Online Food Delivery Adoption and Business Performance of Food Enterprises in Lagawe, Ifugao

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ABSTRACT

By increasing market reach and enhancing client convenience, the rise of online meal delivery services has completely changed how food businesses operate. The adoption of online meal delivery services and their impact on the financial performance of food businesses in Lagawe, Ifugao, were investigated in this study. In particular, it included an overview of the businesses' characteristics, including their business type, years of operation, monthly sales, and use of online delivery services. Additionally, it evaluated firm performance in terms of financial, marketing, and operational aspects and ascertained the degree of online delivery trends.

Purposive sampling was used to choose 70 owners and managers of food businesses for a descriptive-correlational study design. A standardized questionnaire was used to collect the data, and Pearson Product-Moment Correlation, frequency, percentage, weighted mean, and standard deviation were used for analysis.

The majority of respondents ran carinderias, had been in business for one to three years, made less than ₱20,000 a month, and were already using internet delivery services, according to the results. Online meal ordering was substantially impacted by cashless payments, online menu visibility, social media promotions, discounts, delivery efficiency, and customer reviews, according to the respondents. Financial, marketing, and operational aspects of business performance were all scored highly. Significant positive correlations between online delivery adoption and marketing performance ($r = .682$, $p = .001$) and financial performance ($r = .520$, $p = .001$) were found by correlation analysis, suggesting that increased use of online meal delivery platforms enhances business performance.

According to the study's findings, internet meal delivery has grown in importance as a business strategy for Lagawe's small food businesses, improving customer satisfaction, operational effectiveness, and financial results.

Keywords: Online food delivery, digital marketing, MSMEs, food enterprises, business performance, Lagawe, Ifugao

CHAPTER 1

THE PROBLEM AND ITS BACKGROUND

Introduction

The quick development of digital technology has drastically changed how companies communicate with their customers. The food service industry is one of the sectors most impacted by this change, as online food delivery (OFD) platforms have completely changed how consumers make purchases. Customers can easily explore menus, make orders, and get food without physically visiting restaurants or food outlets thanks to mobile applications, social media platforms, and online ordering systems. Food businesses now have more ways to engage a wider audience, boost consumer happiness, and boost profitability thanks to this digital innovation.

Due to shifting customer habits, smartphone usage, and greater internet accessibility, the online meal delivery market has grown dramatically on a global scale. Particularly during and after the COVID-19 epidemic, the demand for contactless transactions, convenience, and time efficiency further pushed the popularity of online meal delivery services. Businesses that used digital platforms were able to continue operating in spite of mobility limitations, highlighting the significance of technological adaptability in preserving business resilience.

Online meal delivery has grown in popularity among micro, small, and medium-sized businesses (MSMEs) in the Philippines. Local eateries may now reach clients outside of their surrounding areas thanks to apps like GrabFood, Foodpanda, Maxim, and social media-based ordering systems. Additionally, a lot of companies use digital payment platforms like Maya, GCash, Facebook Messenger, and mobile banking to streamline transactions and improve client convenience. The food service industry's competitive landscape has changed as a result of these advancements, necessitating the adoption of creative marketing techniques and effective delivery systems by businesses.

Food businesses in the municipality of Lagawe, Ifugao, have also started incorporating online meal delivery into their regular operations. Facebook pages, Messenger, text messaging, and other online communication platforms are increasingly being used by restaurants, carinderias, snack shops, cafés, catering services, and specialized food shops to collect consumer orders. The increasing usage of smartphones and internet access has encouraged businesses and consumers to use online ordering systems, even if the municipality does not yet have the same degree of digital infrastructure as urban areas.

Online meal delivery services are becoming more and more popular, but there is still no empirical data on how their use affects the profitability of food businesses in rural communities like Lagawe, Ifugao. Studies that have hitherto been done have mostly concentrated on big cities, where consumer behavior and digital infrastructure are very different from those in rural areas. As a result, there is not enough local data to determine whether internet meal delivery helps small food businesses achieve better financial results, more effective marketing, and more efficient operations.

Financial growth, client acquisition, operational productivity, and overall organizational competitiveness are all included in the multifaceted idea of business performance. By boosting sales prospects, improving customer relations, lowering transaction obstacles, and enhancing market accessibility, the use of online meal delivery services has the ability to enhance these elements. However, the degree of technological adoption, enterprise characteristics, and local market conditions determine how much these benefits are achieved.

Therefore, this study was carried out to ascertain the degree of online meal delivery adoption among food businesses in Lagawe, Ifugao, and investigate its correlation with business performance. In particular, it evaluated the level of company success in terms of financial, marketing, and operational dimensions, the demographic profile of food businesses, and the patterns in the use of online delivery services. It is anticipated that the results of this study will give entrepreneurs, legislators, educators, and future academics useful information for encouraging digital entrepreneurship and enhancing the competitiveness of regional food businesses.

Theoretical Framework

The Technology Acceptance Model (TAM), created by Fred Davis in 1989, is the foundation of this study. It emphasizes that people and organizations adopt technology based on two main factors: perceived usefulness and perceived ease of use. According to TAM, companies are more inclined to embrace new technology if they think it would enhance their operations and be simple to use.

Online meal delivery services are seen in this study as technical advancements that help food businesses expand their market reach, enhance customer service, and simplify operations. Owners of food businesses are more inclined to incorporate online delivery platforms into their operations if they believe they are advantageous and easy to use.

The Diffusion of Innovation Theory put forward by Everett Rogers (2003) also lends validity to the study. The theory describes how innovations proliferate over time among people and institutions. The innovation's apparent relative advantage, compatibility with current procedures, complexity, trialability, and observability all influence adoption.

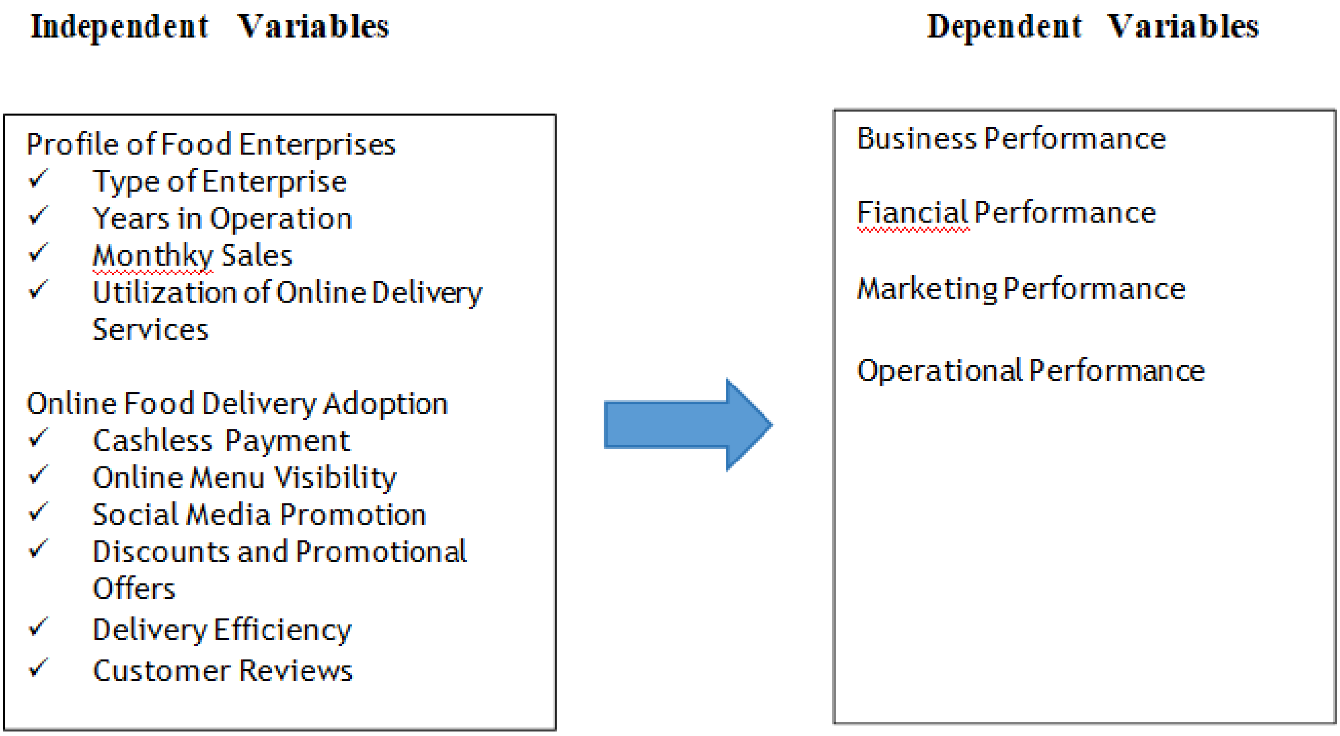
By increasing client accessibility, boosting marketing awareness, and improving operational efficiency, online meal delivery services are an innovation that gives food businesses a competitive edge. Online distribution methods are anticipated to be adopted more quickly by businesses who understand these benefits than by those that are averse to technological change.

Additionally, the firm's Resource-Based View (RBV) explains that companies gain a competitive edge through the efficient use of scarce, valuable, and hard-to-copy resources. Online ordering platforms, electronic payment systems, and social media marketing are examples of digital technology that have developed into strategic organizational resources that support long-term corporate success.

When taken as a whole, these ideas offer a thorough explanation of how technology adoption affects organizational performance and corporate competitiveness.

Conceptual Framework

The study assumes that the adoption of online food delivery platforms influences the business performance of food enterprises.



Statement of the Problem

This study aimed to determine the influence of online food delivery adoption on the business performance of food enterprises in Lagawe, Ifugao.

Specifically, it sought to answer the following questions:

1. What is the profile of the respondents in terms of:

1.1 type of enterprise;

1.2 years in operation;

1.3 monthly sales; and

1.4 utilization of online delivery services?

2. What is the level of adoption of online meal delivery in terms of:

2.1 cashless payment;

2.2 online menu visibility;

2.3 social media promotion;

2.4 discounts and promotional offers;

2.5 delivery efficiency; and

2.6 customer reviews?

3. How well is the company performing in terms of:

3.1 financial performance;

3.2 marketing performance; and

3.3 operational performance?

4. Is there a significant relationship between online food delivery adoption and the business performance of food enterprises?

Hypothesis

The study tested the following null hypothesis at the 0.05 level of significance:

H_0 : There is no significant relationship between online food delivery adoption and the business performance of food enterprises in Lagawe, Ifugao.

Significance of the Study

It is anticipated that the results of this study will offer insightful information and useful contributions to a variety of stakeholders in the food service sector, company development, education, and future research.

The study's findings will help **food enterprise owners** better understand how online food delivery platform usage affects business success. In particular, the results can assist them in realizing how critical it is to use digital technology to boost customer happiness, increase sales, broaden market reach, and improve operational efficiency. In order to stay competitive in a corporate environment that is becoming more and more reliant on technology, the study may also help entrepreneurs make well-informed decisions about investments in digital delivery services, cashless payment systems, and online marketing.

The report could be a useful resource for **prospective entrepreneurs** looking to start and run food-related businesses. The results can inspire prospective business owners to include digital payment systems, social media marketing, and online meal delivery services into their business plans right away. They can create more competitive and long-lasting businesses by comprehending the advantages and difficulties of digital business operations.

By pushing food businesses to consistently improve their online ordering platforms, delivery efficiency, payment convenience, and customer service, the study may help

consumers get better meal delivery services. Customers may gain from quicker transactions, better service, easier access to food items, and higher customer satisfaction when companies implement better digital processes.

The results may offer empirical support for the development of policies and initiatives that encourage digital entrepreneurship and the expansion of micro, small, and medium-sized businesses (MSMEs) for **Local Government Units (LGUs)**. The study could be used as a foundation for the creation of infrastructure upgrades, digital literacy campaigns, and capacity-building projects that promote broader technology use among nearby companies and support local economic growth.

The results may be used as teaching and reference materials in courses like Entrepreneurship, Marketing Management, Digital Business, Electronic Commerce, and MSME Development for **educational institutions**, especially colleges and universities that offer business and entrepreneurship programs. By providing a localized example of digital change among food businesses in Lagawe, Ifugao, the study may help enhance classroom discussions.

The findings might be helpful to the **Department of Trade and Industry (DTI)** in developing and bolstering initiatives that assist MSMEs in their digital transformation. In order to improve firm competitiveness and sustainability, the findings may help the agency identify areas where entrepreneurs need more financial support, technical assistance, training, and technology adoption programs.

Lastly, this study could be a useful resource and starting point for future research on online meal delivery services, digital marketing, e-commerce adoption, consumer behavior, technological acceptance, and MSME business performance. Future study could broaden the scope by looking at more variables that affect digital business transformation and enterprise success, using various research approaches, or covering greater geographic areas.

Scope and Delimitation of the Study

The purpose of this study was to ascertain the connection between the use of online meal delivery services and the commercial success of food businesses in Lagawe, Ifugao.

Seventy owners and managers of food businesses, such as carinderias, snack and beverage shops, home-based catering services, and specialty food stores, made up the respondents. Purposive sampling was used in a descriptive-correlational study design.

The study looked at the characteristics of the businesses, the degree of acceptance of online meal delivery, and the financial, marketing, and operational aspects of business performance. A systematic questionnaire was used to gather the data, which were then analyzed using Pearson Product-Moment Correlation, frequency, percentage, weighted mean, and standard deviation.

Only registered food businesses that were active in the Municipality of Lagawe at the time the study was conducted were included. Businesses outside the food service sector or those situated in other Ifugao towns were excluded.

CHAPTER 2

REVIEW OF RELATED LITERATURE AND STUDIES

Introduction

The way businesses function across industries, notably in the food service sector, has altered due to the swift growth of information and communication technology. Online food delivery (OFD) services are getting more and more popular due to the internet's expanded accessibility, the widespread ownership of smartphones, and consumers' growing need for convenience. Thanks to these technology developments, food firms have been able to expand their market reach, improve customer interaction, and streamline operations. Online meal delivery has evolved from a supplemental service to an essential component of business operations, especially for micro, small, and medium-sized enterprises (MSMEs).

In recent years, online meal delivery has become an essential part of international online business. Customers are increasingly opting to place meal orders via websites, social media platforms, and mobile applications because these channels provide convenience, speed, and flexibility. Using online delivery services has become a smart strategy for food companies to maintain their competitiveness in the face of changing consumer preferences and market dynamics. Increases in customer satisfaction, sales, operational effectiveness, and overall organizational performance are common for businesses that successfully integrate digital technologies into their operations.

Due to the swift growth of digital payment systems, internet connectivity, and social media usage, online meal delivery has grown tremendously popular in the Philippines. These days, food businesses, such as restaurants, cafés, carinderias, and home-based food establishments, employ a range of online platforms, such as Facebook, Messenger, GrabFood, Foodpanda, Maxim, and mobile payment programs, to communicate with customers. Technology adoption is now a major aspect in assessing business performance since this digital transformation has drastically transformed conventional marketing methods and corporate operations.

Despite operating mostly in rural locations, food establishments in Lagawe, Ifugao, have steadily implemented internet ordering systems. The importance of using digital platforms to attract customers, improve customer service, and stay competitive is becoming increasingly apparent to local business owners. Nevertheless, despite this rising trend, little empirical work has looked at how the adoption of internet meal delivery affects local food businesses' profitability.

This chapter presents the relevant literature and empirical studies that form the theoretical and conceptual framework for the present investigation. The topics covered include online meal delivery, the digital transformation of MSMEs, technology adoption theories, business performance, social media marketing, cashless payment methods, customer feedback, and other aspects linked to the study. Additionally, it shows the research gap that supports the current study's conduct and includes both local and foreign studies that support the investigation.

Online Food Delivery

Online meal delivery is the process by which customers purchase food and have it delivered by delivery services using internet-based platforms like social media, websites, and mobile applications. Online meal delivery has become one of the fastest-growing areas of online commerce because it can satisfy customers' growing demands for accessibility, efficiency, and convenience.

According to Statista (2024), increased internet penetration, smartphone usage, and digital payment adoption are all significant contributors to the annual growth in global income from online meal delivery. Because it saves time, lowers travel, and gives a greater selection of menu items, consumers now regard online ordering as a vital part of their daily routines.

Online food delivery goes beyond convenience, according to academics. It has grown into an essential marketing channel that enables businesses to communicate directly with customers, tailor services, and obtain insightful customer feedback. Improved client interactions, increased visibility, and broader market penetration are common ways that restaurants and other food enterprises that successfully integrate online ordering systems gain a competitive edge.

Internet meal delivery allows small businesses, particularly MSMEs, to compete with larger establishments while having less physical resources. Using digital platforms, businesses may more efficiently advertise products, accept online payments, respond to customer inquiries, and monitor sales. Because of this, technology adoption is now a critical factor in determining the sustainability and growth of enterprises.

Digital Transformation among MSMEs

The phrase "digital transformation" refers to the process of integrating digital technologies into business activities in order to increase overall competitiveness, productivity, customer satisfaction, and efficiency. It involves putting in place digital technologies that transform traditional business procedures into cutting-edge platforms.

According to Verhoef et al. (2021), digital transformation includes organizational change that includes technology adoption, innovation, strategic management, and customer contact. Companies that embrace digital transformation are often better prepared to react to altering consumer needs and market conditions.

Digital transformation has various advantages for MSMEs, such as more customer connection, increased market competitiveness, improved operational efficiency, and more sales chances. Thanks to digital technologies, entrepreneurs can increase their market reach without having to make large investments in physical infrastructure.

However, scholars also note that a successful digital transition requires organizational readiness, personnel competency, finance, and managerial support. Businesses with little funding or technical know-how may find it challenging to adopt digital innovations.

In developing countries, digital transformation has become a crucial instrument for economic progress. Through infrastructure development, financial incentives, and training programs, governments are actively pushing MSMEs to adopt digital technology in order to boost business competitiveness.

Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM), established by Fred Davis in 1989, is one of the most common ideas explaining technology adoption. The model states that two perceptions have a major impact on people's intents to utilize technology: perceived utility and the seeming simplicity of use. Perceived usefulness is the idea that using a certain technology enhances job performance, whereas perceived ease of use is the extent to which consumers think it requires minimal effort.

TAM has been utilized in several studies to describe how consumers behave while making food purchases online and how company owners adopt technology. Food businesses are more motivated to integrate these technologies into their operations if they perceive that online delivery systems are advantageous and easy to use.

Recent researchers have expanded TAM by including other characteristics like as customer satisfaction, perceived security, trust, and service quality. These enhancements strengthen TAM's capacity to explain technology adoption in digital commerce environments.

The current study used TAM because food business owners' perceptions of the ease of use and practicality of online delivery platforms have a significant impact on their level of adoption and subsequent commercial success.

Diffusion of Innovation Theory

The Diffusion of Innovation Theory, developed by Everett Rogers in 2003, explains how inventions progressively spread throughout individuals, groups, and communities. According to the theory, an innovation's acceptance is determined by five characteristics: The relative advantage

Compatibility, complexity, and trialability

Businesses usually accept innovations that provide clear advantages over existing practices. Online meal delivery offers several advantages, including increased client accessibility, improved operational effectiveness, reduced transaction costs, and more marketing options.

The theory further divides adopters into innovators, early adopters, early majority, late majority, and laggards. Food establishments in Lagawe that use online ordering systems may fall into different adopter categories based on how ready they are for technological innovation.

The Diffusion of Innovation Theory is significant because it clarifies why some firms accept online meal delivery while others are reluctant, even in the face of technological advancements.

Business Performance

Business performance is the extent to which an organization effectively and successfully achieves its objectives. Included are market competitiveness, customer satisfaction, operational productivity, financial outcomes, and organizational sustainability.

Kaplan and Norton (1996) suggest that both financial and non-financial indicators should be utilized to assess company performance. While profitability is a critical metric, long-term performance is equally impacted by customer relationships, internal business processes, innovation, and organizational learning.

Researchers have emphasized how digital technology affects organizational performance. Businesses that employ digital marketing, e-commerce platforms, and online purchase systems tend to be more productive and engage customers more than those that simply use traditional marketing strategies.

Business performance is typically separated into: Financial Results The effectiveness of marketing Operational Efficiency These three factors constitute the study's dependent variables.

Financial Performance

An organization's power to earn revenue, raise sales, enhance profitability, and successfully manage financial resources is measured by its financial performance.

Financial performance, according to Gitman et al. (2022), illustrates how well corporations employ the resources at their disposal to achieve long-term profits. Sales growth, revenue generation, profit margins, and return on investment are examples of frequent measures.

Online meal delivery enhances financial performance for food enterprises by improving order volume, minimizing idle operating hours, reaching a wider audience, and promoting repeat business. Additionally, digital payment systems speed up transactions, cutting down on payment delays and boosting cash flow management.

Numerous empirical research suggest that MSMEs' financial performance and technology adoption are favorably associated. Businesses that use online platforms often enjoy an increase in revenue due to enhanced client convenience and wider market reach.

Marketing Performance

The success of an organization's marketing initiatives in accomplishing business goals like customer acquisition, customer retention, market expansion, sales growth, and brand awareness is referred to as marketing performance. It demonstrates how well a business communicates its products and services to its target market while sustaining long-term customer connections.

Kotler, Keller, and Chernev (2022) state that quantitative results like customer satisfaction, market share, customer loyalty, sales growth, and brand awareness are used to analyze marketing performance. Businesses that successfully integrate digital marketing strategies often show higher customer engagement and stronger competitive positioning than those who simply use traditional promotional techniques.

The food service industry's marketing methods have evolved substantially as a result of the rise of online meal delivery services. Food companies may now market their products on social media, mobile applications, and websites, enabling them to communicate directly with customers wherever they may be. Businesses can offer promotional discounts, add new menu items, and collect real-time client feedback owing to this accessibility.

Digital platforms allow enable personalized marketing, where companies suggest products based on customers' past purchases and preferences. Customization like this increases client interactions and raises the potential of recurring business. According to research, organizations that employ digital marketing tools often enjoy advantages in brand awareness, internet visibility, and customer contact.

Because online platforms cut advertising costs while improving market penetration, marketing performance is intricately tied to digital adoption for MSMEs. If small food businesses actively sell their products online, they can compete more successfully with larger restaurants despite spending less on marketing. Consequently, online meal delivery services have grown into significant marketing channels that help businesses grow and attract new customers.

Operational Performance

Operational performance is the effectiveness and efficiency with which businesses manage their daily operations to produce goods and services. Included are customer responsiveness, order accuracy, delivery speed, productivity, service quality, and resource usage.

According to Slack, Brandon-Jones, and Burgess (2022), an organization's competitiveness is largely determined by its operational success because profitable operations directly affect customer satisfaction. Companies that have streamlined their systems are better able to serve client needs while saving expenses.

By automating a variety of organizational operations, internet meal delivery boosts operational efficiency. Digital ordering systems reduce the manual errors associated with taking traditional orders, while integrated payment systems speed up transaction processing. Additionally, by utilizing electronic order management, food firms may more effectively plan production schedules, cutting down on delays and improving service consistency.

Another operational advantage of online delivery systems is better inventory management. Business leaders may more precisely estimate inventory needs, assess product demand, and spot fast-moving items with the use of digital sales data. These skills optimize resource allocation and decrease food waste. Researchers also emphasize that operational efficiency increases customer satisfaction since timely delivery, accurate ordering, and reliable services encourage repeat business. Businesses that consistently surpass customer expectations often achieve stronger competitive positions in the market.

Because logistical challenges, worker availability, and transportation infrastructure may impact service delivery, operational efficiency becomes particularly important for food businesses operating in distant places like Lagawe. By boosting communication between companies and consumers, internet ordering systems assist eliminate these obstacles.

Digital Marketing

"Digital marketing" refers to the promotion of products and services via internet-based technology and electronic communication channels. Unlike traditional marketing techniques, digital marketing enables businesses to communicate directly with consumers through websites, social media, email, mobile applications, and search engines.

According to Chaffey and Ellis-Chadwick (2022), digital marketing uses a range of online communication techniques to attract customers, build relationships, and improve business performance. Businesses are investing more and more in digital marketing because it offers measurable results, a larger audience reach, and lower promotional costs than traditional advertising.

Businesses in the food service industry can use online platforms for menu display, product image uploading, promotional offer advertising, and consumer engagement thanks to digital marketing. These days, influencer partnerships, internet advertisements, social media marketing, and content marketing are essential components of modern corporate strategies.

Because people often seek up product information online before making purchases, experts have shown that digital marketing has a big impact on consumer purchasing decisions. Purchase intentions are positively effected by appealing product images, promotional films, client endorsements, and internet reviews.

Digital marketing gives MSMEs inexpensive promotional possibilities that were previously only available to major firms. Small businesses can successfully compete in local and regional marketplaces by leveraging Facebook pages, Instagram accounts, TikTok videos, and Google Business Profiles.

Social Media Marketing

Social media marketing is the practice of using social networking sites to promote products, engage with customers, and increase brand awareness. Social media has become one of the most effective digital marketing strategies due to its widespread usage by a variety of demographic groups.

Tuten (2024) asserts that social media enables companies to communicate with customers through conversation rather than relying on one-way advertising messaging. Customers actively contribute through content sharing, product reviews, product comments, and business recommendations.

Due to its pricing and accessibility, Facebook continues to be one of the most popular marketing channels among MSMEs in the Philippines. Facebook Pages and Messenger are often used by food establishments to display menus, collect orders, reply to consumer questions, and promote special offers.

Customer relationship management is also made easier by social media marketing. Customer satisfaction and loyalty are influenced by prompt complaint resolution, individualized contact, and quick answers to concerns. Stronger consumer trust and favorable brand views are often seen by organizations who continue to be active on social media.

According to current research, social media marketing has a good impact on sales growth since consumers are finding restaurants more regularly through online suggestions, adverts, and shared customer experiences.

Cashless Payment Systems

Electronic financial transactions that do not require physical cash are referred to as cashless payment systems. These consist of mobile wallets, credit cards, debit cards, online banking, and QR code payments.

The increasing usage of digital payment methods has contributed significantly to the growth of online food delivery firms. Consumers prefer the speed, security, and ease of electronic transactions. Businesses gain from easier financial recordkeeping, lower hazards associated with handling cash, and more effective transactions.

Mobile payment apps like GCash, Maya, online banking, and QR Ph have risen in popularity among customers and businesses in the Philippines. These payment methods expedite order fulfillment and allow contactless transactions.

Customers are more likely to complete their online transactions when safe and convenient payment options are provided, according to study. Therefore, adding cashless payment options to online food delivery businesses improves customer satisfaction and increases profits.

Because transaction records are automatically kept, electronic payment solutions also expedite accounting operations for food businesses by minimizing human bookkeeping errors.

Electronic Word-of-Mouth (eWOM)

Electronic word-of-mouth refers to consumer-generated information about products, services, or businesses that is shared online. Included are online evaluations, ratings, comments, recommendations, recommendations, and social media discussions.

Hennig-Thurau et al. (2004) claim that because customers prefer to trust other consumers more than commercial promotion, electronic word-of-mouth is one of the most potent sources of consumer information.

Positive internet ratings encourage new customers to try eateries, while negative reviews may discourage potential customers. Thus, a company's reputation and consumer behavior are greatly influenced by the opinions of its customers.

Encouraging satisfied consumers to submit online reviews is an economical marketing approach for food businesses. Positive customer experiences that are disseminated online enhance a business's reputation and credibility.

Businesses with positive customer evaluations are more visible online and have greater customer acquisition rates than those with negative online reputations, according to multiple studies.

Customer Reviews and Ratings

Because they give future customers information about product quality, service dependability, and overall customer experience, customer evaluations are a key part of internet company.

In addition to five-star rating systems, online meal delivery services often offer written user feedback. Because customers commonly check ratings before picking restaurants, these evaluation methods have an impact on consumer decision-making.

Purchase intentions are significantly impacted by review quantity, credibility, and overall ratings, according to recent studies conducted in the hotel sector. Customers typically view businesses with high ratings as more trustworthy than those with low ratings.

Customer reviews are also valuable to food businesses since they expose operational issues and service deficiencies. Managers can use suggestions from customers to better customer service, delivery effectiveness, and food quality.

Customer Satisfaction

Consumers' assessment of whether goods or services fulfill or surpass their expectations is known as customer satisfaction. It is regarded as one of the finest markers of client loyalty, repeat business, and successful company outcomes.

Oliver's Expectation-Confirmation Theory asserts that when perceived performance matches or surpasses consumer expectations, contentment happens. People are unhappy when products or services fall short of their expectations.

Online meal delivery affects consumer satisfaction in several aspects, such as: speed of delivery; food quality; order precision; ease of ordering; ease of payment; customer service; and professionalism of delivery personnel.

Businesses that can consistently provide positive electronic word-of-mouth and client retention are more likely to do so.

Customer happiness also impacts financial performance because loyal customers tend to spend more and recommend businesses to others.

Consumer Buying Behavior

Consumer buying behavior is the decision-making process people go through before making a purchase of goods or services. Digital technologies have drastically altered this process by providing buyers with rapid access to product data, online reviews, pricing comparisons, and promotional offers.

Researchers highlight that a number of factors, such as convenience, cost, perceived value, simplicity of use, promotional incentives, delivery dependability, and prior customer experiences, affect consumers' decisions to buy food online.

The increased use of cellphones has made online ordering even simpler, allowing consumers to purchase meals whenever and wherever they choose. Younger consumers, particularly those in Generation Z and Millennials, are more receptive to online food delivery services because of their familiarity with digital apps.

By developing marketing strategies that align with consumer preferences through an understanding of consumer purchase behavior, food businesses can enhance sales performance and customer retention.

Competitive Advantage through Technology Adoption

Adoption of technology has come to be a substantial source of competitive advantage for contemporary companies. Because they are more productive, creative, and responsive to their customers, companies that successfully use digital technologies often outperform their competitors.

According to the Resource-Based View (RBV), technological capabilities are significant organizational resources that sustain long-term competitive advantage. Companies with specific technological talents are better able to react to shifting consumer demands and environmental shifts.

Online meal delivery services make food businesses more competitive by helping them to: expand the consumer base; " lower operating expenses; " enhance customer communication; " increase brand awareness; " boost client happiness; and " Increase income.

Adoption of technology allows small food enterprises operating in towns like Lagawe to compete in the rising digital economy and eliminate geographical boundaries.

Foreign Studies

Prasetyo et al. (2021) merged the **Technology Acceptance Model (TAM)** and the **Theory of Planned Behavior (TPB)** to explore the factors influencing customers' intention to utilize online food delivery services in Southeast Asia. Perceived usefulness, perceived simplicity of use, trust, and service quality were revealed to be crucial elements influencing customers' willingness to embrace online meal delivery services, according to the survey, which included over 1,000 online food delivery users. This study supports the theoretical underpinnings of the current research by demonstrating the role of technological acceptance in impacting the adoption of online meal delivery platforms.

Alalwan (2020) investigated studied what determines Middle Eastern customers' intentions to use online meal ordering services. Companies that offered dependable and effective online ordering systems exhibited greater client loyalty and increased market competitiveness.

Kumar and Shah (2021) looked into how Indian food service companies were impacted by digital transformation. They found that businesses who used digital ordering systems showed improvements in operational efficiency, decreased service times, and higher sales. The researchers also noted that managers were able to use digital technologies to improve inventory control, assess customer demand, and simplify corporate procedures.

Verhoef et al. (2021) examined the effects of digital transformation across a range of industries and concluded that businesses that integrated digital technologies into their marketing and operational processes outperformed those that relied solely on traditional business practices.

Li and Mirosa (2021) investigated the opinions of New Zealand consumers on online meal delivery services, highlighting the significance of online reviews and electronic word-of-mouth (eWOM).

According to the poll, online meal delivery sales will continue to climb, especially in developing nations where digital commerce is increasing swiftly. In addition to providing a more thorough context for the current study, this paper highlights the growing significance of online meal delivery services as an essential component of the worldwide food service sector.

Companies that incorporated online ordering and delivery technology were more equipped to adapt to changes in consumer behavior and market conditions than those that depended only on traditional business operations, according to the poll.

The report claims that digital transformation has become a crucial strategy for ensuring firms' long-term survival and growth.

Review of Related Philippine Studies

The **Department of Trade and Industry (DTI, 2023)** noted that micro, small, and medium firms (MSMEs) in the Philippines are rapidly adopting digital platforms for marketing, sales, and customer interaction. Businesses who adopted online marketing strategies and electronic payment systems reported improved customer relations, improved sales performance, and higher business competitiveness, according to the poll. The DTI also emphasized that digitalization has become an essential strategy for MSMEs to be competitive in the rapidly shifting economic landscape. This research is particularly significant to the current study because it demonstrates the significance of online food delivery platforms in promoting business performance and encourages the increasing adoption of digital technologies among food entrepreneurs in Lagawe, Ifugao.

Through its Digital Cities and Digital Transformation Programs, the **Department of Information and Communications Technology (DICT, 2023)** stressed the significance of digital transformation among small enterprises. Increases in overall productivity, market reach, and operational efficiency were reported by businesses that integrated digital technologies into their operations. Enhancing MSMEs' digital capacities is crucial for promoting innovation and inclusive economic growth across the country, the DICT stressed. These findings underscore the significance of technology adoption among local food enterprises and complement the operational and marketing variables investigated in the present study.

According to the **Bangko Sentral ng Pilipinas (BSP, 2023)**, electronic payment transactions have continued to increase nationwide as digital financial services gain traction. According to the report, by delivering safe, practical, and effective payment choices, mobile wallet apps like **GCash** and **Maya** have considerably improved financial inclusion among individuals and organizations. The BSP concluded that cashless payment methods increase operational efficiency, expedite business transactions, and improve customer convenience. One of the main indicators of online meal delivery acceptance assessed in this study—the usage of electronic payment mechanisms to promote digital commerce—is directly supported by this research.

According to the **Philippine Statistics Authority (PSA, 2024)**, MSMEs continue to be the backbone of the Philippine economy, accounting for about 99 percent of all registered business units in the nation. Adopting digital technology has become essential for increasing corporate productivity, competitiveness, and long-term sustainability, particularly for businesses in the food service sector, according to the poll. These national numbers provide strong support for conducting the current study on food enterprises in Lagawe, Ifugao, and highlight the need of analyzing MSMEs' adoption of technology.

Digital innovation considerably enhanced the productivity of small firms taking part in government-sponsored technology projects, according to the **Department of Science and Technology–Philippine Council for Industry, Energy and Emerging Technology Research and Development (DOST-PCIEERD, 2022)**. In terms of marketing effectiveness, operational efficiency, and customer involvement, companies that leveraged digital platforms performed better than those that solely depended on conventional business approaches. The analysis demonstrates the positive effects of technological innovation on business success and adds credence to the notion that digital transformation enhances corporate performance.

Medina and Ramos (2022) investigated the impact of Facebook marketing on food businesses in Metro Manila. According to their research, organizations which actively employed social media for marketing activities saw a surge in online inquiries, higher consumer engagement levels, and considerable sales improvements. Additionally, businesses that routinely shared promotional content and interacted with clients on social media created stronger customer loyalty than those with less online presence. These results support the current study by emphasizing the importance of social media marketing as a crucial element in improving marketing performance among food manufacturers.

Cruz et al. (2021) looked at how Filipino consumers who use food delivery services behave online. Convenience, promotional discounts, delivery dependability, and digital payment possibilities were found to have a major impact on customers' purchasing decisions. Businesses with effective ordering processes, adaptive payment methods, and acceptable internet reviews were favored by clients. These findings closely align with the factors this study looked at, particularly how cashless payment options, customer reviews, delivery effectiveness, and marketing strategies influence the uptake of online meal delivery.

Santos and Villanueva (2021) looked into the relationship between digital marketing strategies and the commercial success of Central Luzon restaurants. They found a substantial positive correlation between online marketing initiatives and key performance measures including revenue growth, customer acquisition, and brand awareness. The researchers concluded that restaurants that used digital marketing techniques were able to gain a competitive advantage by increasing market awareness and improving consumer engagement. These findings demonstrate the benefits of digital platforms for marketing and support the analysis of marketing performance in the current study.

The **University of the Philippines Institute for Small-Scale Industries (UP ISSI, 2023)** claims that digital entrepreneurship has become a crucial component of MSME competitiveness in the Philippines. According to the poll, food enterprises who employed digital marketing tools, online ordering systems, and electronic payment platforms exhibited stronger company continuity and resilience than those who merely used traditional sales tactics. The findings confirm the present investigation and emphasize the strategic importance of digital technology in helping MSMEs.

The **Ateneo Center for Economic Research and Development (2022)** concluded that through enhancing customer interaction, operational efficiency, and market expansion, digital transformation considerably increases organizational sustainability. In order to boost long-term competitiveness and organizational resilience, the researchers urged Philippine MSMEs to keep investing in digital technologies. These results corroborate the study's fundamental premise, which is that the usage of online meal delivery services increases food enterprises' operational, marketing, and financial performance.

Synthesis of the Literature and Studies

Digital technology has completely changed how food companies operate globally, according to the reviewed literature and real-world studies. Food firms have been able to improve customer convenience, market accessibility, marketing effectiveness, and operational efficiency by integrating online food delivery (OFD) platforms into corporate operations. As consumer behavior shifts toward digital transactions and online purchases, these developments have become more and more important.

The literature emphasizes that online meal delivery is a strategic business tool that boosts organizational competitiveness in addition to being a technological innovation. Researchers have discovered that a variety of factors impact technology adoption, including perceived utility, ease of use, trust, service quality, cashless payment systems, customer reviews, promotional efforts, and delivery efficiency. The Diffusion of Innovation Theory (Rogers, 2003) and the Technology Acceptance Model (Davis, 1989), which both explain why individuals and organizations accept new technology, are in line with these criteria.

The examined research also recommend that business performance be assessed from other perspectives instead of only financial outcomes. When combined, marketing, operational, and financial performance provide a comprehensive assessment of business success. Financial indicators measure profitability and sales growth; marketing indicators evaluate client acquisition and brand visibility; and operational indicators examine productivity, efficiency, and service quality.

Studies conducted abroad have repeatedly shown that the use of online meal delivery is associated with increased customer happiness, stronger customer loyalty, larger sales revenues, and improved operational procedures. In general, firms that use digital platforms are more robust, especially in times of economic upheaval and altering consumer preferences. Similarly, data from the Philippines suggests that MSMEs are depending more and more on digital technologies to sustain their competitiveness, reach a wider audience, and increase organizational performance. Government officials such as the Department of Trade and Industry (DTI), the Department of Information and Communications Technology (DICT), and the Bangko Sentral ng Pilipinas (BSP) likewise consider digital transformation as a critical factor in MSME development.

Despite the wealth of worldwide research, most previous studies have been completed in highly urbanized settings where digital infrastructure, consumer purchasing power, and logistical systems differ considerably from rural communities. There is still a dearth of empirical data regarding the use of internet meal delivery services by food entrepreneurs in remote locations like Lagawe, Ifugao. In terms of internet connectivity, transportation, market size, and technical readiness, small restaurants in rural areas have unique challenges. As a result, research from urban areas could not accurately represent the experiences of rural business owners.

Therefore, the reviewed literature and studies provide a strong theoretical and empirical foundation for the current investigation. Together, they imply that increased use of online meal delivery services contributes to better financial results, more effective marketing campaigns, and increased operational effectiveness. But they also emphasize the need for regional research that looks at these links in rural areas and among small food enterprises.

Research Gap

Numerous international and Philippine studies have examined the adoption of online meal delivery, digital marketing, electronic commerce, and business performance. Large restaurants, franchises, and food service companies located in cities with more advanced digital infrastructure and technological resources have been the subject of most of these research, nevertheless.

There hasn't been much research done on the experiences of food enterprises operating in isolated areas like Lagawe, Ifugao. Similarly, few studies have concurrently studied the connection between small food businesses' adoption of online meal delivery and their financial, marketing, and operational performance. Furthermore, the majority of the municipality's food companies are locally owned establishments including carinderias, snack and beverage shops, home-based catering services, and specialty food stores, which are given relatively little attention in the literature currently in circulation.

Additionally, earlier research usually emphasized on customer satisfaction and consumer behavior rather than the organizational results faced by managers and business owners. There is currently insufficient empirical evidence to assess how the use of online meal delivery impacts company performance in the context of local MSMEs in Ifugao.

By analyzing the penetration of online meal delivery services and their connection to the operational, marketing, and financial performance of food companies in Lagawe, Ifugao, the current study solves these gaps. The results are anticipated to add to the burgeoning body of information on MSME development, digital entrepreneurship, and technology adoption in rural areas. Additionally, the study may offer important information to development organizations, local government agencies, and business owners for devising interventions that encourage digital transformation and increase local food enterprises' competitiveness.

CHAPTER 3

RESEARCH METHODOLOGY

The research approach employed to ascertain the connection between the adoption of online meal delivery and the commercial success of food enterprises in Lagawe, Ifugao, is provided in this chapter. The study's location, participants, sampling plan, research instrument, validation and reliability procedures, data collection procedure, ethical considerations, and statistical analysis of the data are all described in depth. The chosen technique was aimed to assure that the study delivered accurate, trustworthy, and impartial information about the penetration of online meal delivery services and their impact on business performance. A quantitative descriptive-correlational approach is appropriate for examining the relationships between quantifiable variables without altering the research environment. (KCI)

Research Design

This study employed a quantitative descriptive-correlational research design.

The descriptive component was used to evaluate the level of company success in terms of financial, marketing, and operational elements, as well as to characterize the profile of the food firms and identify the degree of online food delivery adoption.

The correlational component was used to determine whether there is a significant relationship between the commercial success of food enterprises and the use of online meal delivery.

When researchers aim to characterize current conditions and concurrently discover the degree of relationship between two or more variables without changing them, descriptive-correlational research is suitable. This strategy has been widely used in studies on customer behavior, business performance, and the adoption of online meal delivery. (ResearchGate)

The descriptive-correlational design was deemed the most acceptable methodology since the study's purpose was to evaluate naturally occurring correlations among variables rather than create cause-and-effect links.

Locale of the Study

The study was conducted in the Municipality of Lagawe in the Ifugao Province of the Philippines. Lagawe, the capital municipality of Ifugao, is a vital hub for business and economic activities since it is the province's commercial, educational, and administrative hub. A wide variety of food companies, including as carinderias (restaurants), snack and beverage shops, restaurants, home-based catering services, specialist food stores, and cafés, may be found throughout the town. By satisfying the daily food demands of residents, government employees, students, tourists, and visitors, these companies significantly strengthen the municipality's local economy.

The food service industry in Lagawe has progressively moved toward digitalization in recent years as a result of numerous companies using online platforms into their operations. Many food businesses now use digital technologies like Facebook

Messenger for order management, GCash and Maya for cashless payments, and online food delivery services like GrabFood, Maxim, and other locally accessible online ordering systems to increase customer convenience and broaden their market reach. Thanks to these technology, food businesses can now provide more efficient services, enhance customer interaction, and stay competitive in an increasingly digital market.

Due to the increasing number of micro, small, and medium-sized businesses (MSMEs) that have embraced digital business practices, Lagawe was purposely chosen as the study's location. Since local food enterprises are increasingly adopting digital technology into their marketing, sales, and operational activities, the municipality presents a perfect context for examining the relationship between online meal delivery uptake and business performance. Therefore, it is expected that the study's findings would provide useful information regarding how digital transformation impacts food enterprises' performance and competitiveness in the local business environment.

Respondents of the Study

In the Municipality of Lagawe, Ifugao, seventy food company owners and managers took part in the survey. They were selected because, given their direct involvement in the management and daily operations of their respective organizations, they are in the best position to provide accurate and reliable information relevant to the study's objectives.

The respondents represented a variety of food industry sectors, including carinderias (restaurants), snack and beverage shops, home-based catering services, and specialty food stores. These businesses comprise a significant portion of Lagawe's food service industry and reflect the range of local food enterprises that operate within the municipality.

The owners and managers were chosen as respondents because they have first-hand knowledge and practical expertise with business operations, digital marketing strategies, online meal delivery procedures, financial performance, and operational management. They were able to provide extensive and trustworthy information on the uptake of online meal delivery platforms and their impact on business performance since they were directly involved in decision-making, customer service, marketing initiatives, and regular business operations.

The respondents offered insightful information regarding how digital technologies have been incorporated into their business operations because they are critical decision-makers in their respective firms. Their opinions and experiences were the key source of information required to study the connection between the adoption of online meal delivery and the operational, marketing, and financial performance of food enterprises in Lagawe, Ifugao.

Sampling Technique

To choose the respondents, this study used a non-probability sampling method termed **purposive sampling**. Purposive sampling is the deliberate selection of participants with particular features and histories pertinent to the study's goals. By employing this sampling technique, the researcher was able to obtain data from people who were most qualified to supply trustworthy and significant information on the uptake of online meal delivery services and company performance.

Only respondents who satisfied the established inclusion criteria were chosen in order to assure the accuracy and relevance of the data acquired. Owners or managers who **currently operated a food enterprise in the Municipality of Lagawe, Ifugao**, **voluntarily agreed to participate** in the study, **actively participated in the day-to-day management and decision-making processes of their businesses**, and **were knowledgeable about online food delivery practices and digital business operations** were the respondents.

Because the study wanted people with direct experience running food companies and utilizing online meal delivery services, deliberate sampling was determined to be the appropriate strategy. Selecting participants with relevant experience ensured that the data collected accurately reflected the study's objectives because not all Lagawe restaurants had adopted digital ordering and delivery systems. Furthermore, when participants have unique knowledge or experiences that are relevant for solving the research problem, this sampling technique is widely applied in business and management research. Using purposive sampling, the researcher was able to obtain comprehensive, relevant, and reliable data regarding the relationship between the use of online meal delivery services and the commercial success of food companies in Lagawe, Ifugao.

Research Instrument

The major tool utilized in this study was a structured questionnaire produced by the researcher to collect the information required to satisfy the study's goals. The questionnaire was developed using the issue description, the study's conceptual framework, and a survey of pertinent literature and research. It was carefully designed to ensure that the questions were clear, relevant, and appropriate for measuring the variables under investigation.

The questionnaire was organized into four primary sections, each of which addressed the distinct goals of the research. The respondents' profiles were the main topic of PartI. This section's goal was to provide broad details regarding food enterprises and their characteristics. In particular, it collected information on the kind of business, years of operation, average monthly sales, and use of online meal delivery services. These profile variables provided a descriptive summary of the respondents and provided the basis for understanding the characteristics of the food businesses included in the study. Analyzing how the respondents embraced online meal delivery and how their businesses fared as a result was also made simpler by the data collected in this section.

Part II. Adoption of Online Food Delivery

The **degree of online food delivery adoption** among food establishments in Lagawe, Ifugao, was analyzed in the second phase of the survey. This section's goal was to find out what the respondents thought about the adoption and usage of online meal delivery services as well as the digital strategies they regularly employed in their business operations.

The utilization of **cashless payment systems**, **online menu visibility**, **social media promotion**, **discounts and promotional offers**, **delivery efficiency**, and **customer reviews and ratings** were among the particular indications of online food delivery adoption that the respondents examined. These factors were selected after a review of pertinent literature and past studies showed that they were important factors influencing consumer purchasing behavior as well as the successful deployment of online meal delivery services.

Respondents' agreement with each statement about acceptability of online food delivery was measured using a **four-point Likert scale**. The data collected in this area was used to determine the overall level of acceptability of online meal delivery among food businesses and to identify the digital practices that have the greatest influence on customer interaction and business operations.

Respondents rated each statement using a **4-point Likert Scale.**

Scale	Range	Interpretation
4	3.26–4.00	Strongly Agree
3	2.51–3.25	Agree
2	1.76–2.50	Disagree
1	1.00–1.75	Strongly Disagree

Part III. Business Performance

The final element of the questionnaire assessed the food firms' business performance in Lagawe, Ifugao. This section was designed to gauge respondents' perceptions of their business's performance following the introduction of online meal delivery services. Financial performance, marketing performance, and operational performance were the three key factors used to measure corporate performance.

Indicators linked to sales growth, revenue creation, profitability, and customer purchases were included in the financial performance dimension. These indicators were employed to evaluate the extent to which the company's financial outcomes were enhanced by the introduction of online meal delivery.

Customer acquisition, brand visibility, customer loyalty, and promotional efficacy were the key priorities of the marketing performance dimension. By improving customer reach, strengthening brand recognition, and raising customer engagement, these measures analyzed how digital platforms and online meal delivery services impacted the company's marketing operations.

Delivery effectiveness, order accuracy, service quality, and operational productivity were examined by the operational performance dimension. This part assessed the effectiveness of business operations in terms of providing accurate and timely services, maintaining quality standards, and improving the overall efficiency of routine business operations through the use of online meal delivery services.

The respondents evaluated each statement using a four-point Likert scale to indicate how much they agreed with each indicator, just like in the section before this one.

This section's data was utilized to compute the overall business performance level and examine its relationship to the adoption of online meal delivery services.

Verification of the Instrument

To ensure the research tool's content validity, the researcher sent the questionnaire to a panel of experts for evaluation. Professors of business research, entrepreneurship lecturers, marketing professionals, and research statisticians with a plethora of expertise in business research, instrument building, and quantitative research technique made up the panel.

The questionnaire was carefully assessed by the experts using a number of criteria, such as the statements' clarity, the items' relevance to the study's goals, the questionnaire's logical structure, its grammatical accuracy, the indicators' suitability, and the instrument's consistency with the study's conceptual framework and objectives. Their evaluation ensured that each item accurately measured the pertinent variables and that the questionnaire was appropriate for obtaining the necessary data from the respondents.

The researcher carefully reviewed the validators' comments, suggestions, and concepts after the validation process. The necessary adjustments were made to improve the questionnaire's content, organization, and language. The instrument's overall quality, accuracy, and comprehensiveness were enhanced by these modifications, which made it suitable for respondent administration and capable of generating reliable and accurate data for the study.

Reliability of the Instrument

Thirty food industry owners who were not respondents but shared qualities with the target group participated in a pilot study.

Cronbach's Alpha was used to measure the questionnaire's reliability.

The following interpretation was given of the acceptable reliability coefficients:

Cronbach' s Alpha	Interpretation
0.90–1.00	Excellent
0.80–0.89	Very Good
0.70–0.79	Good
0.60–0.69	Acceptable

The instrument obtained a Cronbach's Alpha coefficient exceeding 0.70, indicating satisfactory internal consistency and reliability for data collection.

Data Gathering Procedure

The investigation was carried out utilizing a systematic data gathering approach to ensure the quality, reliability, and ethical acquisition of data. Based on the Statement of the Problem, the conceptual framework, and a review of relevant studies and literature, the researcher initially prepared a structured questionnaire. The tool was painstakingly built to collect the data required to achieve the study's goals and measure the characteristics being researched.

After being prepared, the questionnaire was sent for expert evaluation. A panel of experts evaluated its content, organization, clarity, relevance, and alignment with the study's objectives. After carefully reviewing the validators' comments and recommendations, the necessary adjustments were made to improve the questionnaire's overall quality and validity.

The modified questionnaire was put through pilot testing after the validation phase in order to examine its reliability and uncover any ambiguities or inconsistencies in the items. Prior to the instrument's real administration, final changes were performed based on the pilot test results.

Prior to data collection, the researcher secured the necessary authorization to conduct the study by writing formal letters to the appropriate municipal authorities and the owners or managers of the selected food establishments in Lagawe, Ifugao. The purpose of the study, the techniques employed, and the voluntary nature of participation were all made extremely clear in order to preserve transparency and gain the cooperation of the respondents.

After obtaining consent, the researcher personally distributed the surveys to the selected respondents. The researcher explained the objectives of the study, provided instructions on how to fill out the questionnaire, and informed the participants that all information gathered would be treated with the utmost confidentiality and used solely for academic purposes.

Following the completion of the questionnaires by the respondents, the researcher either retrieved the completed instruments right immediately or according to a schedule that was mutually agreed upon. Every questionnaire was checked to make sure all necessary responses had been submitted.

After that, the obtained data was sorted and ready for analysis. The responses were encoded, the data's completeness and accuracy were verified, and it was systematically arranged for statistical analysis. The gathered data were ultimately subjected to appropriate descriptive and inferential statistical analyses in order to answer the research questions, test the hypotheses, and generate perceptive interpretations that served as the basis for the study's results, conclusions, and recommendations.

Ethical Considerations

Throughout the study, the researcher scrupulously followed accepted ethical standards to protect each participant's rights, privacy, and welfare. Participation in the study was entirely voluntary; no one was coerced or compelled to take part. Before the questionnaire was given out, each respondent was given sufficient information about the nature, objectives, and purpose of the study. This made it possible for the respondents to select whether or not to participate, and their informed consent was secured before any data was gathered.

The researcher went into great depth about the objectives of the study, the techniques employed, and the intended use of the data gathered. Additionally, respondents were warned that they can reject to participate in the study or quit at any time without experiencing any penalties or bad effects. This insured that participation in the study would always be free and voluntary.

The research report did not contain any identifying personal information, including names or other private information, in order to safeguard the respondents' privacy. Every comment was treated with the strictest privacy and used only for academic and research reasons. To prevent identifying specific individuals or their businesses, the information gathered was only compiled and reported.

Furthermore, all completed questionnaires and electronic data files are securely accessible only to the researcher and the study adviser. The obtained data was protected against loss, misuse, and unauthorized access by taking the required safeguards. These ethical methods maintained the integrity and credibility of the study while ensuring the rights, welfare, dignity, and confidentiality of the respondents throughout the whole research process.

Statistical Treatment of Data

The following statistical tools were employed:

Frequency and Percentage

Used to describe the respondents' profile according to:

- ✓ Type of enterprise
- ✓ Years in operation
- ✓ Monthly sales
- ✓ Utilization of online delivery services

Formula:

Percentage=(N/f)×100

Where:

f = frequency

N = total respondents

Weighted Mean

Used to determine the extent of online food delivery adoption and the level of business performance.

Formula:

WM=∑fX/N

Interpretation

Mean Range	Interpretation
3.26–4.00	Strongly Agree
2.51–3.25	Agree
1.76–2.50	Disagree
1.00–1.75	Strongly Disagree

Standard Deviation

The degree of variance or dispersion of respondents' replies from the mean was ascertained using the standard deviation. More consistency in replies is represented by lower standard deviation figures, and more variability is shown by higher values.

Pearson Product-Moment Correlation Coefficient (Pearson r)

The adoption of online meal delivery and business performance in terms of financial, marketing, and operational performance were examined for a significant association using Pearson's r.

The null hypothesis was tested at the **0.05 level of significance**.

Interpretation of the correlation coefficient:

Correlation Coefficient (r)	Interpretation
±0.00–0.19	Very Weak
±0.20–0.39	Weak
±0.40–0.59	Moderate
±0.60–0.79	Strong
±0.80–1.00	Very Strong

A **p-value less than 0.05** indicated a statistically significant relationship, leading to the rejection of the null hypothesis.

CHAPTER 4

RESULTS AND DISCUSSION

Presentation, Analysis, and Interpretation of Data

The results of the study "Online Food Delivery Adoption and Business Performance of Food Enterprises in Lagawe, Ifugao" are presented, evaluated, and interpreted in this chapter in accordance with the sequence of the research objectives indicated in Chapter 1. The profile of the respondents, the degree of acceptability of online meal delivery, and the performance of the business were all analyzed using descriptive statistics, such as frequency, percentage, weighted mean, and standard deviation. The adoption of online food delivery and business success were investigated using Pearson Product-Moment Correlation.

Profile of the Respondents

The primary objective of the study was to identify the profile of the respondents based on the type of business, years of operation, average monthly sales, and use of online meal delivery services.

Profile of the Respondents According to Type of Enterprise

Type of Enterprise	Frequency	Percentage
Carinderia (Eatery)	35	50
Snack and Beverage Store	20	28.57
Home-based Catering Services	10	14.29
Specialty Food Shops	5	7.14
Total	**70**	**100**

Table 1. Summary of Respondents' Profile According to Type of Enterprise

The distribution of respondents by kind of food enterprise is presented in Table 1. With 35 (or 50.00%) of the 70 respondents operating carinderias, they are the largest group represented in the survey. Ten respondents (14.29%) offer home-based catering services, whereas twenty respondents (28.57%) run snack and beverage stores. Only five respondents (7.14%) own specialty food stores.

The data suggest that in Lagawe, Ifugao, carinderias continue to be the most popular sort of food business. Their accessibility, affordability, and ability to satisfy the daily nutritional demands of residents, employees, students, and tourists all contribute to their popularity. Compared to restaurants, which require larger investments, carinderias require relatively lower capital and operating costs, making them a viable business alternative for local entrepreneurs.

Convenient food products are getting more and more popular, especially among younger clients and office workers, as indicated by the substantial share of snack and beverage enterprises. Niche marketplaces that cater to specific customers and events include specialty food outlets and home-based catering services.

The preponderance of micro-scale food enterprises supports the Philippine Statistics Authority's 2024 report that MSMEs comprise the majority of commercial establishments in the country. Similarly, the Department of Trade and Industry (2023) observed that MSMEs in the food industry continue to play a vital role in local economic growth and job creation.

According to the findings, these tiny enterprises may considerably benefit from digital technologies like online meal delivery services, which allow them to reach larger clients in spite of their limited physical resources.

Profile of the Respondents According to Years in Operation

Years in Operation	Frequency	Percentage
Less than 1 year	12	17.14
1–3 years	24	34.29
4–6 years	16	22.86
Over 6 years	18	25.71
Total	**70**	**100**

Table 2. Summary of Respondents' Profile According to Years in Operation

According to Table 2, the majority of respondents—24, or 34.29%—have been in business for one to three years. On the other hand, 18 respondents (25.71%) have been in business for more than six years, 16 respondents (22.86%) have been in business for four to six years, and 12 respondents (17.14%) have been in business for less than a year.

These statistics demonstrate that a big proportion of Lagawe's food firms are fairly new and have just joined the local market. Growing consumer demand, expanded entrepreneurial potential, and the availability of digital platforms that allow enterprises to market goods at comparably low costs are all factors leading to the emergence of new food businesses.

The presence of enterprises that have been in operation for more than six years further illustrates that seasoned organizations continue to prosper in spite of increased competition and fluctuating market conditions. Their sustained operations speak to adaptability, committed clientele, and excellent firm administration.

The results are consistent with the OECD's (2023) report that digital transformation has promoted entrepreneurship by making it simpler for small firms to reach new markets. Similarly, Verhoef et al. (2021) explained that digital technologies assist newly established organizations compete more successfully by improving customer communication and operational efficiency.

According to the research, both newly created and well-established food companies are aware of how important it is to adopt new technology in order to remain competitive.

Profile of the Respondents According to Average Monthly Sales

Average Monthly Sales	Frequency	Percentage
Below ₱20,000	30	42.86
₱20,000–₱50,000	25	35.71
₱50,001–₱80,000	10	14.29
Over ₱80,000	5	7.14
Total	**70**	**100**

Table 3. Summary of Respondents' Profile According to Average Monthly Sales

According to Table 3, 30 respondents (42.86%) make less than ₱20,000 per month, whereas 25 respondents (35.71%) make between ₱20,000 and

₱50,000. Five respondents (7.14%) report monthly sales above ₱80,000, while just ten respondents (14.29%) earn between ₱50,001 and ₱80,000.

These statistics reveal that the bulk of Lagawe's food businesses fall into the micro-enterprise category. Their comparatively modest monthly sales are typical of small firms in rural communities, whose customer is frequently fewer than in urban regions.

These enterprises continue to make a considerable contribution to the local economy by creating jobs and providing critical food services, despite their limited financial resources. Thus, adopting online meal delivery services could be a vital approach for improving revenue and reaching a wider audience.

The Department of Trade and Industry (2023) asserts that MSMEs can extend beyond conventional market limits thanks to digital commerce, which raises sales prospects and enhances financial sustainability. Similarly, according to Statista (2024), online meal delivery continues to bring in more money internationally as people pick digital platforms for shopping.

The findings show that digital platforms offer a lot of potential for small food businesses trying to improve their financial performance, even though the market is limited.

Table 4 Utilization of Online Food Delivery Platforms

Response	Frequency	Percentage
Yes	52	74.29
No	18	25.71
Total	**70**	**100**

Table 4. Summary of Utilization of Food Delivery Platforms

The respondents' use of online food delivery services is demonstrated in Table 4. According to the data, only 18 respondents (25.71%) claimed they had not yet utilized online meal delivery services, compared to 52 respondents (74.29%) who presently do.

The findings clearly demonstrate that Lagawe's food establishments now offer online meal delivery. This high adoption rate implies that business owners are becoming more aware of how digital technology may improve customer comfort, increase market accessibility, and improve business operations.

Increased smartphone ownership, better internet accessibility, and the widespread use of social media apps like Facebook Messenger—where many local food businesses take customer orders—may all contribute to the rising popularity of online meal delivery.

The Technology Acceptance Model (Davis, 1989), which states that firms are more inclined to accept technology they feel to be practical and simple to use, is confirmed by these findings. Similarly, innovations spread gradually when organizations observe the advantages obtained by early adopters, according to the Diffusion of Innovation Theory (Rogers, 2003).

The findings also support a 2023 study by the Department of Information and Communications Technology, which found that Philippine MSMEs are gradually integrating digital technologies into their operations to improve competitiveness and service delivery.

Summary of the Respondents' Profile

The profile of the respondents indicates that the majority of food businesses in Lagawe are micro-scale enterprises, with carinderias accounting for the largest proportion of operations. The majority of firms have been in operation for one to three years, have monthly sales of less than ₱20,000, and have already embraced online meal delivery services.

These characteristics indicate a growing entrepreneurial sector that is gradually embracing digital change, even though it operates in a rural area. The findings provide a framework for examining how the operational, financial, and marketing performance of food businesses is impacted by the use of online meal delivery.

Online Food Delivery Adoption

Determining the degree of online meal delivery adoption among food establishments in Lagawe, Ifugao, was the study's second purpose. The respondents particularly evaluated a variety of aspects that affect the uptake of online meal delivery, such as cashless payment, online menu visibility, social media promotion, discounts and promotional offers, delivery efficiency, and customer reviews and ratings.

Extent of Online Food Delivery Adoption Among Food Enterprises

Online Delivery Trends	**Mean**	**SD**	**Descriptive Equivalent**
Customers prefer cashless transactions	3.4	0.5	Strongly Agree
Online menu visibility increases customer orders	3.35	0.48	Strongly Agree
Social media advertisements boost online food sales	3.45	0.5	Strongly Agree
Discounts and promotional offers attract more customers	**3.5**	0.49	Strongly Agree
Delivery time affects customer loyalty	3.3	0.47	Strongly Agree
Customers rely on reviews and ratings before ordering	3.42	0.5	Strongly Agree
Overall Mean	**3.4**	**0.49**	**Strongly Agree**

Table 5. Extent of OFD Adoption Among Food Enterprises

Discussion

Table 5 displays the respondents' assessment on the extent to which food establishments in Lagawe, Ifugao, have adopted online meal delivery. The cumulative mean of 3.40 (SD = 0.49), which is translated as Strongly Agree, reveals that most respondents believe online meal delivery services are vital tools for running and advertising their companies. The consistently high ratings across all criteria indicate that digital technology are now an essential component of food industry operations.

The marker "Discounts and promotional offers attract more customers" had the highest mean of 3.50, suggesting that promotional incentives are the main factor influencing consumers' use of online meal delivery services. They naturally attract customers because they provide better value, cheaper rates, free delivery, prepared meals, and limited-time special deals. These promotional methods are particularly useful marketing tools for food businesses since they drive both trial purchases and repeat business.

This outcome supports the findings of Kotler et al. (2022), who emphasized that price promotions are still among the best marketing strategies for swaying consumer decisions. In a similar vein, Yeo et al. (2020) found that promotional incentives significantly increase consumers' inclination to use online meal delivery services since they reduce perceived purchase prices while increasing customer satisfaction.

With a mean score of 3.45, the indicator "Social media advertisements boost online food sales" reveals that respondents firmly feel social media is vital for improving sales and business visibility. These days, companies use Facebook, Instagram, TikTok, and Messenger as essential communication platforms to advertise products, introduce new menu items, and interact directly with customers.

This outcome supports Tuten's (2024) theory that social media marketing enhances customer engagement through interactive interaction, in contrast to one-way advertising. In a similar vein, Medina and Ramos (2022) discovered that Filipino food businesses who used Facebook marketing had more online engagement, more customer inquiries, and better sales outcomes.

The signalOnline consumer feedback has a major impact on purchase decisions, as evidenced by the mean score of 3.42 for "customers rely on reviews and ratings before ordering." Before selecting restaurants, customers are increasingly looking at reviews and ratings since they regard user experiences as reliable sources of product knowledge.

This study supports the notion of electronic word-of-mouth (eWOM), proposed by Hennig-Thurau et al. (2004), which contends that customer-generated online material has a major impact on consumer decision-making. Positive ratings boost a business's credibility, while negative reviews may deter potential customers.

The statement "Customers prefer cashless transactions" earned a mean score of 3.40, showing that customers now generally embrace electronic payment options. By enabling speedier, safer, and more practical payment choices, mobile payment platforms like GCash, Maya, and online banking expedite transactions.

The results are consistent with the Bangko Sentral ng Pilipinas (2023), which reported a notable rise in digital payment transactions nationwide. The rising use of electronic payments is a reflection of consumers' growing confidence in digital financial services. Meanwhile, "Online menu visibility increases customer orders" had a mean score of 3.35, indicating that presenting menus on digital platforms encourages customer purchases. Appealing product images, current menus, and clearly accessible ordering information make it easier for customers to evaluate products before placing orders.

According to Chaffey and Ellis-Chadwick (2022), online product visibility significantly boosts customer engagement since consumers can easily compare products, prices, and promotional offers.

The signal "Delivery time affects customer loyalty" received the lowest mean of 3.30, although still being in the Strongly Agree category. This demonstrates that customer satisfaction and repeat business are still significantly influenced by timely delivery. Customers expect prompt delivery of fresh, high-quality food.

This outcome is in line with Slack et al. (2022), who emphasized that operational effectiveness and prompt service delivery are important determinants of customer satisfaction and organizational competitiveness.

Overall, the findings demonstrate that food companies in Lagawe see online meal delivery as a profitable business strategy that improves customer accessibility, marketing effectiveness, and operational efficiency. The high ratings for every metric suggest that local business owners generally adopt digital technologies.

Business Performance of Food Enterprises

Determining the degree of business performance among food enterprises in Lagawe, Ifugao, was the study's third purpose. Business performance was evaluated using financial performance, marketing performance, and operational performance.

Financial Performance of Food Enterprises

Variable	**Mean**	**Descriptive Equivalent**
Financial Performance	3.35	Strongly Agree

Table 6. Financial Performance of Food Enterprises

Discussion

According to Table 6, the respondents gave their financial performance an overall mean score of 3.35, which is regarded to be Strongly Agree. This finding suggests that the majority of respondents think their businesses are financially stable and that online meal delivery increases revenue growth, sales, and overall profitability.

The growth of online meal delivery has allowed businesses to take orders from customers outside of traditional walk-in transactions. Food businesses develop more sales opportunities that lead to better financial results by extending their clientele through digital platforms. Digital payment solutions also facilitate faster transactions and reduce barriers associated with conventional payment methods.

The findings support the assertion made by Gitman et al. (2022) that an organization's financial performance reflects its ability to generate consistent revenue while efficiently utilizing its resources. Similarly, DTI (2023) discovered that digital technologies improve MSMEs' financial sustainability by increasing market access and sales opportunities.

Even though the majority of respondents belong to the micro-enterprise category, online meal delivery has become a crucial strategy for boosting business profitability.

Marketing Performance of Food Enterprises

Variable	**Mean**	**Descriptive Equivalent**
Marketing Performance	3.38	Strongly Agree

Discussion

Table 7 shows that respondents' total mean rating for marketing performance was 3.38, which is regarded as Strongly Agree. The findings demonstrate that online meal delivery services significantly boost customer acquisition, advertising effectiveness, and business visibility.

Thanks to digital marketing, food companies may highlight their products through social media platforms, online menus, promotional campaigns, and customer involvement initiatives. By using these strategies, businesses can reach a larger audience outside of their physical locations and engage directly with customers.

The outcomes support the findings of Kotler et al. (2022), who emphasized that effective digital marketing increases consumer loyalty, strengthens brand identification, and raises customer awareness. In a similar vein, Medina and Ramos (2022) found that active Facebook marketing significantly improved customer engagement and sales performance among Philippine food companies.

Internet channels are becoming crucial marketing tools for food enterprises in Lagawe, according to the relatively good marketing outcomes.

Table 8 Operational Performance of Food Enterprises

Variable	Mean	Descriptive Equivalent
Operational Performance	**3.42**	**Strongly Agree**

Table 8. Operational Performance of Food Enterprises Discussion

The respondents' opinion of operational performance is provided in Table 8, with an overall mean of 3.42, which is interpreted as Strongly Agree. Operational performance was scored highest out of the three dimensions of company performance. This conclusion implies that the efficiency of routine business operations is considerably boosted by online meal delivery. According to respondents, digital ordering systems expedite order processing, enhance customer communication, minimize transaction errors, and speed up service delivery.

Online platforms can help business owners better organize customer orders while maintaining accurate transaction records. These improvements result in increased productivity, better workflow management, and increased client satisfaction.

The findings support the assertions of Slack et al. (2022) that operational excellence is a result of efficient resource management, successful service delivery, and continuous process improvement. In a similar vein, Verhoef et al. (2021) discovered that digital transformation has a favorable effect on operational flexibility and organizational efficiency.

The findings show that the usage of online food delivery enhances marketing and financial performance as well as the operational capacities of food businesses, allowing them to offer consumers more responsive and effective services.

PART III

Relationship Between Online Food Delivery Adoption and Business Performance

The fourth objective of the study was to determine whether there is a significant correlation between the commercial success of food enterprises in Lagawe, Ifugao, and the use of online meal delivery. Pearson Product-Moment Correlation (Pearson r) was used to determine the direction and degree of the correlations between the variables. The null hypothesis was tested using a significance threshold of 0.05.

Relationship Between Online Food Delivery Adoption and Financial Performance

Variables	Pearson r	p-value	Decision	Interpretation
Online Food Delivery Adoption × Financial Performance	**0.52**	**0.001**	**Reject H_0**	Significant Moderate Positive Relationship

Table 9. Relationship Between Online Food Delivery Adoption and Financial Performance

Discussion

Table 9 illustrates the relationship between food enterprises' financial performance and the uptake of online meal delivery. The investigation revealed a p-value of 0.001 and a Pearson correlation coefficient (r) of 0.520, both of which are below the significance level of 0.05. As a result, the null hypothesis is refuted.

The correlation coefficient exhibits a relatively positive trend, indicating a relationship between increased use of online meal delivery services and greater financial success among food establishments in Lagawe. It demonstrates that businesses who actively employ online meal delivery services usually enjoy increases in sales growth, income generation, and overall financial stability, even when the link isn't perfect.

The ability of online meal delivery services to increase client accessibility and expand their market reach may account for this outcome. Instead of relying solely on walk-in customers, businesses can receive orders through digital channels, generating other revenue sources. Additionally, in the event of bad weather, transportation issues, or other circumstances that could deter in-person client visits, online purchase systems allow businesses to continue serving customers.

Digital payment systems also speed up and simplify financial transactions, which encourages customers to complete purchases faster. Online marketing tactics also lead to increased consumer purchases and repeat business.

The findings support the Technology Acceptance Model (Davis, 1989), which maintains that businesses adopt technologies they think would improve organizational performance. According to this study, the financial advantages of online meal delivery seem to justify food enterprises' continued use of technology.

The findings are also consistent with Gitman et al. (2022), who emphasized that an organization's financial performance reflects its ability to generate sustained profits through efficient resource usage. They also accord with the Department of Trade and Industry (2023), which claimed that by extending their customer base, MSMEs can boost sales performance through digital transformation.

The modestly positive correlation also shows that although online meal delivery plays a big part in financial performance, company profitability is also determined by business management, product quality, customer service, competition, and economic conditions.

Relationship Between Online Food Delivery Adoption and Marketing Performance

Variables	Pearson r	p-value	Decision	Interpretation
Online Food Delivery Adoption × Financial Performance	**0.682**	**0.001**	Reject Ho	Significant Strong Positive Relationship

Table 10 Relationship Between Online Food Delivery Adoption and Marketing Performance

Discussion

Table 10 shows the relationship between the marketing performance of food businesses and the uptake of online meal delivery. The computed Pearson correlation coefficient of 0.682 with a p-value of 0.001 indicates a statistically significant link. Since the probability value is below the significance level of 0.05, the null hypothesis is rejected.

The correlation coefficient indicates a substantial positive relationship between higher levels of online meal delivery uptake and better marketing effectiveness among food businesses.

This study shows that businesses who actively employ online meal delivery services see improvements in market visibility, customer engagement, brand awareness, client acquisition, and promotional efficacy. By leveraging digital channels to consistently promote their products through social media, online menus, promotional campaigns, and customer contact, food businesses can boost their exposure.

Social media marketing in particular has been a popular promotional strategy because customers can easily check menus, compare products, read reviews, and talk to business owners just before placing purchases. Customer-generated material, such as reviews, ratings, and recommendations, are also advantageous to businesses because they are useful sorts of electronic word-of-mouth (eWOM).

The results strongly support the study conducted by Kotler et al. (2022), which demonstrated how digital marketing significantly increases customer involvement and brand awareness. Similarly, according to Tuten (2024), social media marketing helps organizations develop interactive relationships with clients, which enhances client loyalty and income.

The results are also in accordance with the research of Medina and Ramos (2022), who discovered that Filipino food businesses using Facebook marketing had greater promotional performance and increased consumer contact. Similarly, Prasetyo et al. (2021) discovered that by increasing consumer-company connections, online meal delivery services increase corporate competitiveness.

The adoption of online meal delivery has a stronger link with marketing performance than with financial performance, indicating that digital platforms are primarily useful marketing tools. Over time, higher financial results are a result of increased marketing efficacy.

IMPLICATIONS OF THE FINDINGS

The study's outcomes reveal that the use of online meal delivery has proven to be a key strategic asset for food enterprises in Lagawe, Ifugao. Companies that use digital platforms are in a better position to advertise their goods, communicate with clients, boost operational performance, and generate more money.

The adoption of online meal delivery and business performance have been found to be highly associated, demonstrating that digital transformation promotes organizational competitiveness. Technology can help small food enterprises expand into new markets, circumvent local regulations, and enhance customer relations.

Additionally, the widespread usage of customer review platforms, cashless payment options, and social media marketing indicates that consumers are increasingly choosing digital transactions. Food enterprises are therefore more likely to stay competitive in the shifting business landscape if they continually invest in digital technologies.

The results can also be useful to local government agencies and business development organizations. The competitiveness of MSMEs across the municipality may be further boosted by measures that foster digital entrepreneurship, technology training, financial literacy, and online marketing.

Several crucial findings about the penetration of online meal delivery services and the commercial success of food enterprises in Lagawe, Ifugao, were taken from the data collected and evaluated.

Regarding the characteristics of the respondents, the survey found that half (50.00%) of the respondents operated restaurants, or carinderias, making them the most common type of food business included in the study. With 28.57% of respondents, snack and beverage stores were ranked second, followed by specialty food stores (7.14%) and home-based catering services (14.29%). Many of the food enterprises in the municipality are relatively new, as seen by the fact that the majority of businesses (34.29%) had been in operation for one to three years. The bulk of participating enterprises fall into the micro-enterprise category, as seen by the majority of respondents (42.86%) stating that their normal monthly sales were less than ₱20,000. Furthermore, the study revealed that a significant majority (74.29%) were already utilizing online meal delivery services, suggesting that local food businesses are progressively embracing digital technologies.

Respondents generally strongly agreed that online meal delivery platforms have a positive impact on their business operations, as indicated by the total mean score of 3.40. Among the other factors, discounts and promotional offers received the highest ratings, indicating that promotional incentives are believed to have the greatest influence on attracting customers to online meal delivery services. Additionally, social media advertising, customer reviews and ratings, cashless payment methods, online menu visibility, and delivery efficiency received high grades from the respondents. These findings suggest that the successful adoption of online food delivery services depends on customer-focused online services and digital marketing strategies.

According to the respondents, their businesses were performing well across the board. The total mean score for financial performance was 3.35, which is translated as Strongly Agree. This suggests that respondents believed online meal delivery enhanced client purchases, sales, revenue generation, and profitability. A slightly higher mean of 3.38, which is also read as Strongly Agree, was recorded for marketing performance, demonstrating that online meal delivery platforms successfully boosted client acquisition, brand visibility, customer loyalty, and promotional efficacy. Online meal delivery improved delivery efficiency, order accuracy, service quality, and overall operational productivity, according to the majority of respondents. Of the three categories, operational performance had the highest overall mean of 3.42.

Finally, the study discovered a significant relationship between the use of online meal delivery and firm profitability. Adoption of online meal delivery and financial performance were found to be strongly positively connected (r = 0.520, p = 0.001) by the Pearson Product-Moment Correlation analysis. Similarly, adoption of online meal delivery and marketing performance were found to be strongly positively connected (r = 0.682, p = 0.001). These data imply that growing use of online meal delivery is associated to better financial success and more effective marketing. Overall, the findings show that the expanding usage of online meal delivery services considerably enhances the operational efficiency, marketing efficacy, and financial stability of food enterprises in Lagawe, Ifugao.

CHAPTER 5

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

Summary

The food service industry has undergone a change thanks to the rapid advancement of digital technology, which offers innovative methods for customer engagement, marketing, and service delivery. The growth of online meal delivery services is one of the major advancements, allowing food businesses to boost customer convenience, widen their market reach, and improve business operations. The current study looked at the growth of online meal delivery services in response to this digital transformation and their connection to the commercial success of food companies in Lagawe, Ifugao.

The specific goals of the study were to: (1) describe the profile of the respondents in terms of business type, years of operation, average monthly sales, and use of online food delivery platforms; (2) determine the extent of online food delivery adoption; (3) assess the level of business performance in terms of financial, marketing, and operational performance; and (4) determine whether there is a significant correlation between online food delivery adoption and business performance.

The study employed a quantitative descriptive-correlational research design. Seventy (70) food company owners and managers in Lagawe, Ifugao, were selected as respondents using purposeful sampling. The researcher's questionnaire served as the primary instrument for data collection. The gathered data was analyzed using frequency, percentage, weighted mean, standard deviation, and Pearson Product-Moment Correlation.

SUMMARY OF FINDINGS

Based on the data gathered and analyzed, the study came to several important conclusions about the adoption of online meal delivery services and their relationship to the financial viability of food companies in Lagawe, Ifugao.

The findings indicated that carinderia (restaurant) operators made up 50.00% of the sample overall. Snack and beverage stores came in second with 28.57%, followed by specialty food stores with 7.14% and home-based catering services with 14.29%. Many of the food enterprises in the municipality are relatively new, as demonstrated by the majority of respondents (34.29%) having been in business for one to three years. In terms of typical monthly sales, 42.86% of the respondents claimed that their revenues were less than ₱20,000, indicating that majority of the participating businesses are classed as micro-enterprises. Additionally, the study discovered that 74.29% of the individuals were already using online meal delivery services, demonstrating the rapid use of digital technology among neighboring food establishments.

An overall mean of 3.40 indicates that, with regard to the degree of online meal delivery acceptance, respondents usually firmly agreed that these platforms have a good impact on their business operations. Discounts and promotional offers earned the highest mean score (3.50) among the various characteristics analyzed, demonstrating that promotional incentives are regarded to have the largest impact on recruiting clients to online meal delivery services. Next were cashless payment methods (Mean = 3.40), social media advertisements (Mean = 3.45), customer reviews and ratings (Mean = 3.42), online menu visibility (Mean = 3.35), and delivery efficiency (Mean = 3.30). These results suggest that respondents see online meal delivery services as beneficial resources for strengthening marketing efforts, boosting client connection, and enhancing general business operations.

The participants rated the financial, marketing, and operational aspects of firm performance as Strongly Agree. Respondents reported increases in customer purchases, revenue creation, sales growth, and profitability, as indicated by the total mean score for financial success of 3.35. Online meal delivery services had a positive effect on client acquisition, brand awareness, customer loyalty, and promotional efficacy, according to marketing performance, which had a mean score of 3.38. The highest mean of 3.42 for operational performance across the three criteria indicates that respondents strongly agreed that using online meal delivery enhanced delivery efficiency, order correctness, service quality, and overall operational productivity. These results demonstrate that respondents believed online meal delivery services had a significant impact on improved financial outcomes, more successful marketing campaigns, higher customer satisfaction levels, and more efficient business operations. Finally, the study discovered a significant relationship between the use of online meal delivery and firm profitability. Adoption of online meal delivery and financial performance were found to be strongly positively connected ($r = 0.520$, $p = 0.001$) by the Pearson Product-Moment Correlation analysis. Similarly, adoption of online meal delivery and marketing performance were found to be strongly positively connected ($r = 0.682$, $p = 0.001$). These findings imply that more online meal delivery usage is associated with improved financial and marketing benefits for food businesses. Overall, the findings suggest that the successful use of online meal delivery services considerably enhances the business performance of food businesses in Lagawe, Ifugao, notably with regard to operational efficiency, marketing efficacy, and financial stability.

Conclusions

Several conclusions about the penetration of online meal delivery services and their impact on the commercial performance of food enterprises in Lagawe, Ifugao, were drawn based on the study's findings.

The results of the study indicate that most of Lagawe's **micro-scale businesses** in the food industry are **carinderias (eateries)** and **snack and beverage stores**. Many of these enterprises have incorporated digital technology, especially online meal delivery services, to boost their operations and stay competitive in the local market, even though many of them have relatively modest monthly sales.

The high rate of online meal delivery acceptance among the respondents demonstrates that food industry owners are conscious of the increasing importance of digital platforms in adjusting to changing consumer preferences and the growing need for useful, technology-based services. The results show that entrepreneurs view online meal delivery services as essential business tools that enable them to reach a wider customer base and adapt to the evolving digital business environment, rather than merely as alternative sales channels.

The survey also reveals that a number of digital marketing methods, including as **promotional discounts, social media advertising, online menu visibility, cashless payment systems, efficient delivery services, and customer reviews and ratings** , have a large impact on how customers purchase meals online. These digital capabilities enhance client convenience, foster customer trust, and encourage repeat business, all of which contribute to the overall effectiveness of online meal delivery services.

The respondents also reported high levels of **financial, marketing, and operational performance** indicating that the usage of online meal delivery platforms improves the overall effectiveness of food enterprises. According to the findings, digital technology may raise consumer contact, improve brand visibility, increase sales generation, improve service quality, and expedite operational procedures.

Additionally, a **significantly positive relationship between online food delivery adoption and financial performance** was found in the results, suggesting that companies that use online food delivery platforms more frequently have better financial results, more opportunities for sales, and higher revenue generation. This implies that digital technology has evolved into practical tools for enhancing the financial sustainability of food enterprises.

Digital platforms successfully boost customer acquisition, customer engagement, promotional efficacy, and market exposure, as proven by the study's **significant positive correlation between online food delivery usage and marketing performance**. Businesses are better positioned to promote their products, engage with customers, and expand their market presence when they actively use digital marketing strategies and online meal delivery services.

Overall, the results suggest that the adoption of online meal delivery has evolved to be a vital business strategy that greatly increases the competitiveness, sustainability, and operational effectiveness of food enterprises in Lagawe, Ifugao. Local food businesses can improve customer service and adapt to changing market conditions by incorporating digital technologies.

Finally, the findings support the concepts of the **Technology Acceptance Model (TAM)** and the **Diffusion of Innovation Theory** by showing that business owners are more likely to embrace technologies that they perceive as useful, easy to use, and able to improve organizational performance. The results demonstrate that the perceived benefits of online meal delivery services encourage their ongoing use, which ultimately enhances business performance and promotes long-term organization growth.

Recommendations

In light of the study's findings and conclusions, several recommendations are made to improve the profitability of food companies in Lagawe, Ifugao, and encourage the adoption of online meal delivery services.

Food industry owners are encouraged to continue sponsoring online meal delivery services and digital marketing strategies as crucial components of their operations. They may maximize social media and other online channels by regularly updating their digital menus, releasing promotional content, promptly responding to consumer inquiries, and encouraging customers to give reviews and ratings. These tactics can promote client involvement, loyalty, and service quality, all of which can result in higher sales and better business outcomes.

It is recommended that prospective entrepreneurs incorporate digital technologies from the beginning of their business strategies.

Initiatives that foster digital entrepreneurship among micro, small, and medium-sized companies (MSMEs) should be strengthened by the **Local Government Unit (LGU) of Lagawe**. These classes can aid local business owners in increasing their digital abilities and adjusting to the altering business market.

More food enterprises may incorporate online meal delivery services and other digital technologies that increase their competitiveness and sustainability provided financial support, technological grants, business mentoring, and entrepreneurship development programs are made accessible.

Higher education institutions, particularly **Ifugao State University** , are also encouraged to improve their entrepreneurial education by integrating digital marketing, e-commerce, business technology, and digital entrepreneurship into their business-related curricula.

Additionally, consumers are vital to the expansion of localized food enterprises. Their continued participation and consumption can help local food companies grow and remain viable while encouraging continuous service quality improvement.

Finally, future researchers are encouraged to expand the study's scope by including food enterprises from various towns, provinces, or regions in order to facilitate more thorough comparisons and enhance the generalizability of the results. Future research may examine additional elements including customer satisfaction, service quality, digital literacy, innovation capacity, organizational resilience, and business sustainability in order to provide a more comprehensive understanding of digital business transformation among MSMEs. Researchers may also employ mixed-methods or longitudinal research methodologies to examine changes in online food delivery acceptance and business performance over time in order to better understand the long-term effects of digital technology adoption on firm growth and sustainability.

Recommendations for Policy and Practice

The findings imply that building digital infrastructure and enhancing digital competencies among MSMEs can greatly increase business performance. Promoting digital entrepreneurship, increasing internet accessibility, enhancing logistics infrastructure, and offering ongoing training on digital business management should be the main goals of cooperative efforts between local government entities, corporate associations, academic institutions, and federal agencies. By adopting technological innovation, food firms in Lagawe may boost their competitiveness, contribute to local economic development, and adapt more effectively to the increasing demands of the digital economy.

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