

E-Catering Services An Accolade For Digital India: A Study on the IRCTC E-Catering Services (East Zone)

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Abstract

The Indian government is promoting digitalization of services as a part of the government policy. The vision of Digital India initiative as advocated by the present Indian Government has the potential to grow across the various sectors. E-Commerce is one of the most happening events that have taken the Indian Organizations by storm. The Indian Railways is one of the largest railway networks in the world. The Indian Railways is the largest railway system under a single management in the world and India's largest commercial venture. The Indian Railways in a way is the lifeblood to the Indian Economy. Indian Railways Catering & Tourism Corporation (IRCTC) launched the pilot project on E-Catering as a part of the E-Services in the year 2015, enabling rail users to order meals as per their choice which will be delivered at the specified stations from popular private caterers. E-Catering services since the time it was launched has witnessed remarkable growth. The present paper aims to evaluate the effectiveness of the E-Catering services of the IRCTC (East Zone) for a period of three consecutive financial years (2014-2015, 2015-2016 and 2016-2017). In depth interviews were taken of senior officers working with the East Zone (IRCTC) to understand the entire procedure of the E-catering services. The finding of the study seems to suggest there has been a phenomenal increase in the number of booked meals over the specified time frame thus generating better revenues. Rail users are willingly embracing digitalization of E-Services. Additionally, it was found most meals are delivered on board while the reason for non-delivery may be accounted to the logistics. The railway authorities are working on the possible solutions to minimize the non-delivery of meals due to issues related to the logistics. Therefore, it may be concluded E-Catering services of the Indian Railways is an accolade for the Digital India.

Keywords: Digital India, Indian Railways, E-Business, E-Services, E-Catering

Introduction

Digitalization denotes the adoption or rise in the number of the digital usage by a business house or a country at large. The present day Indian government is boosting digitalization as a part of the government policy. The vision of Digital India program as advocated by the present Indian government is one that has the potential to grow in the areas of electronic services, products, manufacturing and job opportunities etc. The Digital India also focuses on three key sectors namely- 'Digital Infrastructure as a Utility to Every Citizen, Governance & Services on Demand, and Digital Empowerment of Citizens' (Subramanyachary, 2017). Digital India Program is a national campaign. It is an attempt to transform our nation into a globally connected hub. The emphasis of Digital India Program is to generate jobs and enhance skills in the fields of E-Governance, electronic delivery of products and services along with access to mobile services for all and so on. In the words of (Subramanyachary, 2017) 'Digital India is a campaign launched by the Government of India is to ensure that Government Services are made available to citizens electronically by improving online infrastructure and by increasing Internet connectivity or by making the country digitally empowered in the field of technology.' E-commerce is part of the digitalization regime. E-commerce has become an imperative environment for the business houses. Therefore, it may be said India is witnessing the transformation of the traditional market place to digital market place.

Review of Literature

E-commerce: E-commerce more specifically is a platform where individuals can buy or sell and can access products of a diverse range; which includes convenience products to speciality products (Bajaj and Nag, 2000; Joseph, 2012; Raunaque, Imam & Raja, 2016). The primary reason for consumers opting for the electronic media platforms for shopping are easier accessibility and the absence of physical sellers, what makes buyers more comfortable while purchasing (Tesche, 2013). E-commerce offers competitive advantages such as cost reduction because it entails gaining in precision and speed for the transaction on internet (Lefebvre & Lefebvre, 2002).

E-commerce In India: E-commerce has emerged to become a game changer in India since its delicate start in the late nineties. In the recent times the prevalence of E-commerce has immensely expanded. It may be accounted for the speedy and advantageous method for trading products and services across the territories. E-commerce consists of a wide range of services; 'from ordering online, through delivery of paid content, to financial transactions such as movement of money between bank accounts' (Malhotra, 2014). It was noted by Mitra (2013) a number of Indian portals sites have shifted their focus on to E-commerce instead of depending on advertising revenues. Mitra

(2013) pointed out that there has been an increase in the number of organizations absorbing E-commerce in the recent past. Consumers' perception of E-commerce websites tends to suggest emotional features such as discounts, free shipping and ease of use have positive impact on purchasing behaviour as when compared to the technical ones (Fatta, Musotto and Vesperi, 2016). Citizens are willingly absorbing E-commerce services for their own convenience.

Objective

The present paper aims to evaluate the effectiveness of the E-Catering services of the IRCTC (East Zone) for a period of three consecutive financial years (2014-2015, 2015-2016 and 2016-2017).

Methodology

Qualitative analysis of the interview data based on the interview guidelines prepared for the purpose of the present study of the senior executives working with East Zone (IRCTC). In depth interviews were taken of senior officials working with the East Zone (IRCTC) to understand the entire mechanism of the E-catering services.

Findings and Discussion

Indian Railways:

The Indian Railways is the pre-eminent mode of transport for both passengers and freight. It connects the citizens and places in the vast country, therefore constituting a vital national integrating and amalgamated force. Indian Railways is a gigantic system. The Indian Railways began its first journey in the year 1853. It is the largest railway system under a single management in the world and India's largest commercial venture. It employs over 1.6 million people and transports over 13 million people every single day (Richardson & Nigam, 1999). For a huge country like India with nearly 100 million people, Indian Railways constitutes the lifeblood of the economy (Richardson & Nigam, 1999).

Indian Railways & E-Commerce:

Indian railways forms one of the busiest and densest railway networks in the world moving millions of people to their desired destination has the complex cumbersome responsibility of intimating and booking tickets for the millions of rail users in a single day. Prior to the advent of the E-Commerce phase the standalone mechanism for booking rail tickets was at the railway reservation counters. The railway authorities had the herculean task of managing long queues of passengers at the ticket counters on a daily basis. The first step by the Indian railway in the world of E-Commerce was with the IRCTC (E-Ticketing) online services. E-ticketing service was launched in August 2002. E-ticketing provides a platform from where rail users can browse train information, seat availability

and can book his/her tickets online (Srivastava& Singh, 2013). It is a noteworthy task for the IRCTC to keep a track of such a huge database for thousands of trains and millions of passengers moving on a regular basis. Ever since the launch of the E-ticketing services the number of rail users embracing E-ticketing services are on the rise.

IRCTC E-Catering Services (East Zone):

Indian Railway Catering and Tourism Corporation (IRCTC) launched the pilot project on E-catering as a part of E-services in the second half of the year 2015, allowing rail users to order meals as per their choice which will be delivered at the specified stations from popular private caterers. Rail users can book their meals through various channels by mentioning the details of the PNR, seat number along with the mobile number. The rail users have the option of placing the order through the E-catering app, E-catering portal, toll free number or simply by sending a SMS to a designated number. The Indian railways offer to the esteemed rail users to make the payment online while placing the order or through cash on delivery. ‘Nowadays passengers prefer to place the meal orders through the E-catering app’ said an official working with E-catering services (East Zone). E-catering services since the time it was launched has witnessed phenomenal growth.

Exhibit 1: The IRCTC E-Catering Services (East Zone): Growth Rate For The Number Of Booked Meals For The Specified Time Period (2014-2015) To (2015-2016).

Percentage increase in the number of booked meals for the specified time period (2014-2015) To (2015-2016)	28707%
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Exhibit 1 shows an extraordinary percentage increase in the number of booked meals (East Zone) for the consecutive financial years (2014-2015) to (2015-2016). It is to be noted here the E-catering service was introduced in the year (2014-2015) as a pilot project. The number of booked meals for the financial year (2014-2015) was less than ‘150’. The number of booked meals for the financial year (2015-2016) was little over ‘37000’. One of the key moderating factors which may have contributed to the steep increase is greater awareness amongst the rail users regarding the E-catering services.

Exhibit 2: The IRCTC E-Catering Services (East Zone): Growth Rate For The Amount Of Sales (In Rupees) For The Specified Time Period (2014-2015) To (2015-2016).

Percentage increase in the amount of sales for the specified time period (2014-2015) To (2015-2016)	28457%
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Exhibit 2 depicts the percentage increase in the amount of sales for the consecutive financial years (2014-2015) to (2015-2016) (East Zone). The amount of sales (in rupees) for the year (2014-2015) was around 'Rs 15000'. The amount of sales (in rupees) for the financial year (2015-2016) was little above 'Rs 4261000'. A unique rise in the number of booked meals is reflected the sales growth.

Exhibit 3: The IRCTC E-Catering Services (East Zone): Growth Rate For The Number Of Booked Meals For The Specified Time Period (2015-2016) To (2016-2017).

Percentage increase in the number of booked meals for the specified time period (2015-2016) to (2016-2017)	685.94%
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Exhibit 3 shows a steady percentage increase in the number of booked meals (East Zone) for the consecutive financial years (2015-2016) to (2016-2017). The number of booked meals for the financial year (2015-2016) was little over '37000'. The number of booked meals for the financial year (2016-2017) was around '292000'. The steady increase in the number of booked meals over the years seems to suggest rail users are willingly opting for the E-catering services. The external factors which may have contributed to the growth are increasing number of the smartphone users absorbing new technology and better net connectivity across the nation.

Exhibit 4: The IRCTC E-Catering Services (East Zone): Growth Rate For The Amount Of Sales (In Rupees) For The Specified Time Period (2015-2016) To (2016-2017).

Percentage increase in the amount of sales for the specified time period (2015-2016) to (2016-2017)	662.9%
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Exhibit 4 depicts the percentage increase in the amount of sales for the consecutive financial years (2015-2016) to (2016-2017)(East Zone). As the number of meals booked and sales amount is related so are the external factors like rising number of the smartphone users absorbing new technology and better net connectivity across the nation which may have played a vital role contributing to the sales growth. The amount of sales for the financial year (2015-2016) was around 'Rs 4261000'. The amount of sales for the financial year 2016-2017 was little over 'Rs 32514000'. The steady rise in the sales growth suggests E-catering services have been beneficial for both the rail users and the Indian Railways at large.

Exhibit 5: Status of Booked Meals (2014-2015)(East Zone)

Meals Delivered (In Percentage)	Meals Undelivered (In Percentage)
100%	0%

Exhibit 5 denotes for the financial year 2014-2015 (East Zone), 100% of the booked meals were delivered on board. The E-catering service was launched in the financial year (2014-2015); it seems to have embarked its journey on a positive note. It is also to be noted the number of booked meals for the financial year (2014-2015) was less than '150'. It may be due to the small number of booked meals it was easier to cater the services to the esteemed passengers.

Exhibit 6: Status of Booked Meals (2015-2016) (East Zone)

Meals Delivered (In Percentage)	Meals Undelivered (In Percentage)
98.8684%	1.1315%

Exhibit 6 suggests for the financial year 2015-2016 (East Zone), 98.8684% of the booked meals were delivered on board. While a low 1.1315% of the booked meals were undelivered. The number of booked meals for the financial year (2015-2016) was little over '37000'.

Exhibit 7: Status of Booked Meals (2016-2017) (East Zone)

Meals Delivered (In Percentage)	Meals Undelivered (In Percentage)
93.6526%	6.3473%

Exhibit 7 shows for the financial year 2016-2017 (East Zone) 93.652% of the booked meals were delivered on board. The non-delivered meals accounted for 6.3473%. The number of booked meals for the financial year (2016-2017) was around '292000'.

Senior officials pointed out the prime reason for non-delivery of meals is due the logistics issues. They are working on the possible solutions to minimize the percentage of the non-delivered meals on board. Some of the most vital factors for the non-delivery of the meals on board as narrated by a senior officer working with the east zone team are as follows:

1. Time management issue

A major problem faced by the E-catering vendors is time management. An executive explained it to the researcher, sometimes the schedule stoppage for trains at particular station is around two-five minutes. Within the short span of time the delivery boy has to reach the designated coach, deliver the food and take the payment. Time management issues also contribute to the non-delivery of meals.

2. Trains running late

At times trains run late. Due to this the meals booked by the passenger may not be delivered at the allocated station. This seems to be an external factor which cannot be controlled by the E-catering service providers.

The E-catering team (East Zone) is working on the logistics issues so that the number of non-delivered meals can be minimized. It may be said E-catering services is an asset for the Indian Railways as it is generating better revenues with each passing year.

Conclusion

The Indian Railways is dedicated to offer plethora of services to their esteemed rail users. One such service offered by the Indian Railways which comes under the purview of E-commerce segment is E-catering services. The E-catering service (East Zone) seems to be a boon for both the rail users and the Indian Railways at large. The rail users are getting an opportunity to explore and avail varieties of delicacies during their train journey. The E-catering services since the time it was introduced has witnessed a steady rise in the number of booked meals which is reflected in the sales growth for the specified time period under the present study. Though there is a snag for the undelivered meals the E-catering service department (East Zone) is diligently working on it to overcome the stumbling block. The entire scenario suggests Indian Railways and the rail users are willingly embracing digitalization of E-services. Thus, it may be concluded E-catering services of the Indian Railways is an accolade for the Digital India.

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