

Current Situation and Countermeasures of the Catering Distribution Industry under the O2O Mode

Qingya Gu

Department of Economics and Management, Harbin Institute of Technology, Weihai, Weihai, China

guqingya@126.com

Abstract. With the help of Internet technology, the catering industry has formed a variety of new marketing modes, which overturned the original catering mode to a large extent. Therefore, the enterprises can choose more effective distribution methods to promote the development of the catering distribution industry. In this context, this work studied the current situation of the catering distribution industry under the O2O mode, analyzed the development situation of the catering O2O market and the catering distribution O2O mode, and articulated the current application situation of the O2O mode in the catering distribution industry. Also, this work analyzed the problems existing in the O2O mode in the catering distribution industry, including the potential risks of food products due to insufficient market supervision, non-standard food distribution and improper handling of after-sales problems. To address the problems, we put forward associated solutions to improve the management system by strictly implementing the catering distribution service standards and building an intelligent system to form a take-out distribution O2O closed loop. This study is expected to provide a guarantee for the sustainable development of the catering industry.

Keywords: Catering distribution; O2O mode; industry status; countermeasure analysis.

1. Introduction

With the development and progress of the science and technology, the function of the Internet has shown a strong value output ability in the business model, especially in the marketing and promotion. The original marketing model adopts the form of offline promotion, which pays much more attention to the marketing environment and promotion cost: it adopts the mode of wide net casting to attract consumers. The single promotion through the offline mode is not only time-consuming and energy-consuming, but also can not show the marketing concept of businesses in an all-round way. In a variety of mode of development as for enterprises and enterprises, enterprises and consumers, consumers and consumers, O2O concept is becoming a new type of consumption mode under the rapid development of the Internet. It quickly seized most of the industry consumer market. In addition, its offline business opportunities are closely combined with the Internet, making the Internet become offline trading platform. In this mode, customers can directly choose the goods they need through the Internet. After the goods are packaged, the order information is directly delivered to the enterprise, and then the goods are delivered to the customers through the distribution personnel. The O2O model is specifically applied in catering industry, which can be traded directly online, making marketing more digital. However, any marketing model will not be perfect. In the age of information explosion, the impact of negative news can exceed positive news. Once the O2O model goes wrong, opportunities will be transformed into a crisis. In this context, this work studied the current situation of O2O mode catering distribution industry, analyzed the associated problems, and proposed some relevant solutions to provide reliable theoretical support for the development of the industry.

2. Status quo of the O2O mode in the catering and distribution industry

2.1 Development of catering O2O market

With the emergence of emerging e-commerce, O2O, as a new business development model, is widely used in all walks of life, especially in catering industry in China. This has developed relatively

rapidly. Taking the domestic catering market in the past 6 years as an example, the development of Chinese catering under the O2O model is analyzed, as shown in Table 1.

Table 1. Domestic catering O2O development over the past 6 years (CNY 100 million)

Year	Market size	Growth amount
2016	1850.5	-
2017	2425.4	574.9
2018	3021.2	595.8
2019	3956.7	935.5
2020	5822.5	1865.8
2021	7752.4	1929.9

As evident in the data in the table, with the advancement of the year, the market size of China's catering industry has gradually expanded, and its growth rate is very considerable. Over the past six years, the market size has nearly increased by 5 times [1]. Although the O2O market of China's catering is developing so rapidly, it is still in the early stage of development. Its development process mainly starts from group buying, providing discounts in physical stores, and promoting it in the mode of small profits and quick sales, attracting a large number of consumers.

2.2 The O2O mode status of catering distribution

With the further development of the catering industry O2O model, a wave of group-buying services has been set off around the world, and offline delivery services, including the Meituan and Eleme emerged in China. For the catering and distribution industry, the formation of O2O model mainly includes two aspects. In the group buying model, its business segment can involve more content, which can form an e-commerce model between buyers and sellers. Therefore, merchants, take-out platform and customers can form a close cooperation network, producing a more inseparable contact [2]. The action process is shown in Fig. 1.

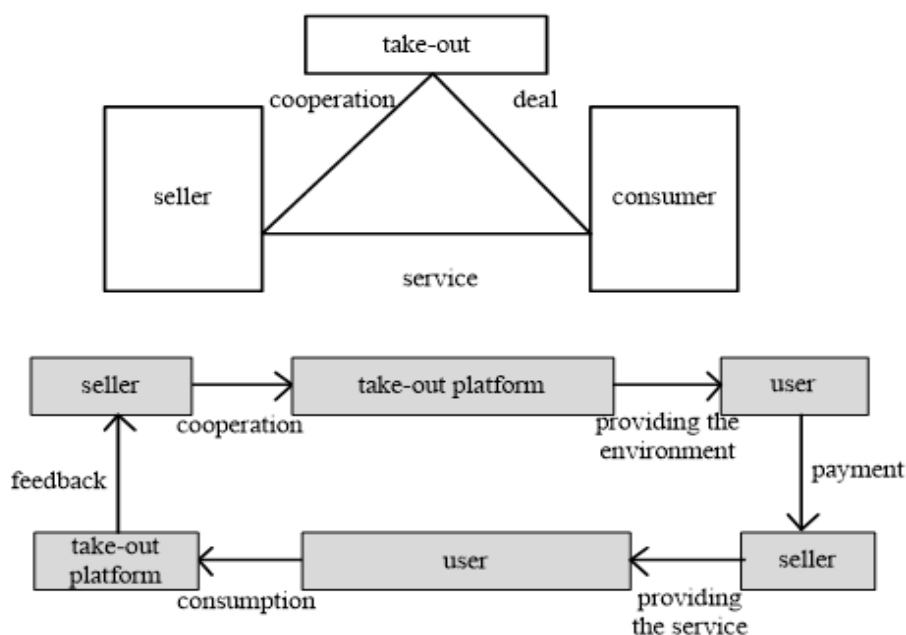


Fig. 1 The O2O process of catering group purchase

According to the contents in Fig. 1, a simple function network is formed between the distribution platform, merchants and customers. When the platform reaches cooperation with merchants, users can complete consumption transactions online, and evaluate and return visits after consumption.

In the process of take-out delivery, it is quite different from group buying. In order to complete a take-out order, the connection between the merchants and the platform should be closer. In group buying, customers mainly choose the merchant service, while take-out orders are received by the merchants. The process is shown in Fig. 2.

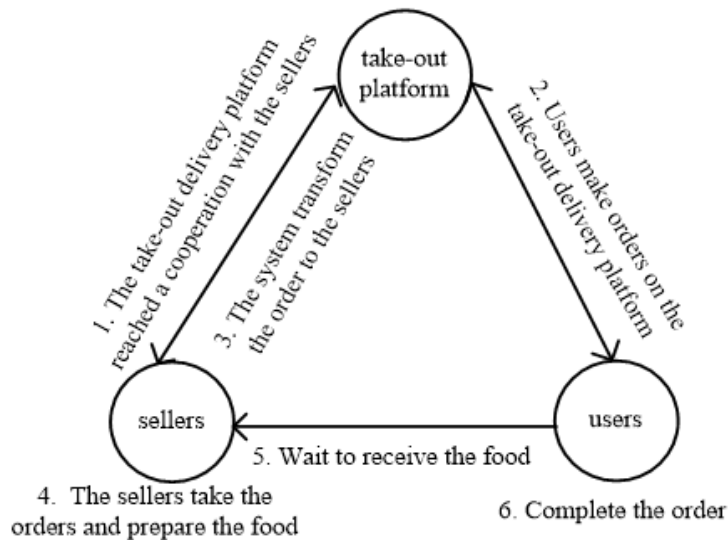


Fig. 2 The O2O process of catering take-outs

As shown in Fig. 2, to complete a take-out order, it will take 6 steps to complete the whole order delivery [3]. Although catering industry has entered the O2O mode, it is still in its infancy and will have some shortcomings, which will be analyzed in detail below.

3. O2O mode problems existing in the catering distribution industry

3.1 Insufficient market supervision leads to potential risks to food

The O2O model has developed rapidly, and the scale of various catering businesses in the take-out platform is constantly expanding. However, in a relatively short period of time, the government departments cannot carry out all-round market supervision and testing for all sellers. When businesses in the catering take-out industry buy meal boxes, they directly use wholesale meal boxes for packaging. In this way, the quality and safety cannot be guaranteed, which directly affect people's life and health. A large number of catering enterprises use cheap materials for cooking for cost reduction, which is difficult for consumers to capture the materials used by businesses online. In a long time, the problem will cause an irreparable impact on the selling industry. From the development situation of domestic and foreign sales at present, most chain stores adopt the mode of full reduction to attract consumers, and then obtain customers' praise, so as to obtain more and more consumers. The most important thing is that because the supervision is not in place, the take-out merchants cannot match their documents and physical information without the business license, so it is difficult to guarantee the hygiene level of the food.

3.2 Food distribution is not standard and after-sales problems are improperly handled

Take-out delivery is the most important link in customer orders. In the process of distribution, there are two main problems: on the one hand, the degree of information in the take-out platform system is relatively low, and the whole distribution system is not perfect. According to the current development of China's take-out industry, the overall take-out process is still after customer prepayment, and the merchants prepare relevant ingredients according to the order situation, and wait for the deliveryman to receive orders. The overall process depends on the delivery time and delivery efficiency [4]. Therefore, when customers make orders during peak hours, the delivery market will

be affected if they encounter relatively bad weather, so that the food cannot be delivered in time. When there is no solution, customers will give their orders to business trips to reduce the goodwill of businesses.

With the enhancement of consumers' awareness of rights protection, customers will take relevant measures to protect themselves when facing problems in the delivery platform, including delayed delivery and food quality problems. On the other hand, in the distribution process, it is difficult for the distribution packaging and tools selected by merchants to form a unified standard requirements. There is no classification according to the type of food. In soup or food that need heat preservation, there will be leakage, or the temperature is difficult to guarantee the problem [5]. In view of the above two situations, after the customers issue their own demands for rights protection, there will be complaints in the take-out delivery platform, while the sellers will only show perfunctory answers to the complaints and do not positively respond to the customer's real feedback. Moreover, even the platform and the merchants shirk their responsibility. As such, the after-sales problems still need to be further solved.

4. Development countermeasures of catering and distribution industry

4.1 Improving the management system and strictly implementing the catering distribution service standards

In order to reduce marketing costs and improve marketing profits, most catering enterprises adopt offline sales mode in the early stage of operation, relying on O2O development platform to build food delivery platform. The loopholes generated by the system problems will promote the businesses to appear with some fluke psychology, and start to use the distribution platform to make profits for themselves, resulting in the food safety problems [6]. In order to restrain and standardize the catering delivery industry, the "Take-out Delivery Service Standard" is put forward. For delivery platforms, they should not only strictly abide by the standard, but also ensure the quality of delivery, focus on the needs of consumers, and improve the satisfaction of delivery service.

Also, the sellers should fully establish consumer demand as oriented from the service quality, and enhance the connection between customers and consumption and platform. While increasing the sales volume of the platform, it should expand the service scope of enterprises. By in-depth understanding of the real needs of consumers, it can be useful to establish a sound evaluation system through telephone return visits and other ways of communication with customers, so that they fully feel the attention of the distribution platform. Once the problem is found, it needs timely improvement to directly eliminate the distrust of customers from the communication link. In order to ensure that take-out merchants are in a favorable position on the platform, the phenomenon of malicious brush and praise should be prohibited. Through the tracking function of big data, when merchants appear a similar evaluation, timely inspection will be conducted to understand the real situation of merchants, so as to prevent the mismatch between food and sample drawings in the actual purchase.

4.2 Building an intelligent system to form the O2O closed-loop of take-out delivery

At the present stage, the similarity of food and beverage take-out in China is relatively high. There is no threshold for merchants to enter the take-out platform, and the sales system of most merchants is still not perfect. The sales pertinence is low, and a professional marketing model is not formed. Delivery O2O closed-loop is the key point of delivery. Therefore, it can be useful to complete the centralized delivery in time in the fixed time point, so it is necessary to calculate the delivery time [7]. Under normal circumstances, the peak time of food delivery will be concentrated at noon and evening, and the order rate will be more than 30min during the delivery time, so that a time and location distribution arrangement system can be established, as shown in Fig. 3.

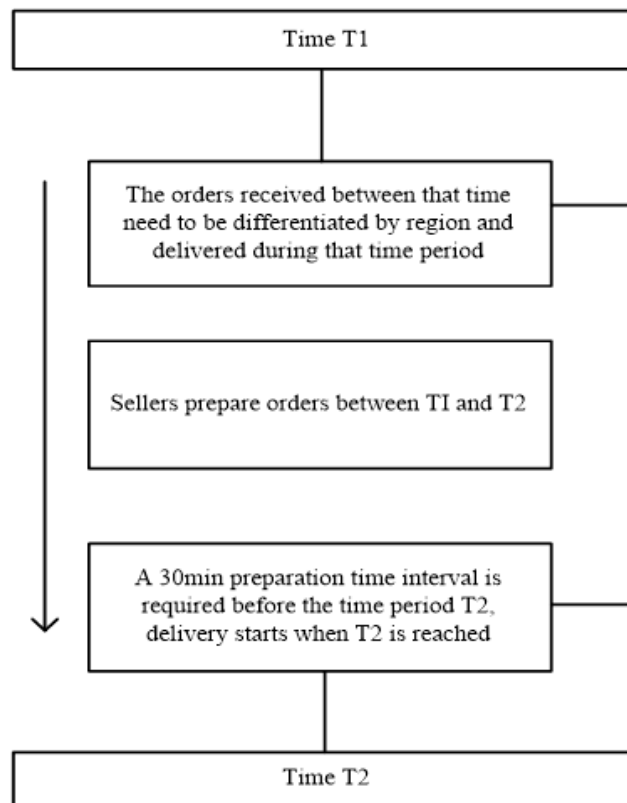


Fig. 3 Distribution time arrangement system processes

In Fig. 3, the delivery time is divided according to the specific time period, and matched according to the actual geographical location, and accounted for by the specific take-out types. Under the requirement of ensuring punctuality, it needs to accurately give the customer's waiting time for their orders, thus enabling the sellers to adjust the meal preparation time. In view of the O2O closed-loop, the platform also needs to compensate sellers and customers according to relevant regulations for catering omissions and losses occurred. Through the construction of an intelligent distribution system, the O2O model is used to form an efficient take-out closed-loop, which can meet the scheduling requirements of catering industry on the basis of cost and manpower control.

5. Conclusion

The O2O marketing model combines online and offline functions, integrates resources with each other, uses Internet technology to achieve cross-regional cooperation, provides information search and other services online through fragmented time management, and completes the service requirements offline. It can not only provide users with food services, but also can serve in the hotel optimization and movies and other modules. The generation of this model has brought great convenience to people's lives. This work analyzed the current situation of the catering distribution industry according to the existing problems, and put forward corresponding solutions to provide more opportunities for catering industry development.

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