Study on Demographic profile of Sodexo coupon user

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ABSTRACT

Over the last decade consumers’ health consciousness is becoming an important factor driving the agro food market. Healthier food products have entered the global markets with force in the past years and rapidly gained huge market share. But obvious, the food industry has reacted to this trend by developing a growing variety of new products and money making motto with health-related changes, including organic and functional foods that are selected by consumers for their health-promoting properties.

This study aimed to know the acceptability of Sodexo coupons in lieu of monetary benefits amongst a cross-section of employees. The study was carried out through an online survey with the help of e forms. The sample size was 43 and the sampling technique used to identify respondents was by non-probabilistic convenience type. The study examined variables such as awareness, use, flexibility, disposable income and their impact on flow of Sodexo coupons. In addition, demographic variables were also studied. The survey was carried out among young- adults from south Mumbai and north Mumbai. The data collected was analyzed with the help of statistical test i.e. hypothesis testing methods (P test, T test, CHI SQUARE testing and ANOVA testing).

Introduction

The research elaborates the relationship between different parameters which cordially affected the flow and use of Sodexo coupons. Recently, many MNC has started providing meals passes and coupons to their employees. In India, people are quite busy and lazy enough for making their morning breakfast and noon lunch, which is thus leading to a growth of flow and use of meal passes and coupons through companies like Sodexo. The research conducted shows us different usage behavior of meal passes between employees. It gives us the idea about the employees and company’s perception towards giving and using of meal passes and coupons. Various reasons are been highlighted for the increase in the demand of these meal passes and coupons. Various parameters are been analyzed which effects the usage and awareness of these meal passes and food coupons.
**Industry growth rate**

Growth rate of Coupon and meal passes based product companies is 2.4%. Sodexo has average revenue growth rate of 7% and organic growth rate of 0.4%.

**Literature Review**

Sodexo Coupon is a pre-paid voucher with a face value in Indian Rupees (INR), which can be used to pay for an equivalent value of food & non-alcoholic. "Our service charges for retailers are based on individual discussions with them and are very reasonable compared to the incremental and captive business that we drive into their stores," contends Sandeep Banerjee, managing director and CEO, Edenred India, a Sodexo competitor. In the late 90s, Sodexo coupons were valid for food items only. But the additional footfalls they brought to stores led retailers and the company to extend the services to other products. With time, demand quickened and Sodexo’s network became widespread. According to some industry experts, the meal voucher industry is now worth Rs 3,000 crores annually.

Paper vouchers have been used to reward staff or pay benefits to employees from decades. Instead of giving cash to employees, company pays the amount to Sodexo and takes printed coupons in order to pay its employees. Employee takes these coupons to any authorized stores/restaurants which accept them in order to uses these as currency instead of cash. Shopkeepers and owners of those restaurants later redeem these coupons from Sodexo for cash.

From the day Sodexo gets cash from companies and till the date they reimburse the amount to the owners of the store and restaurants, Sodexo gets this entire amount for a duration which can be as long as 1 year at times, without paying interest to the companies. The amount of cash, Sodexo gets at its disposal because of this scheme, from thousands of companies goes up to billions of dollars and thus Sodexo will be the biggest beneficiary in this whole mechanism, as against employees, which was the Sodexo’s original intention.

All coupons have an expiry date. If not used, employee effectively loses on that amount. Even if the coupons are lost or damaged, employee again loses that amount. The process to get a new coupon issued for lost amount is best left untouched and in all these cases, Sodexo gets the benefit as it gets to keep the entire amount of money.
If the customer wants to use Sodexo so he/she should drive to a supermarket instead of next street convenience or traditional outlet and thus more time is spend and also fuel for driving there.

He also spends lot of time in the queue at supermarket because of the queue and time spent in counting these coupons. With Electronic cards, processing becomes faster. This means Sodexo should reimburse money to shopkeepers much faster (no time should be required for collecting and processing these coupons manually). Migrating to a smart card based system is the best solution to all, except for Sodexo. Sometimes employees may end up buying stuff one need not really want in the stores. The expiry date of the coupons also puts employees in a hurry to use the coupons somehow. Due to this, many employees hesitate in accepting Sodexo coupons. If the coupons are paid to employees as a performance incentive, employees will feel free to accept it.

**Research Objective:**

To interpret the Demographic profile of Sodexo coupon users.

**Research methodology:**

This study was conducted in basically two parts which is Exploratory and Descriptive. Data and relevant information was collected from primary and secondary data sources. Primary data was collected with the help of questionnaire by Google forms whereas the Secondary data was collected from internet based sources such as Google & Google scholar. A non-probabilistic sampling technique is interpreted for completing this research study. Our sample size was of 43 and sampling unit was general population from south and north Mumbai. Data and information collected from primary source was analyzed using statistical test such as t-test, p-test, chi-square test and annova.

**Proposed hypothesis**

1. Average monthly income of Male using Sodexo coupon is less than 30,000.
2. Average income spent on Sodexo coupon is same across the gender.
3. Frequency of use of Sodexo coupons is independent of all gender.
### Z Testing:

#### Hypothesis Testing

1) **Average monthly income of Male using Sodexo coupon is less than 30,000.**

Ho; Average monthly income of Male using Sodexo coupon is more than 30,000

Ha; Average monthly income of Male using Sodexo coupon is less than 30,000

<table>
<thead>
<tr>
<th>Column1</th>
<th>N</th>
<th>X'</th>
<th>P</th>
<th>SIGNIFICANCE LEVEL</th>
<th>ALPHA</th>
<th>σ</th>
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<td></td>
<td>25</td>
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<td>0.10</td>
<td>90%</td>
<td>0.10</td>
<td>40,965.16</td>
</tr>
</tbody>
</table>

**X3 critical:** 1.36

**X3 observed:** 0.74

Hence, the observed value lies in Acceptance region; we should accept the null and reject the alternate hypothesis.

Thus, the average monthly income of Males using Sodexo coupon is more than 30,000.

#### Business Decision

From the data we know that Employees having salary less than that of 30,000 do get sodexo coupons. The Company should see to it that these employees use sodexo coupons for purchases and/or spending it out.

Company can use advertising campaigns for awareness amongst the target population and thereby increase its chances for growth and increased brand perception.
P Testing:

**Hypothesis Testing**

2) **Proportion of females using Sodexo coupons is less than 30%**

H₀: Proportion of female using Sodexo coupon is more than 30%

Hₐ: Proportion of female using Sodexo coupon is less than 30%

**Sodexo coupons users**

![Pie chart showing proportion of males and females using Sodexo coupons]

**Age group**

![Pie chart showing age distribution of respondents]

Maximum respondents are from the age group of 21 years to 23 years.

The gender ratio for the research is 37 females per 100 males.
Therefore the proportion of female using Sodexo coupons is more than 30%.

**Business Decision**

Thus we know that more than 30% of the females are using Sodexo coupons. The company should try and increase this usage pattern and try to make the entire women workforce use Sodexo coupons. For this the company can give flexible options for using Sodexo coupons at breakfast at workplace.
Chi square testing:

Hypothesis Testing

3) Frequency of use of Sodexo coupons is independent of all gender.

Ho; Frequency of use of Sodexo coupon is not independent on the gender

Ha; Frequency of use of Sodexo coupon is independent on the gender

Major Findings

According to the survey, from the sample of 43 People

2 from 43 people don’t use Sodexo coupon at all in a month.

27 from 43 people use Sodexo coupon once in a month.

2 from 43 people use Sodexo coupon twice in a month.

5 from 43 people use Sodexo coupon thrice in a month.
Hence, the observed value lies in acceptance region, accept the null hypothesis.

Thus, the frequency of use of Sodexo coupon is independent on gender.

**Business Decision:**

Since, usage of sodexo coupons is independent of gender, the company has a good potential to increase their business as they can target the population irrespective of gender. As the working demographics change in modern India, women will use sodexo coupons more.
**Conclusion**

Keeping the food inflation in mind, it is certainly not a bad idea to avail of food coupons and get extra purchasing power in your hands.

Most of the companies today have food coupons as part of their salary packages to help increase the take home pay of the employees. But in case of some companies does not have this facility, so they need to convince their HR team.

**LIMITATION OF STUDY**

The study may have some limitations. The sample size was a random sample, with most of respondents being students. The survey was conducted in a small locality from south and north Mumbai it should be extrapolated to include all of Mumbai. It was also conducted through Google forms, thus a lot of the non-internet users were ignored. It is essential to find out their preferences and usage patterns as well. Time constraints, sample size, respondent biasness and geographical limitations were other concerns. The findings of the study may not be applicable to the general population due to the non-probabilistic type of sample. The sample selected in this manner may not be the representative of the behavior of the population.

**References**

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