenan, they plan to expand to over 200 campus communities throughout the United States. (www.grandangels.org/simpledine.htm)

Gdbdelivery.com

Gdbdelivery.com was founded in 2003 at Duke University by Garrett Bean, then a sophomore at Duke. The website launched during the spring, 2005, and only services Duke University. However, they are planning on expanding to other colleges and universities. A strength of this business is it utilizes student accounts, being integrated with their dining plans, and has a very informative question and answer section. There are ongoing innovations such as group ordering and real-time order tracking, and one unique feature is Duke Students can purchase privately traded shares in the corporation. However, the website has no online demo available for prospective student customers. Campusfood.com is a direct competitor. "With an estimated potential market of $16 million annually—the total value of everyone's food points at Duke—the future looks bright for the completely student-run business." (Jenny Bonilla, 2005)

Longhorndelivery.com

Longhorndelivery.com was started in 2000 by a University of Texas alumnus. Their motto is "relax, we're on the way." They have a user friendly website that has a map which shows well defined delivery boundaries. However, on the University of Texas Campus a new competitor has emerged called utmenus.com now, which is already carrying many of the same restaurants as longhorndeliver.com. There is also competition from campusfood.com, which has free delivery after reaching minimums. The longhorndelivery.com business has a $1.99 per order flat delivery fee. This service is specific to University of Texas in Austin. The pickup and delivery service also provides for the ordering of some grocery items and sundries.

Raleightakeout.com

Raleightakeout.com services North Carolina State University in Raleigh, North Carolina. The menu has a nice layout, is fairly straightforward for ordering, and has a good selection of participating restaurants. The website, however, is not very user friendly, and the bright red color is frustrating. The tiny font of the restaurant links makes it difficult to use. Delivery fee is $4.99, but campusfood.com is free with minimum order. This site competes directly with campusfood.com and with their high delivery fee and percentage take apparently is not competing well.

Tarheeltakeout.com

This web-based business, serving the University of North Carolina and surrounding areas, has the most restaurant ordering selection. Listing over fifty businesses, each with an open / closed indicator; and comprehensive ordering instructions, the website is integrated with local businesses. However, it does not utilize cutting edge technologies to simplify ordering and delivery. There have been some complaints of slow service in some locations. It seems very similar to raleightakeout.com, but the website is much more user friendly.

Utmenus.com

UTmenus is the creation of a website ordering enabler called eorders.com. It has a user friendly website, having nice, colorful graphics attractive to students and businesses. One concern is the web application requires computers to use ActiveX controls, which are screened off by some security settings. Also, it exists in a highly competitive market with campusfood.com and longhorndelivery.com competing for

customers. “The company stresses that its business offers perks for everyone involved. UTmenus makes it easier for students to choose what they want to eat and faxes the information directly to restaurants, cutting down on incorrect orders.” (Les McLain, 2004)

According to the webfood.com website, Webfood, a product of The CBORD Group, Inc., provides innovative ordering solutions for the foodservice industry, including: Online ordering, Self-service Kiosks, and Remote Drive-thru Call Center. (webfood.com)

Another food ordering service on the cutting edge of technology is waiter.com. According to their February 23, 2005 press release, Customers can now access their Waiter.com lists of favorite orders and restaurants from the convenience of their Web-enabled mobile device. (waiter.com)

"OracleMobile.com(TM) is bringing the ease of the Internet to the wireless world," said Craig Cohen, President and CEO of Waiter.com. "By bridging the wireless content divide, OracleMobile.com solves the question of how we can bring Waiter.com's customers into the wireless age." (waiter.com)

This mobile device trend is predicted to continue. Earle and Keel (2000) accurately predict that customers will access e-services through their cell phones as much as through their personal computers. They go on to say that companies who understand this basic tenet – that the future ultimate experience in the .profit econet will require mobility – will win, period.

“The concept of value innovation, which builds on customer value, is fast gaining support. The argument is that what matters to customers (and so to businesses) is not simply the need to compete – the trap of competition – but rather the need to redefine

the markets in ways that generate powerful and distinctive new benefits for the customer." (Kourde, 2003, p. 16)

According to Michman, Mazze and Greco (2003), college students are still in the process of establishing many of their brand preferences and shopping patterns.

According to Michman, Mazze and Greco (2003), undergraduate college students have an average buying power of over $400 per month and graduate college students spend about $750 per month. Almost all these students have access to the Internet through a campus outlet. These students generally pay for their purchases by check, credit card, cash, a bank debit card, or a campus debit card.

Credit is used by college students to purchase a wide assortment of goods and services. Credit cards are an important tool for college students.

"The opportunities apparent in marketing to teens are greater than ever: the coming of age of the large millennial generation, the biggest population cohort since the Boomers, is almost reason enough to warrant a teen initiative". (Zollo, 2004, pg. 3)

According to Kourdi (2003), technology has an immense and diverse impact on business decisions. Adding value, understanding customer needs, assessing costs, being certain of the forces driving profitability and competitive advantage, and enhancing external perceptions of an organization or brand are all factors that are directly affected by the management and use of information technology.

Survey Methodology

Based upon initial investigation, it became apparent that data would have to be collected to support the research question. The most critical population was Northwest University students living in student housing, whether dorms or campus apartments. A survey was designed to determine the discretionary food ordering practices of Northwest University students, translate that to a monetary opportunity, and then question local businesses regarding their interest in participating in an online business opportunity involving Northwest University. The survey was comprised of nine questions dealing with an array of topics, from food ordering practices to online ordering capability. See appendix.

The next decision was determination of survey methodology. Input from the Student Affairs office indicated there were 600+ students living in the dorms and an additional 400+ apartment dwellers. Initially, the intention was to utilize a male and female student liaison to coordinate distribution and collection of surveys given to a sampling of students in each of the respective residence halls. Sampling would be based upon proven statistical sampling calculations to reflect the views and opinions of the student population as a whole. Apartment students would be randomly sampled by inserting surveys into mailboxes at their place of residence.

However, as the researcher was getting close to deploying surveys to the residence halls, difficulty was encountered in getting commitments from student liaisons. Also, there was concern that having surveys distributed by students to roommates, friends, classmates, etc., could become problematic by creating a significant bias in the data. So instead of deploying surveys via student liaisons, the decision was made to utilize university mailboxes to randomly distribute 200 survey instruments.

Unbeknownst to the researcher, Northwest University has an approval process for any type of mass-distribution to the student population. When approached for permission it was discovered the process usually involves more than a quick verbal approval. The student affairs office initially indicated the need for presenting the survey before a review board, in order to solicit their approval. However, after reading through the form student affairs provided tacit approval as concerns regarding maintaining student privacy were alleviated.

The surveys had questions on one side and a return address on the other. Students would fill out the form and mail back to the Director of University Housing where they would be collected. A one week deadline for completion and return of the survey forms was allowed.

The campus mail service distributed the 200 surveys to randomly selected mailboxes, with the exception that mailboxes containing a lot of mail were ignored based upon the assumption that the mailbox owners were negligent in picking up their mail in a timely manner, thus relegating the one week deadline irrelevant.

Once the deadline was reached, the completed surveys were collected that had been returned. There were at total of 23 returns, for a 12.5 percent response. Although initially disappointing, in conversation with other Northwest University students they indicated that the response rate was well within the norms for surveys deployments. However, the primary concern was that because of the randomization of survey distribution, data could easily be skewed by a segmented response by either the male or female dorm students, or apartment dwellers. This concern is addressed in research analysis section of this paper. However, according to Mitchell and Jolley (1988), despite

the hassles involved with random sampling, researchers are willing to tolerate it because it allows one to generalize the results of a study to a larger population.

The student survey was designed to address the following data elements:

- Three questions to reveal student meal purchase practices.
    - How often do you order food delivery service in a typical week?
    - How often do you order and pick-up meals in a typical week?
    - How often do you purchase ready-made meals in a typical week?
- One question indicating their willingness to drive a distance to collect their food.
    - How far are you willing to drive to pick-up ordered or ready-made food?
- One question indicating how much they typically spend for food they order.
    - How much do you typically spend for each order of delivered, picked-up or ready-made food?
- One question addressing favorite types of food ordered.
    - What type of picked-up food do you prefer?
- One question to reveal their place of residence.
    - Where do you currently reside?
- One question to reveal whether or not they had online capability in their residence.
    - Do you have online ordering capability in your place of residence?
- One question was to gauge levels of interest in an online food ordering service, with the suggestion residents observe an example of a functioning online service called campusfood.com.
    - Would an internet based online campus food ordering & delivery service interest you (for an example see www.campusfood.com)?

Refer to appendix B to view the survey in its entirety.

Local Business Survey

Once the student data was collected, the next phase of data collection was to survey the level of interest by business owners in an online food ordering service. Analysis using the yahoo.com yellow pages option indicated there were 75 restaurants or food provisioning services within a one mile radius of Northwest University. However, since the student survey question number six allows the selection of the most popular types of pickup and delivery food genres, it was determined to map the restaurant data collection to the student responses.

According to the student data analysis, the most popular food ordering pickup genre is pizza, followed by Mexican food. In order to collect data from these types of food providers, it was decided to use interview methodology, utilizing a printed presentation format to illustrate how the service works, concluding with a short questionnaire to gauge levels of interest.

The intended process was to randomly select restaurants representing a wide array of genres located within a five mile radius of the University. Once these were selected, appointments would be made with restaurant owners or managers to present an overview and then ask questions. The goal was to interview at least one owner or manager of each of the major food genres indicated in the student survey.

The first restaurant selected was Mexican food, at

Tres Hermanos

(425) 827-4422 12821 NE 85th St

Kirkland, WA

During interviews the interaction and data collection was limited. Neither the manager nor owner was available. A few questions were asked of the person running the restaurant but was unable to provide the data needed. Other than finding out they had no delivery service to individual patrons and no website, the researcher was unable to draw any conclusions regarding their level of interest in a web based ordering and delivery service to Northwest University students.

Quiznos Sub

(425) 828-8587 10615 NE 68th St

Kirkland, WA

This Quizno's owner allowed time to flip through the entire presentation which was followed up with a questionnaire. Responses to the questions were recorded and are part of the analysis section.

After two interviews and the application of lessons learned in this process, it was decided that the interview and questionnaire approach, which initially seemed the best approach, actually was problematic for several reasons. Interviewing a manager or owner during business hours can be quite distracting or unproductive. Secondly, it became apparent that language and cultural misunderstandings created a significant research bias. Considering most of the foods ordering genres are establishments owned by people of different cultures, it became apparent that the interviewing method resulted in frustration and duplicity. Therefore, restaurant data collection was concluded with these two experiences and rather focused on the student data collection and web based business model research.

Analysis of Survey Results

Student Survey Analysis

Of the 200 surveys distributed to Northwest University students, completed surveys were returned by 23, a response rate of 12.5%. Though the respondent group was small, it covered the array of men and women resident students, as well as those living in campus apartments.

Q1: How often do you order food delivery service in a typical week?

Analysis: This question was intended to assess the average weekly food delivery ordered by the Northwest University campus resident students, then convert the percentages to the student population as a whole. As indicated in the data below, the majority (82.6%) indicated they never ordered delivery. However, (13%) indicated they ordered delivery service once a week, and (4.35%) two deliveries. Projecting these percentages to the campus population forecast approximately (217) deliveries in a typical week.

Q1: How often do you order food delivery service in a typical week?			
Responses:	Sample Count	Percent	Total Population Meals
4	0	0.00%	0
3	0	0.00%	0
2	1	4.35%	87
1	3	13.04%	130
0	19	82.61%	0
Total	23		217

Q2: How often do you order and pick-up meals in a typical week?

Analysis: This question was intended to assess the average weekly amount of food ordered and subsequently picked up by the Northwest University campus resident students, then convert the percentages to the student population as a whole. As indicated in the data below, the majority (65.2%) indicated they never ordered and

picked up food. However, (30.4%) indicated they ordered and picked up food once a week, and (4.35%) four times a week. Projecting these percentages to the campus population forecast approximately (478) food orders picked up in a typical week.

Q2: How often do you order and pick-up meals in a typical week?			
Responses:	Sample Count	Percent	Total Population Meals
4	1	4.35%	174
3	0	0.00%	0
2	0	0.00%	0
1	7	30.43%	304
0	15	65.22%	0
Total	23		478

Q3: How often do you purchase ready-made meals in a typical week?

Analysis: This question was intended to assess the average weekly amount of pre-made meals purchased by the Northwest University campus resident students, then convert the percentages to the student population as a whole. As indicated in the data below, the majority (60.8%) indicated they never purchased pre-made meals. However, (21.7%) indicated they purchased pre-made food once a week, (13%) three times a week and (4.35%) four times a week. Projecting these percentages to the campus population forecast approximately (783) pre-made meals picked up in a typical week.

Q3: How often do you purchase ready-made meals in a typical week?			
Responses:	Sample Count	Percent	Total Population Meals
4	1	4.35%	174
3	3	13.04%	391
2	0	0.00%	0
1	5	21.74%	217
0	14	60.87%	0
Total	23		783

Q4: How far are you willing to drive to pick-up ordered or ready-made food?

Analysis: This question was intended to assess the distance the typical Northwest University campus resident student is willing to travel to pickup food, then convert the percentages to the student population as a whole. As indicated in the data below, the majority (60.8%) indicated they would be willing to travel between zero and four miles, (21.7%) indicated they would travel five to nine miles, and (4.35%) ten or more miles. The intention in gathering this data was to determine the maximum distance of restaurants from Northwest University that would be potentially be participating in students ordering and picking up food. Apparently, the ideal distance for most students is four miles or less.

Q4: How far are you willing to drive to pick-up ordered or ready-made food?			
Responses:	Sample Count	Percent	Total Population
10+ Miles	1	4.35%	43
5-9 Miles	5	21.74%	217
0-4 Miles	14	60.87%	609
Never	3	13.04%	130
Total	23		

Q5: How much do you typically spend for each order of delivered, picked-up or ready-made meals?

Analysis: This question was intended to assess the amount spent by the typical Northwest University campus resident student on food they ordered for delivery, pickup, or pre-made meals, then convert the dollar amounts to the student population as a whole, based upon the projections from questions one to three. As indicated in the data below, the majority (50%) indicated they averages $5.50 per purchased item, (18.1%) indicated they would spend an average of $8.50, and (22.7%) approximately $10. The intention in gathering this data was to determine the weekly amount spent by Northwest

University students ordering and picking up food. This amount was intended to be used to convey to area restaurants the revenue potential for those participating in an online ordering service.

Q5: How much do you typically spend for each order of delivered, picked-up or ready-made food?			
Responses:	Count	Percent	Total Weekly Opportunity
$10.00	5	22.73%	$3,359.68
$8.50	4	18.18%	$2,284.58
$5.50	11	50.00%	$4,065.22
$3.00	2	9.09%	$403.16
Total	22		$10,112.65

Q6: What type of pickup-food do you prefer?

Analysis: This question was intended to assess the food type ordering preferences by the typical Northwest University campus resident student for food ordered for delivery, pickup, or pre-made meals, then convert the dollar amounts to the student population as a whole, based upon the projections from questions one to three. However, it was determined after the survey was already disseminated that this question was flawed, because it only indicated picked-up food, but should have stated delivered and picked-up.

As indicated in the data below, the majority (31.4%) indicated they preferred pizza, and the projected ordering amount for pizza would be $3,178. The other types of food were fairly evenly spread, with no statistical advantage. The intention in gathering this data was to determine the weekly amount spent by Northwest University students ordering and picking up certain types of food. This amount was intended to be used to convey to area restaurants the revenue potential for those participating in an online ordering service.

Q6: What type of pickup-food do you prefer?			
Responses:	Sample Count	Percent	Total Cost Opportunity
Pizza / Italian	11	31.43%	$3,178
Sub Sandwich	4	11.43%	$1,156
Mexican	6	17.14%	$1,734
Chinese	5	14.29%	$1,445
Chicken	5	14.29%	$1,445
Other	4	11.43%	$1,156
Total	35		$10,113

Q7: Where do you reside?

Analysis: This question was intended to assess the population segment "residence" of the typical Northwest University campus resident student participating in the survey, then convert the percentages to the business opportunity. It also provides data regarding sampling percentages to assess whether or not the data could be statistically significant. As indicated in the data below, the majority (52.2%) indicated they live in a campus apartment, (26.1%) indicated they were men's dorm residents, and (17.4%) women's dorm. The problem with this data is it does not reflect the amount of surveys distributed to each of these student populations. Since the 200 surveys were randomly distributed to student mailboxes, there is the possibility that it was not evenly distributed to each of the population segments. Based upon the count of the returns, there is the distinct possibility that there are not enough surveys from the dorm residents to confidently project the results to the population as a whole.

Q7: Where do you reside?			
Responses:	Count	Percent	Cost Opportunity
Women's dorm	4	17.39%	$1,758.72
Men's dorm	6	26.09%	$2,638.08
Campus Apt.	12	52.17%	$5,276.16
Off Campus	1	4.35%	$439.68
Total	23	1	$10,112.65

Q8: Do you have online ordering capability in your place of residence?

Analysis: This question was simply intended to assess the internet ordering capability of the Northwest University campus resident students, then convert the percentages to the student population as a whole. According to the data, (68.2%) of the Northwest University students have internet ordering capability, which is less than the national average.

Q8: Do you have on-line ordering capability in your place of residence?			
Responses:	Count	Percent	Total Population
Yes	15	68.18%	
No	7	31.82%	
Total	22		

Q10: Would you be interested in an internet based online campus food ordering & delivery service?

Analysis: This question was simply intended to assess the internet ordering interest of the Northwest University campus resident students, then convert the percentages to the student population as a whole. According to the data, over (95%) of the Northwest University students would at least have an interest in this type of service.

Q10: Would you be interested in an internet based on-line campus food ordering &			
Responses	Count	Percent	Total Population
Yes	7	33.33%	333
Maybe	13	61.90%	619
No	1	4.76%	48
	21		

Conclusions derived from the student data certainly benefited the structure of the survey for local businesses, used to solicit feedback regarding their level of interest in this type of business model. It contributed to the conclusions regarding the viability of a business model, as expressed in the recommendations section of this paper.

Recommendations

Summing up the capacity of the college market, John Geraci, Vice President of Youth Research at Harris Interactive, points out that, "The college consumer is easily overlooked since most information sources that marketers rely on for tracking consumer behavior tend to under-represent college students. However, it is a consumer group that marketers should recognize as offering substantial opportunity. Connecting with consumers during the college years can pay great dividends, both now and well into the future." (harrisinteractive.com)

According to Earle and Keel (2000), mobile e-services will transform many areas of business-to-consumer commerce for some very simple reasons: People prefer to use the phone, all other things being equal. When the phone becomes a device with high bandwidth, high-resolution display, and a full browser, it will be a preferred customer tool.

Earle and Keel (2000) go on to say wireless technology opens up many opportunities for service at the customer moment of value. It takes the technology where the customer is, at the very time that customer is interested in a service. It extends 24 X 7 X 365 to 24 X 7 X 365 X anywhere.

Earle and Keel (2000) indicate that while Old World businesses are driven by process, New World businesses are driven by the need to improve relationships with customers, whether those customers are partners, employees, or consumers. The Internet is the great enabler for bringing people together. The challenge for all of us is this: How to harness the inherent ability of the Internet to affect positive change for the betterment of society?

The reality is that industries never stand still, according to Kim and Mauborgne (2005). They continuously evolve. Operations improve, markets expand, and players

come and go. History teaches us that we have a hugely underestimated capacity to create new industries and recreate existing ones.

Value innovation, according to Kim and Mauborgne (2005), occurs only when companies align innovation with utility, price, and cost positions. Unless the technology makes buyers' lives dramatically simpler, more convenient, more productive, less risky, or more fun and fashionable, it will not attract the masses no matter how many awards it wins.

According to Campbell (1995), the Internet can assist research efforts whether research is connected with a college course assignment, a job search, new product development, or self-study efforts to further learning.

A decade after browsers came into popular use; the Internet has reached into–and, in some cases, reshaped–just about every important realm of modern life. It has changed the way we inform ourselves, amuse ourselves, care for ourselves, educate ourselves, work, shop, and bank, pray and stay in touch.

As stated at the beginning of this paper, certain factors were to be considered to determine the measure of success. In other words, what factors determine the viability of the proposed business model? Students love high-tech, internet e-business connectivity, and students love food. Proposed business model would work at Northwest University. But is it capable of providing full-time or part-time employment? Most likely it would be limited to part-time employment, probably best conducted by a current student or partnership of students. Is it expandable beyond the Northwest University campus? Most likely. Residents in and around the campus would really appreciate such a service. With community participation it might become a full-time position.

The research also asked if the business model could be expanded to other small colleges and universities. Unfortunately, with research and data analysis being restricted to one campus, it is doubtful that any conclusions can be drawn regarding business model expansion. However, research has shown that college student data is typically useful only for the campus from which it is derived, and not sufficient to draw conclusions for other campuses.

Another question related to optimal characteristics of a business model that meet the needs of the Northwest University residents and local businesses. Having reviewed many business models, it seems the most successful sites have a simplified, logical ordering approach, with plenty of information available to the customer. They utilize the latest technologies to speed up the delivery system, and they reassure the customer regarding security. Since most college students purchase with credit cards, the best business models will protect against fraud.

Top notch businesses utilize graphics that are attractive to students, and allow plenty of restaurant options. They also integrate with the college or university food programs, creating food provisioning partnerships between customers and suppliers.

Based upon research and analysis, proposed business model seems viable. However, given the time constraints the researcher was unable to gather and analyze data from similarly sized schools, so it cannot be concluded that the opinions reflected by Northwest University students are similar to those of students at all small colleges and universities.

Data analysis indicates there is a strong market for the business model and that small colleges and universities are an underserved market worthy of further research.

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Appendices

Appendix A

Spending by College Students on Beverages and Snack Foods	
	Projected Yearly Spending (in millions)*
Soda	$3,129
Bottled Juice/Fruit Drinks/Lemonade	$1,445
Bottle Water, all types	$1,421
Coffee, prepared and not prepared	$998
Chip Snacks	$630
Sports Drinks	$429
Packaged Baked Goods (e.g., cookies, cupcakes, brownies)	$423
Granola/Nutrition Bars	$329
Candy Bars	$328
**Projections based on Spring 2002 360 Youth/Harris Interactive College Explorer Study; this represents a partial list of categories for beverages and snack foods.*	

Appendix B

Hello NU students.

As a Northwest University MBA student, I am collecting data for my Graduate Research project to help determine the degree of readiness for online campus food ordering and delivery services at smaller colleges and universities. Please take a moment to help me by completing this questionnaire and returning it in one of the marked boxes located in the Pecota Student Center, Northwest Dining Hall or Housing Director Casey Hamar's office in the Davis Administration building no later than **Thursday, September 29**. Note: No names will be attached and the data will be presented in summary form only.

Food Ordering

How often do you order food delivery service in a typical week?

- ☐ 4+
- ☐ 3
- ☐ 2
- ☐ 1
- ☐ 0

How often do you order and pick-up meals in a typical week?

- ☐ 4+
- ☐ 3
- ☐ 2
- ☐ 1
- ☐ 0

How often do you purchase ready-made meals in a typical week?

- ☐ 4+
- ☐ 3
- ☐ 2
- ☐ 1
- ☐ 0

How far are you willing to drive to pick-up ordered or ready-made food?

- ☐ 10+ miles
- ☐ 5-9 miles
- ☐ 0-4 miles
- ☐ Never

How much do you typically spend for each order of delivered, picked-up or ready-made food?

- ☐ $10.00 +
- ☐ $7.00 - $9.99
- ☐ $4.00 - $6.99
- ☐ Less than $4.00

What type of picked-up food do you prefer?

- ☐ Pizza / Italian
- ☐ Sub sandwich
- ☐ Mexican
- ☐ Chinese
- ☐ Chicken
- ☐ _____

Where do you currently reside?

- ☐ Women's dorm
- ☐ Men's dorm
- ☐ Campus apartment
- ☐ Off campus

Do you have online ordering capability in your place of residence?

- ☐ Yes
- ☐ No

Would an internet based online campus food ordering & delivery service interest you (for an example see www.campusfood.com)?

- ☐ Yes
- ☐ Maybe
- ☐ No

Thank you for your participation!