

Research on operation management problems in the takeaway express delivery industry: A case study on the operation and management of "Meituan" takeaway

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Abstract. In recent years, people's standard of living has been rising and the pace of life has become increasingly fast, with higher demands on dietary conditions as well as the need for more efficient and convenient meal times to save time for work and other activities. As a result, there is a clear prospect of a booming takeaway industry, which is of wide interest to all sectors of society. This study will use literature search and case studies as the main research methods, focusing on the operation and management of Meituan's takeaway, and analyses its business model, business pain points and dilemmas, and make suggestions for improving and refining the management of the organization from theories of organizational behavior and management.

Keywords: Internet catering; Takeaway industry status; enterprise management; operation management strategy.

1. Introduction

The takeaway industry is mainly divided into online and offline services. Nowadays, advances in internet technology have made online services the norm, and have also driven the growth of the takeaway industry. Consumers can enjoy the services of the takeaway industry by using their electronic networking equipment, and made their lives easier. As the economic level improve stable, people's requirements for the takeaway industry are become more seriously, but several takeaway platforms and enterprises are still fail to cater to people's needs, which mean that there are a lot of problems in the takeaway industry. The takeaway industry need pay much attention to these problems and actively seek strategies to deal with them, so that they can delivery higher quality services to their customers.

By 2021, there will be more than 7.7 million delivery workers in China, and takeaway is quietly changing the lifestyle of 300 million people in China. Looking at the market trend of takeaway platforms, the market of online takeaway is concentrative much high, and the three major platforms of mainstream takeaway platforms, Meituan Takeaway, ele.me and ele.me Star Choice, occupy 92% of the market share, of which Meituan Takeaway has the largest market share, accounting for 67.3% [1]. It is representative, which is the main reason for choosing Meituan takeaway as the case study.

The rapid rise of the takeaway industry has also faced unavoidable problems. Behind the saving of delivery time are more serious problems. The most serious problem is food safety. In order to save costs and time, more and more online fast food restaurants are born, and some small stores of 20 square meters can sell tens of thousands of orders a day, which makes the requirements for food safety quality "impossible". This is the main reason why in recent years the community has demanded safety and quality regulation for the take-out industry to regulate the market environment.

This study will use literature search and case studies as the main research methods, focusing on the operation and management of "Meituan" takeaway, and analyze its business model, business pain points and dilemmas, and propose suggestions for improving and perfecting organizational management from organizational behavior theory and management theory.

2. "Meituan" introduction, business model and business pain points in China

2.1 The current situation of China's takeaway industry

From the beginning of the takeaway industry, the online takeaway industry has shown rapid growth, with the total capital of the online take-out industry growing from 21.7 billion RMB to 577.9 billion RMB from 2011 to 2019, with an eight-year compound growth rate of 50.7%, and accounting for 12.4% of the overall food and beverage industry from 1.1%. In 2020, the offline food and beverage stores had to close due to the COVID-19, but the online takeaway industry further developed rapidly, with the market size growing to RMB 664.6 billion, up 15% annually. In 2011, the total capital of China's takeaway industry was only 21.68 billion RMB, and at that time, the takeaway was still a small flyer, and the delivery staffs were all restaurant employees, often missing single, forget single. In less than a decade, the total capital of China's takeaway industry reached 664.62 billion RMB, an increase of 30 times. Online users have grown from 0.63 billion to 456 million. By 2021, there will be more than 7.7 million delivery workers in China, and takeaway is quietly changing the way of life of 300 million people in China [1].

2.2 "Meituan" introduction, business model, business pain points

Meituan takeaway is the online food and beverage ordering platform of Meituan, which was officially opened for operation in November 2013 and is based in Beijing. It has 250 million users, more than 2 million merchants, 500,000 active delivery riders, operating in over 1,300 cities and completing 21 million orders per day [2].

On December 17, 2019, the "Activating the Ecology and Linking the Future" 2020 Takeaway Industry Conference was held in Beijing, focusing on the new ecology of takeaway and discussing the future development trend of the industry from a digital perspective. Wang Puzhong, senior vice president and president of Meituan's Home Business Group, said: "The focus of the takeaway industry will shift from the demand side to the supply side. To this end, Meituan will help millions of merchants to build 'next-generation stores' [3]. The "next generation store" is to upgrade the original dine-in-based stores through hardware and software renovation and business management model iterations to stores that have both online and offline operational and service capabilities. In this process, takeaway platforms and service providers can provide a series of digital capabilities to merchants, while merchants can spare more energy to do a good job in the main position of restaurant operation - the store. In order to help merchants build "next-generation stores", Meituan Takeaway has released four service solutions: digital operation, specialized production, diversified marketing and intelligent service. Through the four solutions, Meituan Takeaway hopes to help catering companies solve the "pain points" in takeaway operations and achieve a deeper integration of online and offline, thus improving service efficiency and quality.

In terms of digital business processing, Meituan Takeout mainly relies on the big data sorted and summarized by the platform to help merchants improve store business models and product distribution strategies, providing them with services such as big data site selection, operational activity design, and new dish development. In addition to digital business solutions, Meituan Takeaway also provides specialized production solutions, as well as carrying out pedestrian flow line design. The combination of professional store layout design and automated equipment can effectively improve store capacity efficiency and service capability. As the market becomes more competitive, acquiring new customers has become a key concern for many caterers. "In the past, we focused more on how to achieve growth, but this growth was more dependent on external dividends," said Han Jian, General Manager of Meituan's takeaway division [4]. In the future, our goal does not only stop there, but we hope to build more and more 'next-generation shops' and provide a set of systematic capabilities for food and beverage merchants, so as to help them form the endogenous power to achieve growth and be able to cope with the many challenges in the changing environment of the future."For this reason, Meituan takeaway provides tailor-made full-scene marketing solutions for restaurant brands, integrating online and offline resources through online and offline membership to

access the platform, realizing To achieve the linkage of "platform ecology + merchants + third-party power" and creating integrated marketing solutions covering multiple scenes.

3. The dilemma encountered in the operation and management process of "Meituan"

On September 1, 2017, the Fourth Intermediate People's Court of Beijing officially accepted the case of Chongqing Green Volunteers Federation against Meituan (Beijing Sanfu Technology Co., Ltd.) and three other takeaway platforms in an environmental pollution liability dispute. The lawsuit requests that the defendants be ordered to change their business model to stop wasting and avoid harming the local environment, to add the options of whether to use disposable tableware and whether to use plastic bags on the ordering interface, and to explicitly price and charge for disposable tableware and plastic bags; and to compel the defendants to repair or bear the cost of repairing the environmental damage they have caused [5].

On August 31, 2017, Meituan Takeaway released a statement saying that it would launch a "Green Mountain Project" and a "Chief Environmental Protection Officer" was created to tackle environmental pollution in the takeaway industry. The recycled PP material from takeaway food containers will be modified to make mobike fenders, a model of recycling in the Meituan business ecosystem. Meituan takeaway said it will work together with more partners to focus on and solve the environmental protection problems of the takeaway industry [6].

On April 26, 2021, the official website of the General Administration of Market Regulation (GAMR) issued an announcement that based on reports; a case would be opened to investigate the suspected monopolistic behavior of Meituan, including the implementation of "two-for-one". In response, Meituan responded that it would actively cooperate with the regulatory authorities in the investigation, and that all its businesses were normal at present. The company will comply with relevant departmental regulations and relevant laws and regulations, actively cooperate with market supervision, protect the legitimate rights and interests of user groups by improving the standard management of enterprises, promote the steady development of the industry and effectively fulfill its social responsibility. [7].

4. Application and recommendations based on organizational behavior theory

4.1 Introduction to Organizational Behavior Theory & Why This Theory Can Be Used to Solve the Pain Points of Meituan's Operations Management

Organizational behavior can integrate enterprise human resource allocation, enterprise development not only has a relationship with the quality of employees, and enterprise resource allocation is also related, in terms of technology focus on personnel adjustment, can improve the efficiency of resource use, enterprise through the human resource management can improve the motivation of employees, because the right incentives can effectively improve the operational efficiency of the company. These theories are precisely applicable to the takeaway enterprises like Meituan Takeaway which needs a large amount of labor to provide market share.

Organizational behavior has a very good motivational effect on employees. The current market competition is gradually intensifying, and the only way to obtain greater economic benefits is by continuously improving the corporate image. The reasonable application of these theories also helps Meituan Takeaway to establish a positive and positive corporate image to attract the consumer base.

4.2 Organizational management recommendations based on theories related to organizational behavior

4.2.1 Adopt more effective incentives

In the management behavior of the enterprise, fully motivating employees is a very necessary choice for the development of the enterprise. In the development of a company, it is necessary to adopt appropriate incentives in order to fully exploit the potential of employees. In the previous article to improve the impact of employee motivation measures have many factors, including both the company's factors, but also the employee's own factors. It is possible to enrich the work of employees in the organization by adjusting the way of their participation, etc., to enhance employees' sense of belonging to the company and improve the efficiency of the company's operational management. Under the guidance of organizational behavior, a complete set of management organization model is established and perfected to fully understand employees' personality characteristics and abilities, etc., and a reasonable system is used to guide employees' behavior and thoughts to ensure consistency in behavior. On the basis of retaining employees' creativity, material rewards are a very necessary option, and the motivation, completion and difficulty of employees' work should be taken into account in the compensation planning.

In the staff incentive measures, training is a very important content, the enterprise staff is the basic factor of the enterprise, is also very important privacy, only the staff's ability to improve to get the maximum economic efficiency, so it is necessary to cultivate the organizational relationship between the enterprise and the staff, through training work, etc., to increase the employees' sense of belonging and identification with the company, professional ethics and professional skills, etc., to establish a long-term development relationship. The takeaway delivery staff is the main staff in the takeaway industry, the role of a takeaway delivery person is to deliver takeaway items to customers, and is also the person who has the most contact opportunity with the takeaway items, which directly affects the customer satisfaction with the takeaway platform. In real life, many takeaway delivery workers are not professionally well educated, mainly because the takeaway industry does not care about the professionalism of candidates when recruiting takeaway delivery workers and random staff recruitment. Inevitably, there is a tendency to recruit poorly qualified staff. Some delivery staff may steal takeaway items during delivering, some takeaway staff may privately add the customer's private correspondence number, and some delivery staff will disturb the customer if they find the customer's address, all situations require the takeaway industry to improve the quality of its delivery staff and enhance the professionalism of its delivery staff. The takeaway industry needs good staff recruitment and training, select excellent talents and improve their ability through various trainings so as to enhance customer satisfaction with the takeaway platform [8].

4.2.2 Setting corporate goals for management from a practical point of view

Setting goals is a key part of the incentive system, which needs to meet both organizational goals and individual needs. The analysis of positive organizational behavior shows that the organizational domination of employees is a very complex behavior, influenced not only by the economic environment of the company itself, but also by political and psychological changes. and their abilities. In the pursuit of their own interests, the company and its employees may be in conflict with each other, for example, if a delivery person is injured at work and is unable to perform his or her duties, the company should take responsibility for this and compensate the employee while negotiating with him or her for lost work, not only to avoid legal disputes, but also to protect the company's own reputation and social image. Therefore, adjusting the contradictions between the two is the basis for achieving unity of purpose. Generally speaking, the objectives and tasks of the enterprise represent the development direction of the enterprise. Therefore, in the specific organization, it is necessary to set appropriate enterprise objectives and enterprise management objectives, to ensure that the enterprise objectives are consistent with the development objectives of the staff, to be able to fully mobilize the enthusiasm of staff participation, to improve the economic efficiency of the enterprise, to make the established objectives the organizational objectives of the whole staff, and to develop

systematic management objectives and evaluation strategies etc. to make management behavior more scientific and standardized. Objectives need to be set appropriately to ensure that employees experience the challenge and are able to complete their work [9].

4.2.3 Focus on customer feedback to improve your own shortcomings

Takeaway reviews are an effective way to improve the service quality of takeaway platforms and takeaway deliverers, and an important way for takeaway merchants to understand their customers' tastes. In practice, takeaway platforms, takeaway merchants and takeaway deliverers do not pay attention to takeaway reviews and leave customer suggestions and opinions behind, failing to discover the actual value of the reviews and thus failing to understand the inner thoughts of customers, thus affecting the economic interests of the takeaway industry [10].

The value of establishing a customer feedback system is reflected in two main areas: the first is that takeaway businesses do not understand the needs of their customers. Customer reviews are designed to allow businesses to better meet their needs, but businesses struggle to use reviews to analyze customer needs, resulting in a consistent failure to improve profitability. The second aspect is that the delivery person does not understand what the customer is thinking. The purpose of customer reviews is to get better service from the delivery person, but the inaction of the delivery person has made the customer lose enthusiasm for ordering takeaway. To solve this problem, takeaway platforms, takeaway merchants and takeaway deliverers need to collect feedback from users, analyse customer reviews and find out what customers actually want, so that they can provide customers with tasty dishes and efficient services and enhance their trust in the takeaway industry.

5. Conclusion

(1) Strictly regulate the management of food safety. Food safety management will bring better development guarantee for Internet catering takeaway business. With the development of economy, people's material living standard has not only improved, but also the standard of dietary requirements has become higher and higher. People's requirements for diet have shifted from the quantitative level to the quality level. At present, the state has also introduced a variety of food safety management methods to regulate the management of major online and offline caterers. (2) Develop a highly standardized logistics and distribution mechanism. Highly standardized logistics and delivery will bring a stronger backing to the development of the Internet restaurant takeaway business. In the future, the take-out industry will have to provide health take-out dishes, convenient and efficient delivery services, and individual recommendation services so as to improve customer satisfaction. Takeaway merchants and platforms should focus on solving the problems of delivery staff quality, dish quality, delivery efficiency, and customer feedback to provide customers with health dishes and considerate service to meet their needs and thus gain higher economic benefits.

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