

Analysis of the Marketing Strategy of Meituan Enterprises

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Abstract: With the rapid development of the Internet and society, people have entered a fast-paced life era. In order to meet the basic needs of life, food delivery has become a new industry. Meituan, as a delivery platform company, how to adjust its marketing strategy to meet the needs of consumers is worthy of academic research. By analyzing the marketing strategy and existing problems of Meituan Company, this paper provides optimization suggestions for Meituan Company. The research method of this paper is literature analysis. The conclusion is that the current problems of Meituan Company are insufficient publicity, insufficient incentive, low threshold of access to the software platform, and insufficient supervision of the merchants on the platform. This study suggests that Meituan should raise the threshold for merchants to enter and strengthen supervision to encourage merchants to provide higher quality meals. Meituan can also increase customer engagement by increasing offers and advertising on social media platforms.

Keywords: Meituan, take-out market, catering industry, marketing strategy, core competitiveness.

1. Introduction

Nowadays the society develops rapidly and the average income of people increases. People have entered the fast-paced life era. In order to meet the basic needs of life and adapt to the fast pace of life, people's requirements for catering services are constantly improving. Thus was born the food delivery industry. Take-out is a new way of making money in the catering industry. With the development of network technology, Meituan APP was born. By downloading the Meituan APP on their phones, people can use it to order food online, reducing the time and effort they spend and creating psychological satisfaction.

With the development of science and technology, the network has provided the necessary conditions for the success of Meituan enterprises and accumulated a large number of "repeat customers" on the brand effect. Take-out has brought a lot of convenience to people and has gradually changed people's lifestyle. More and more people are staying at home and not going to work to eat out. Take-out customers are also becoming more demanding. Therefore, Meituan enterprises need to change their thinking and formulate strategies based on a deep understanding of people's needs.

Meituan was founded by Wang Xing in 2010. Meituan.com was founded on March 4, 2010, the company name is Beijing Sankuai Online Technology Co., LTD., headquartered in Wangjing International Research and Development Park III, No.6 Wangjing East Road, Chaoyang District, Beijing. Meituan.com is a private enterprise mainly engaged in online shopping, providing consumers

with food tourism, entertainment, beauty transportation and other products and services. Meituan Dianping formally filed for an IPO with the Hong Kong Stock Exchange and listed on the exchange on Sept. 20.

Meituan is a leading local lifestyle service platform in China. Starting from group purchase, Meituan has continuously expanded its business, forming a full coverage of catering, hotel, tourism, community e-commerce and other life scenes. At the same time, Meituan strives to explore new businesses such as retail, tourism and supply chain [1].

As a leading e-commerce platform for life services in China, the company owns well-known consumer apps such as Meituan, Dianping and Meituan Takeaway. Its services cover more than 200 categories, including catering, takeout, fresh retail, taxi, bike-sharing, hotel tourism, movies, leisure and entertainment, and its business covers 2,800 counties, districts and cities across the country. Meituan owns Meituan, Maoyan movie, Meituan Takeout, Meituan hotel client, providing the most favorable and comprehensive group purchase, food, hotel, takeout, movie, hairdressing, nail art, KTV and other information [2, 3]. In addition to various offers, Meituan.com also offers the most comprehensive merchant information, authentic consumer reviews, ratings and word-of-mouth best specialty dishes. Meituan is the largest group purchase service in China, with the best quality, selected shopping software [2].

Meituan is the first APP in China that allows consumers to make comments after consumption, so that Meituan can find and solve problems in time. It is also the first APP in China that sends messages to users several times before the expiration of Meituan coupons.

In 2018, the Meituan platform created 19.6 million job opportunities. Under the impact of the epidemic, Meituan implemented measures to help the resumption of work and employment, such as providing jobs nationwide through a combination of long-term employment and flexible employment. Provide green channels for employment for the poor; Recruitment of fresh graduates, open social recruitment posts; Provide vocational training for many practitioners. In addition, in 2021, the Meituan Foundation will donate 100 million yuan and, in conjunction with the Red Cross Foundation of China, give priority to providing services such as living accommodation, post-disaster health and epidemic prevention for the disaffected.

The research theme of this paper is mainly focused on the analysis and optimization suggestions of "Meituan marketing Strategy", in-depth understanding of the current situation of food development industry, combined with theory and practice to constantly improve and upgrade the service, product quality, price, sense of experience, promotion and other factors. At the same time, through the analysis of customer satisfaction and recognition of the software, to strengthen and improve the shortcomings of the existing strategy, so that Meituan will go further in the future.

2. Meituan Enterprises Background Description

The birth of takeaway food, which is the use of technology and Internet technology online ordering, social consumption structure has a great change, consumers can reduce the cost of time and energy, according to their own situation to operate and purchase, produce psychological satisfaction. However, times are changing, more and more competitors are getting involved and the market is becoming more and more competitive. Meituan needs to change its thinking and traditional marketing mode, and formulate strategies based on in-depth understanding of people's needs, so as to stabilize its position in the market. This paper takes Meituan as the research object, analyzes its marketing strategies from three aspects of service, price and marketing, names out excellent strategies, optimizes and adjusts other inadequate strategies, makes them more standardized and reasonable, and explores a marketing path of higher quality and higher level, occupying key advantages [2].

Meituan's main customers fall into three categories: students, yuppies (young urban people with high incomes and a high standard of living) and ordinary families. Among Meituan's customers, 18.7

percent are under the age of 22. Ordinary employees and students accounted for 52.3% of the total. 71.1% of users spend 20-50 yuan per order on average. So Meituan focuses on students and yuppies. The student group is famous for its large number and stable consumption, while the Yuppie group is famous for its high consumption power [4]. By the end of 2021, the company has 690 million users, 8.8 million active merchants, business revenue of 179.1 billion, net profit of -15.6 billion. At present, the market value is 1018.5 billion, and the take-out industry has a high market concentration, with Meituan accounting for 70%

First, discounts and subsidies quickly infiltrated depressed markets. According to the statistics of China Business Weekly in 2020, there are 4 first-tier cities and 15 new first-tier cities in China, and the population probability of 19 cities is only 18%, indicating that China's third - and fourth-tier cities have great potential for development. The market capacity is large enough and there are many potential users. Meituan took advantage of consumer psychology and introduced the characteristic that consumers are highly sensitive to price. Meituan occupies a major market by offering discounts and subsidies through "more promotions, less prices" and coupons such as instant kill for a limited time and group purchase. Secondly, Meituan also attracts customers with its brand image design. The logo of Meituan Takeout is a cute yellow kangaroo as its corporate IP. The bright color will give people a visual impact and make them notice at a glance [5].

3. The Marketing Strategy Analysis of Meituan

Meituan enterprises use WeChat software to establish WeChat group marketing or create Meituan mini programs to tap more new users. For example, the members of the group are in the same neighborhood, the group master can send benefits and commodity links in the group from time to time, and can also notify the date of promotional activities and introduce the offer of activities. The group master and the group members will communicate. The topic is discussed, the traffic is increased, the atmosphere is enhanced, and the new users or diving users are encouraged and guided to consume in its pleasant environment [6].

Meituan will make great efforts in advertising, such as inviting stars to be spokesmen, shooting some short videos and TV commercials, using the traffic of stars to expand its publicity and improve its popularity, and placing advertisements in some programs to ask stars to invite fans to download apps and receive preferential packages, so as to attract more new users [4].

Internet companies before 2021 are very strong, and Meituan is a company with a large market value in the global market. However, after 2021, Meituan's market value in Hong Kong has greatly decreased, losing HK \$2 trillion. According to financial reports, Meituan's revenue in 2021 is 179.128 billion yuan, a year-on-year increase of 56%, but its net profit is 15.572 billion yuan. The fourth quarter revenue is 49.523 billion yuan, a year-on-year growth of 30.6%, but the net profit loss of 3.936 billion yuan, so it is concluded that the loss of the same period last year of 1.437 billion yuan, the professional term for "economic shrinkage" [7].

Due to the low entry barrier and the lack of effective supervision, some food brands will open takeaway outlets, which greatly reduces the safety and quality of food. At the same time, Meituan contains a large number of merchants and the competition is fierce. Some merchants will change the selling price with improper behavior, which not only disturbs the market order, but also affects the interests of suppliers and supermarkets [8]. For example, with the rapid development of the Internet, there are more and more electronic customers, which means that the customer flow increases, the management difficulty increases, the service level is uneven, and the food source of the merchants cannot be guaranteed by Meituan, leading to a decline in quality. After receiving the goods, consumers will not deal with the after-sales service and refund amount in time, and they will complain if they are not satisfied. This can also lead to a decrease in their trust in the company.

Meituan also has competitors in China's food delivery business. Compared with its competitors, Meituan offers more discounts and offers. Due to Meituan's low level of operation and weak discount, it is easy to lose new users' consumption, or old users will choose more affordable consumption, which will reduce and lose customers' loyalty to the company, resulting in economic losses. The second is poor user experience because shipping, location and first time delivery are tightly linked. If there is instability, it will cause a bad situation, resulting in decreased customer satisfaction and loss of users, such as Meituan experienced the problem of inadequate service coordination. However, the loss of customers will lead to another problem. User loyalty needs to be improved, because without obvious competitive advantages, the attraction to customers is not enough, and customers will switch to another place [9].

Meituan mainly relies on software to get customers to buy online, but the problem lies in its long-term dependence on online, which reduces offline marketing activities. Online marketing forms and frequencies are not many. Meituan needs to pay attention to user experience, brand image, build user reputation, and let customers directly feel the characteristics and advantages of Meituan. Therefore, Meituan's lack of publicity will reduce its appeal to new users; Second, Meituan relies too much on traditional marketing strategies such as low price sales or special offers, which can only give customers a sense of freshness, enhance their popularity and increase the number of users in the short term. However, long-term low prices and special offers come at a significant cost, which will also affect Meituan's ability to compete with other competitors.

The authenticity of merchant rating in Meituan's software needs to be improved, as well as the actual weight, taste and materials of commodities need to be more authentic, because many merchants will wantonly destroy market rules in the loopholes of this mechanism. In order to increase sales and praise, some merchants will exaggerate their products to cheat consumers and bring private benefits to themselves. However, this not only greatly affects the physical and mental health of users, but also brings bad reputation to Meituan enterprise. The enterprise image will also become worse and lower in the mind of users. The information openness and transparency of merchants on the platform are lack and not very perfect, so they cannot bring users a 100 percent security and trust to consume [9].

4. Meituan Marketing Strategy Optimization Suggestion

Meituan should strengthen the audit and platform control of its stores. For example, requirements for entering the platform should be listed daily, such as store qualification, product quality, product source and other controllable factors. Merchants can operate on Meituan's platform only after they meet the entry requirements. Meituan should improve the service level of grassroots staff. It is suggested that Meituan recruit high-quality and patient service personnel. Meituan should pay more attention to food safety and regularly inspect and search stores to prevent problems such as black workshops, expired food and poor hygiene. In order to improve the online sales of some bad merchants, the platform can set a minimum price, but the merchants cannot change the price, so as to reasonably customize the sales price, reduce malicious competition and maintain market order. In general, it is suggested that Meituan focus on customers, provide quality services, build brand loyalty in turn, and increase customer trust [5]. The price strategy is used to attract users and increase customer loyalty. Since office workers and students account for the majority of consumers, more preferential efforts can be made, such as more discount amount and coupons, or the starting price of goods is relatively low. Meanwhile, the membership system can also improve the preferential efforts of customers, promote consumer consumption, and maintain long-term cooperative relations with enterprises. Secondly, the fast speed of food delivery can reduce the time of meal - meal - destination to the best range, and a wide range of commodities, expand the market, provide different products to different customer needs, can also promote user consumption, obtain a higher number of users and increase the overall income [6, 10].

Because nowadays people usually get a lot of information through the Internet, Meituan enterprises can create their own official short video account, and then combine the corporate culture and characteristics to produce some humorous, public benefit and positive short videos and post them on some popular short video platforms. In this way, the advantage of the large number of network users can be used to increase the page views of Meituan enterprises. Also can let customers feel the sincerity and kindness of the enterprise, but also can cause people's recognition of the enterprise, the improvement of recognition can realize the "person to person" mode of communication, can be shared and spread among customers, reduce the cost of the enterprise spent on publicity and advertising can achieve a very good degree of dissemination [6].

In the competitive market, service quality is very important for Meituan enterprises, because it is related to the stickiness and loyalty of users, as well as an important factor to attract new potential users. Only when a good service is recognized, experienced and recognized by consumers, can the service satisfaction be evaluated. The evaluation is the most direct way for consumers to obtain the information source of the product. For the service of the population is dispersed, involving various group needs and different marketing objects, with the maximum to meet the needs of users, the establishment of a larger user service end; In addition, consumers' demand for services is highly flexible, and different circumstances will affect users' choices, conditions and demands. What Meituan needs to do is to have trained, skilled, enthusiastic and standardized service staff who are flexible enough to deal with problems.

5. Conclusion

With the development of the Internet and the popularity of smart electronic products, takeout has become an indispensable thing for people to meet the requirements of basic food and provide convenience for people to use, effectively reducing the excess time and energy. Because it is a new profitable industry, there will be malicious competition, management chaos, destruction of market order, unreasonable price setting and other problems. Meituan enterprises should adjust and modify their marketing strategies for corresponding problems, conduct in-depth research on quality, service, publicity, preferential treatment, promotion, price, software use and other aspects, improve them by combining customer satisfaction evaluation, and provide more optimized schemes. The significance of the research on Meituan Enterprise lies in that the catering industry is developing rapidly, consumers have higher and higher requirements for food service, and the demand group has also increased greatly. Therefore, food safety is extremely important, and people are more willing to consume the products they trust. Therefore, the study and optimization of today's marketing strategy will help people to eat healthier, cleaner and preferential takeout in the future, and also help Meituan to increase new potential customers and customer loyalty. Although the research society has objective limitations, for example, the sample size and data collection do not represent all people, and the research methods are limited, it can gradually improve the disadvantages, enhance the advantages, explore and innovate. In the future, Meituan Enterprise will have a larger market size and market value, and gain a leading position.

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