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**Development of Haidilao takeaway business in
post-epidemic era and its enlightenment to
China's catering industry**

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1 Introduction

The epidemic in China began to become normal, and the market began to actively recover. Consumption has become the biggest contribution to China's economic growth. Influenced by the period of the epidemic, people's concept of consumption has become more rational and informed. According to Consumer Trend Insight Report 2023 released in January 2023 through Data100, one of China's most prominent users and providers of digital platform services, "76% of consumers are willing to save in the aftermath of the pandemic, and more than 40% of respondents believe they will maintain their rational, cost effective and convenient consumption habits during the pandemic." It also demonstrated that certain consumer channels developed over the course of the epidemic, such as traditional electronic commerce platforms and food delivery services, will continue to be used. Online and offline will become more diverse and integrated in 2023. Sixty-four percent of the 300 respondents in the Consumption Survey in the Post-Pandemic Era were reported to choose offline consumption. (2023 Consumer Trends Insight Report, 2023). There is an old saying in China that Food is the paramount necessity of the people in China. China's Xinhua News Agency reported that in the first two months of 2023, China's food service revenue increased by 9.2% compared to the same period of the previous year (Food and beverage consumption picked up speed in the beginning of the year, 2023). After asking relatives and friends around, the author discovered that at a beef restaurant in Guangzhou, more than a dozen people were waiting for dinner one evening at six o'clock. As China's largest hot pot brand, Haidilao. In the context of offline consumption growth, Haidilao delivery has grown to become the second largest company by revenue. By analyzing the marketing model of Haidilao, this paper explores the reasons why the profit of Haidilao delivery business increases instead of decreasing in the post-epidemic era. Inspired by the food service industry.

2 Literature review

Three years after the epidemic, many catering enterprises refused to bear the burden and chose to close down or even face bankruptcy. In 2019, China's National Bureau of Statistics (NBS) reported that , “the operating revenue for China's food service industry was 4, 672.1 billion yuan, but revenue in the first five months of 2020 was showing a negative growth. ”Data from Haidilao in 2019 show that while the ending balance of cash and cash equivalents in the first half of the year can be as high as 3 billion yuan, personnel costs amount to 3.6 billion yuan, with an average monthly salary of up to 600 million yuan required to be paid (Haidilao 2019 annual report cash flow statement, 2019). June 2020 was the low point of Haidilao, which closed some stores nationwide and saw its stock decline. However, compared to the catering industry as a whole, Haidilao's performance is increasing. According to Tian Qiaoyun, New Retail business Review, “the annual revenue of Haidilao in 2019 is projected to be 26.556 billion yuan, an increase of 56.5% over the same period of the previous year”. “Net profits reached 2.347 billion yuan, an increase of 43.59 percent per annum”. (Tian Qiaoyun, 2020). Fortunately, Haidilao successfully won the "battle". In this article, we first introduce the history of Haidilao and discuss its special strategy and business model. Haidilao's food delivery business survived the outbreak.

In 2005 Haidilao Group set up a subsidiary company specialising in producing ingredients for hot pot backgrounds - Yihai Food Co., LTD. Between 2010 and 2013, it began to independently layout the online delivery business and the mobile end-of-life meal delivery platform. As of 2018, Haidilao adheres to a diverse business model, keeping pace with the development of The Times, as well as pursuing modern information services and artificial intelligence. By June 2021, Haidilao had 1,597 stores worldwide. As a result of the impact of the outbreak, more than 300 poorly operated stores were closed in November (Sina Finance, 2022).

	For the year ended 31 December			
	2019 RMBthousand yuan excluding percentage		2018 RMBthousand yuan excluding percentage	
Restaurant operation	25,588,523	96.3%	16,491,223	97.2%
Other restaurant operation	21,154	0.1%	–	–
Take away service	448,543	1.7%	323,585	1.9%
Condiments and ingredients sales	494,425	1.9%	154,292	0.9%
Others	3,147	0.0%	–	–
Gross income	<u>26,555,792</u>	<u>100.0%</u>	<u>16,969,100</u>	<u>100.0%</u>

1. Figure Comparison of Haidilao's performance in 2019 and 2018

Source: Annual Report of Haidilao Website (2019)

Meng Yu in the investigation of Haidilao strategic management believes that its strategic planning is not only catering, but also seasoning, snack industry, pastry and so on. (Meng Yu, 2022) Following an investigation, it found that the strategic development direction of Haidilao was to shut down poorly operated stores in order to improve the quality of the existing stores. Developing new Haidilao products every spring and summer tasting new products, gao Qinghui, an assistant product manager, introduced that Haidilao has always had two teams dedicated to the research and development of the product, one of which is the in-house department of product management. For catering enterprises, the taste of dishes is the most basic factor to attract customers, so another team is the co-creation team composed of 120 million members. Hundreds of thousands of customers have taken part in the tasting since 2021 (Nanzao.com, 2023). An analysis of industry research modules on think tank websites suggests that not only in order to please consumers, in the company, it is also more important to connect the core talent. (2022 Business layout of Haidilao, 2022) Especially in the context of the unstable situation of the catering industry during the epidemic, talent retention means

performance retention. Haidilao issued an equity incentive plan in May 2021, granting 143.1 million shares to 1,500 employees and consultants. As of late 2021, the company's real controller Zhang Yong and his cooperators own 64.81% of the company's stock directly and indirectly. The highly centralized ownership structure is conducive to the company's implementation of strong and efficient management and overall decision-making. Li Qi, Li Bing and others believe that the reason why Haidilao stands out in the cruel market competition is that it carries out differentiated competition strategy. (Li Qi, Li Bing, etc., 2012). In the face of cruel market competition, indiscriminate implementation of low profits will result in a decline in the quality of firms' products and services that is more likely to form a price war. There is evidence that Haidilao in a number of catering companies are doing something different. They have found the real "difference" in a strategy of differentiation, which is the provision of distinctive services and added value. Haidilao does not refer to the standard of traditional catering, one-off service, but treats each consumer seriously, taking care to allow consumers to feel at home. With the enterprise staff refined, comprehensive humanistic care to produce a heartfelt sense of service to customers. It is the opinion of the author that for each of the practices and strategies mentioned in the literature above, In real food and drink competition, Haidilao not only beats other competitors through a unique strategy and business model. It's a combination of them, as part of a general competitive strategy, for differentiation. The details of how to differentiate Haidilao will be presented below. In terms of new product development, Haidilao has been implemented only in the last few years. And not content with hotpot outlets. In the extant literature, most researchers studied only the strategic secrets of Haidilao stores, and neglected to study and discuss the delivery business that Haidilao started in 2013. This paper fills the gap in this respect. Below, I will discuss the marketing model of its takeaway business after introducing the strategy and model of Haidilao. In the aftermath of the outbreak, will Haidilao Delivery continue its service delivery benefits?

2.1 Definition of hotpot

Hotpot, named after the "gurgling" sound made when food is thrown into boiling water, is one of China's original cuisines and is a popular food for young and old alike. A hot pot is generally a cooking method in which a wok is used as an appliance to boil water or soup with a heat source to cook various types of food. Hot pot is characterised by the fact that it is eaten as it is cooked, so that diners feel warmed by the heat as they eat. Similar dishes are served all over the world, but hotpot culture is particularly prevalent in East Asia. In China in particular, hot pot is divided into six major schools and more than 30 types. What can be unified is the approximate way of eating hot pot. Hot pot is eaten fresh, hot, spicy, salty and fresh. Typical hotpot ingredients include a variety of vegetables, meats, soy products and staple food groups. In the past, due to the lack of food, people could only eat a single flavour of hotpot, but with the development of the food industry, today we can eat a variety of hotpot flavours according to our taste, such as spicy, clear soup and seafood. Eating hot pot is not just for winter, it is for all seasons. In summer, the climate is humid and hot, and the sweat accumulated in the body cannot be discharged, so eating hot pot can fight the heat with heat, discharging the sweat from the body and making people feel very refreshing. In winter, when the weather is cold, eating a hot pot with hot air can fight the cold. What's more, many foods lose a lot of nutrients after cooking, whereas hot pot only boils the ingredients and the body can absorb most of the nutrients.

2.2 The origin of hotpot

Hotpot culture is native to China. The specific time of origin of the hot pot varies because of its long history, containing two statements: According to the 2020 China Hotpot Industry Research Report(2020 China Hotpot Industry Research Report, 2020), it is stated to have been in China during the Three Kingdoms period in which the copper tripod was the predecessor of the hot pot. It is said to have begun in the Eastern Han

Dynasty. Whatever period it started in, hotpot has a history of more than 1,900 years depending on today. By the time of the Northern and Southern Dynasties, hot pots were already being used for various types of meat such as pork, beef, and lamb, and as China's economy continued to expand and cooking techniques were developed further, a variety of types of hot pots became popular. During the Northern Song Dynasty, hot pot was already in existence in the winter in popularly run restaurants. By the Qing Dynasty, hot pot shabu-shabu was not only popular at court, but also a popular delicacy. Time continued to develop, and by the beginning of the Republican period dozens of different hot pots had developed throughout the country, and each pot had its own distinctiveness. In ancient times, hot pot was often visited by envoys from other East Asian countries, and in 1388 it was introduced to Japan, where it was modified from the Chinese style and called "sukiyaki". Hot pot was also introduced in the United States and European countries in the twenty-one century, and can be found today in the "Chinese streets" of much of Europe and the Americas.

2.3 Classification of Chinese hotpot

As technology advances and cooking techniques are developed, dozens of different types of hot pots can be found, based on materials, textures, structures, and flavors. According to the fuel, there are charcoal hot pots, gas hot pots, electric hot pots, etc.; the texture is copper hot pots, tin hot pots, etc. Every hot Chinese pot has a different flavor in every place and every pot has a different taste. China is a vast country, with a huge difference in taste between the north and the south, and between the east and the west. The hot pot in the capital city of Beijing, for example, is a copper pot with a coal fire for the lamb of the xiabu-xiabu – a type of fire. In the north, the hot pot is a copper pot with a clear water base, represented by the Beijing xiabu-xiabu. The soup base is white water with the right amount of spring onions, ginger and spices. The dipping sauce is a sesame sauce base. In the northern China hotpot culture, the lamb is the absolute star of the spectacle, should not be mixed with beef or other seafood, and greens should be carefully selected. Located in southern China by the sea, Guangdong province is best

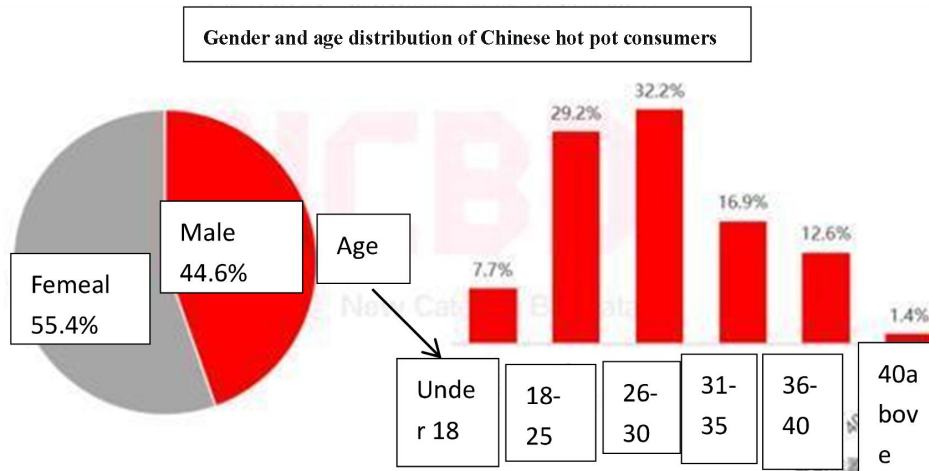
characterized by its faithfulness to the original taste of the food. The secret to clear water hot pot is fresh ingredients, and the Cantonese believe that no frozen meat should be used in clear water hot pot, it must be fresh meat that has been slaughtered on the same day. Cantonese-style hot pot is all about the base of the soup, which is usually made from chicken, pork bones, or seafood and a variety of herbs. Due to its proximity to the sea, the Cantonese hotpot must include seafood, with the chef slicing the fish as thin as paper, which can be enjoyed after just three seconds of cooking. Apart from Beijing-style hotpot, the most popular and longest-standing Cantonese hotpot is Sichuan hotpot. The true birthplace of the Sichuan hotpot is Luzhou City, Sichuan Province, where people take pleasure in eating chili peppers in order to rid themselves of moisture due to the abnormally cold and wet climate of Sichuan during the winter. It wasn't the kind of food they wanted to eat, which was convenient and fast, and had the effect of driving the chill out of them, but it became increasingly well known and gradually became a popular food. Unlike the northern xiabu-xiabu hot pot, Sichuan hot pot uses sesame sauce or green leek sauce as a dipping sauce to neutralise the fishy smell of the meat itself, while the hot pot in Sichuan and Chongqing is better served with a bowl of oil dish that combines many things such as onion, ginger and garlic, as well as oyster sauce, etc. After the 21st century, the economy developed and people's living standards improved and they started to try new foods. As the saying goes, travel is about visiting places where others are tired of staying. Food is too. Sichuan hot pots are particularly famous in the Chinese hot-pot scene. Hot pot in Sichuan province tastes spicy but smells particularly good and the ingredients are fresh. As Sichuan province is mountainous, the climate is humid and this climate has created a town with an excellent water quality. Over the years of development, the taste of the Sichuan hot pot has been enhanced and diversified in terms of variety and flavor to suit the needs of different diners; combined with dozens of different flavor plates, makes it more broadly adaptable and suitable for popular tastes. The choice of seasoning. Sichuan hot pot on ingredient processing minus, rich ingredients, dishes of up to hundreds of kinds, to the

traditional maw hot pot of "various beef" to today's poultry, water products, seafood, game, animal offal, all sorts of vegetables and dried fresh mushrooms and fruits, etc., one can say that the varieties of Sichuan hot pot are innumerable; in a nutshell, is all the food that can be consumed in the hot pot cooked or the hot food. In the last decade or so, Sichuan hot pot has become a national sensation at an astonishing rate, and Sichuan restaurants - especially hot pot restaurants - can be found everywhere in major cities. In the mid to late 1990s, Sichuan hot pot began to gain popularity around the southeastern coast of China, although there were those keen to try the fresh flavours, as they were too spicy and not many people loved them. But around 2010, Sichuan hot pot gradually became popular across the country. According to statistics, in 2016, there were about 347,300 hot pot restaurants in the country, including 262,400 Sichuan restaurants, and more than 85% of the hot pot restaurants were Sichuan spicy. in 2017, there were 9,400 hot pot restaurants in Beijing and 6,593 in Shanghai, both with Sichuan spicy as the mainstream.(Wu ge,2017). From the turnover statistics, in 2016, the hot pot turnover in the national catering industry accounted for 22%, of which Sichuan cuisine alone accounted for 7.7%.In 2018, China's catering market size exceeded 4 trillion RMB, of which hot pot alone contributed more than 480 billion RMB With the rapid development of the economy, China's catering market continues to expand and Sichuan hot pot is becoming more and more popular.In 2021, China's catering market revenue reached 46895 billion RMB, compared to 2020, up 18.6% year-on-year, and in 2022, the It is expected to exceed RMB 10,000 billion. (NCBD, 2022), which as of the first half of 2021 China's hotpot chain rate was 27.4%: with the hotpot chain rate in the Sichuan style being 31.5% higher than the national average. In terms of the number of shops, Sichuan Chongqing has the largest number of hot pot restaurants, with 40% of the shops. Northern-style hot pot accounts for 14.0% and Cantonese style hot pot accounts for 11.8%.

2.4 Why is Sichuan hotpot so popular?

When considering food and drink as a culture, one can find the economic and cultural heights of China in cities such as Beijing and Shanghai. Given that the province of Sichuan is not an economic and cultural highland, why are its dishes and flavours so popular in China in the first place? Similar to the movement of money, cultural movement is from the highlands to the lowlands. Money always seeks out the low places for opportunities to multiply its dynamism, so culture often replaces and transforms the low culture with the high culture. Sichuan province is one of the largest provinces in China, with a large and less complex population. Over the last two decades, the province of Sichuan and neighboring Chongqing have experienced rapid growth, and the total economic production of the province of Sichuan can be ranked among the top six in the nation. I asked around my friends and relatives and found out that since 1990, Chongqing City and Sichuan Province have become important exporters of labour, with large numbers of Sichuan workers leaving their hometowns and travelling around the country, in large numbers, and with a wide distribution of workers. With distinctive tastes and a love of spicy food, they set up businesses and restaurants all over the region. This set off the initial wave of Sichuan cuisine, including hot pot cooking, which spread throughout China. Through an internet investigation, the author has learned that the cooking techniques of Sichuan cuisine are relatively straightforward. Sichuan cuisine is not as complex and elaborate as other Chinese cuisines, and a Sichuan chef can become a master in about a year. Compared to other cuisines, Sichuan cuisine puts more effort into flavoring, and spiciness is not the entire flavor of Sichuan cuisine. The heavy flavours and spiciness are the fundamental reasons for the popularity of contemporary Sichuan cuisine.

By visiting Chinese Sichuan hot pot restaurants, I have observed that young people, especially women, are the majority of those who come to eat at hot pot restaurants.



2. Figure Gender & Age distribution of Chinese hot pot consumers in 2021

Source: NCBD(China's catering industry panorama development report)

Women: Grey (55.4%) Men: Red (44.6 percent)

The largest number in the bar chart is 32.2% (the number of hot pot consumers aged between 26 and 30 is the largest).

Young people believe that heavy spicy flavours bring not only taste satisfaction but also emotional release for them. It is rare to see older people dining at Sichuan hotpot restaurants. They represent a new generation of young people seeking behavioural and gustatory stimulation, and the drinking of a Sichuan hotpot on weekends and holidays has become somewhat of a ritual to them. This is undoubtedly a social phenomenon of the times in China. In my opinion, this is one of the main reasons why Sichuan hotpot is becoming more and more popular. Since Sichuan cuisine is made up entirely of spicy flavors, why is the hotpot more popular and more common than other specialty snacks in Sichuan? The answer is simple, because hot pot is simple and convenient. Compared to traditional classical dishes, hot pot does not involve a tedious process and is very simple from order to serve. Cooking is simply a matter of cooking and seasoning one's own food, taking full advantage of the freedom and autonomy throughout the meal process. From another point of view, this may be the trend towards simplicity and

vulgarity in terms of contemporary Chinese cuisine. In the author's opinion, the trend in the catering industry in a certain country can reflect to a certain extent the cultural background of this country today. The love of Chinese youth for quick and simple hot pot is a clear reflection of the rapid economic development of Chinese society and the fast-paced life of the people. It can be argued that the popularity of the Sichuan hotpot is very much in tune with the zeitgeist of the time, with the post 80 and post 90 being the dominant group of Chinese food and drink consumers and the popularity of flavours no longer limited by geographical factors.

3 Own research: Haidilao

3.1 Haidilao

Haidilao has adapted to the development of The Times since it was established in Sichuan Province in 1994 and has a prominent presence in the hot pot industry since then. Haidilao has developed its own special strategy and business model under the leadership of its founders and a cadre of executives. Especially during the epidemic period, Haidilao food delivery has become the second largest business of its revenue. Especially in the post-epidemic era, Haidilao has opened diversified channels and become a new growth pole. In the later study, the author will show whether Haidilao Sendao will continue its previous glory after the end of the epidemic.

3.1.1 Introduction to Haidilao

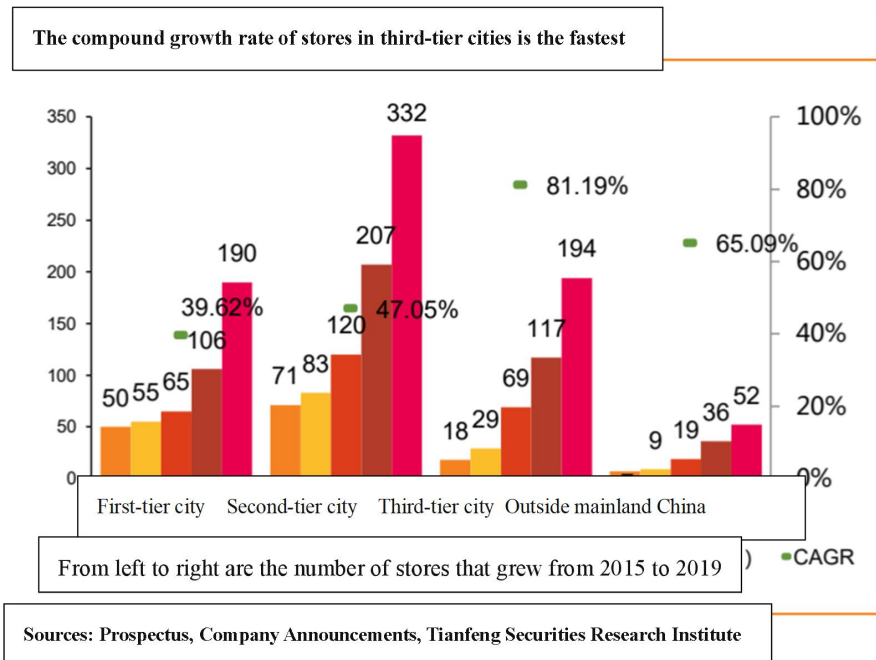
Haidilao Hot Pot, founded in 1994 in Jianyang City, Sichuan Province, is a large, cross-province, direct-to-consumer hot pot restaurant with a focus on Sichuan-style hot pot and incorporating features of hot pot from around the world. The restaurant has branches in most cities in China such as Beijing, Shanghai, Zhengzhou and some overseas countries (UK, USA, Japan, etc.). Since its opening, the brand has always pursued the philosophy of "service above all, customer above all", and their service is attentive and thoughtful. As the saying goes, the brand is one of the best hot pot restaurants in terms of taste and service, and in 2021, it ranked first among the top 10 most popular hot pot brands in China.

Haidilao has a first-class service, as there are many diners who come to Haidilao and often line up. Every Haidilao hot pot restaurant offers free per family, hand protection, free snacks, drinks and fruits for customers waiting. Haidilao Hot Pot has about ten kinds of pot bases with authentic flavors and exceptional specialties, such as the Sichuan speciality butter hot pot, the tomato hot pot, and the mushroom soup hot pot.

Haidilao shops have their own seasoning stations, with about 20 kinds of seasonings that can be mixed to your liking. Haidilao also offers different kinds of fruits according to the season. Haidilao places the needs of the consumer first and most of the Haidilao stores in China are open even in the wee hours of the morning, approximately 24 hours a day, as demand for food and drink in China increases. In busy areas where people have a habit of eating late at night, Haidilao is open in the early hours of the morning to give consumers a very good dining experience. A review of 100 randomly selected consumers of Beijing's most famous hot pot restaurants based on VWAP consumer review data shows that although Haidilao does not have a clear environmental and gustatory advantage, the survey is far ahead in terms of service, with more than 60% of the respondents responding very well. The quality of service has gained excellent reputation among consumers, which directly constitutes the core competitiveness of Haidilao's rise in the restaurant industry.

In 2018, Haidilao was listed on the Hong Kong Stock Exchange and began to speed up its expansion path. In the early year of the 2018 listing, Haidilao increased the number of shops by a net 193, and by the end of 2019, Haidilao had 768 shops, a net increase of 302 stores compared with the previous year. At the same time, revenues from overseas restaurants of Haidilao in third-tier cities and below all showed varying degrees of growth. “According to the prospectus of Haidilao and other data, Haidilao's sales revenue in the third-tier and below cities was RMB2.463 billion and RMB1.093 billion respectively”. (Changjiang Business Daily, 2019)

According to the profit statement of Haidilao released by Qianzhan website(Qianzhan,2022), In 2021, Haidilao released its performance report for the first half of mid-2021.“By 30 June 2021 Haidilao had achieved a turnover of RMB20.094 billion and the number of members had reached 85 million, with the amount spent by members accounting for over 80% of the total turnover.”



3. Figure Haidilao in China's first - third - tier cities respectively growth

Explanation: Third-tier cities are growing fastest

Source: Haidilao announcement

3.1.2 Haidilao's marketing strategy

According to the Most Valuable Restaurant Brands Worldwide 2019 (Brand Finance, 2019), Haidilao has entered the top ten of the most valuable restaurants in the world in 2019. According to the official website of Haidilao, by 30 June 2020, Haidilao had opened a total of 935 restaurants worldwide. Of these, 868 are located in 164 cities in China. How does a business In such a fast-paced industry how does a business survive, grow quickly and stand out to appeal to its consumers? A successful brand is made up of many different components. Branding is very important to business success. Brand equity is one of the most important elements of branding. "Brand equity refers to the consumer's perception of a brand and its reputation. Brand equity consists of five elements: perceived quality, brand association, brand loyalty, brand awareness and other brand assets. Specifically, brand loyalty, by having repeat consumers and word of mouth,

can be the most powerful measure of brand equity. By ensuring the image of the brand and its loyalty programme, multiple marketing strategies must be applied". (Xuanyi Guo, Ruotong Zhai , 2021)

In the current market, social media marketing and digital marketing are gaining importance. Academic papers from traditional marketing to digital marketing (Durmaz, Yakup & Efendioglu, Ibrahim, p. (2016)), the purpose of traditional marketing is "to provide time. utility of place and possession". It involves more direct brand-to-consumer contact between the brand and the consumer. However, on the other hand digital marketing 'serves the customer as quickly as possible and expects guidance from the customer rather than trying to change their perceptions as traditional marketing does. In order to improve the advertising and reach of Haidilao Hotpot, the company set up a WeChat subscription account named "Haidilao Hotpot". "The WeChat account provides access to the menus of all its shops, reservations for in-store meals and takeaways, as well as a combination of WeChat online payment and after-sales service. According to NDN Group, Wechat marketing "leverages the power of gaining followers for a company's account, actively engaging them, and ultimately converting them into customers to purchase goods" (Yeung, J. (2020, April 22). What is Wechat marketing?) The brand has a company account on WeChat and sends daily push notifications about new products and some recipes. More importantly, they ask for permission to access consumers' locations so that Haidilao can bring a more personalised experience to their customers. Haidilao's service-based marketing is also worthy of study. Haidilao provides chess service at the door to make customers feel that time is faster while waiting for a table, and the game puts the human brain into another mental clock, which is three times shorter than the time, and playing the game together among friends is a distraction, and secondly, playing the game is easier to endure than just sitting and waiting for a table. Secondly, there is the nail service in Haidilao, where it is observed that few customers come to Haidilao on their own, there are at least two to three of them, and most of them are a group of people, both men and women. The free manicure

service at the entrance easily attracts women, and some customers make reservations at Haidilao for the free manicure service. Although they don't eventually make a reservation for a hot pot in Haidilao, once they have enjoyed the nail service, they can't help but rate favourably their attentive and exquisite service. In the light of this, it appears that Haidilao is not traditional marketing, they package marketing into service, abandoning conventional marketing altogether, taking customer needs as the fundamental, completely standing in the consumer's perspective. Unlike other restaurants that organise themselves to distribute leaflets before opening, Haidilao has no advertising costs for their marketing techniques. When I went to the Seabed restaurant for dinner in the summer, I once asked the waitress what keeps you working here when you work such long hours. She replied to me that because the staff here are treated as family, they will not only give a certain stipend to the staff and their family members at two points each year, but also ordinary service personnel have the authority to send meals to guests, discounts and even face-to-face orders, this type of decentralisation and trust enables staff to find a sense of being in charge and to take the initiative to participate in the running of the business with the spirit of ownership, which fully mobilizes the internal motivation of staff as well as innovation and creativity This fully mobilized the staff's internal motivation and creativity. Zhang Yong, the founder of Haidilao, said: "We do not plan our publicity too concretely, but rather use the word-of-mouth of super service, customer satisfaction, goodwill, good deeds and emotions as a bond.

3.1.3 Haidilao business model

As mentioned above, the most distinctive feature of Haidilao is its personalised service. Many consumers are willing to queue for two hours or even go to the restaurant in the middle of the night in order to experience its service, and the "personalised service" that attracts many consumers cannot be separated from the management model behind Haidilao. Catering is a labour-intensive industry, and many catering industries have the

same problems - high staff turnover, poor service, and difficulty in standardization and scale. The core of Haidilao's approach to solving this pain point is to "connect the interests and lock the management". The core value of Haidilao is "changing destiny with our hands". Haidilao has set up a fair and clear promotion channel for its staff, and has implemented a piece-rate salary system, so that staff's personal remuneration is directly linked to the quantity and quality of their work, and to motivate them; not only that, but staff have the opportunity to enjoy the performance commission of the shop after promotion to shop manager.

The Haidilao model is an integration of corporate values/goals, strategy and human resource management systems. In the development and management process of the company, its core management concepts such as "differentiated competition", "empowered management", fairness and equity, and allowing employees to "change their destiny with their hands" all reflect obvious strategic and management innovation. This is very rare among labour-intensive companies in China. The salary level of Haidilao employees is in the middle to upper end of the industry, but there is a very sound promotion mechanism, and most of the managers, including shop managers and managers, are promoted from within, which is the key to retaining employees. There are three lines of development: a management line, a technical line and a logistics line. In Haidilao even if it is just a waiter, there will be a classification like first class waiter, second class waiter, model waiter and the salary and treatment will change as the staff move up one level. Appraisal indicators: the company does not assess the performance of the shop manager, only "customer satisfaction" and "staff motivation" two source indicators; (the performance of good or bad is caused by multiple factors, but customer satisfaction and staff motivation is the core of maintaining brand value); second, the Secondly, a comprehensive service protection system for staff: to quote the management team of Haidilao, "to make staff serve customers well, it is necessary to let staff be sincerely served and respected", which Seabed Fish fully consider the needs and feelings of staff, so that staff have a strong sense of happiness + career.

In general, restaurants are self-sufficient in the front and back of the house, and this way the restaurant will never do much. Zhang Yong, the founder of Haidilao, has made every aspect of Haidilao a separate company, and formed a system. Haidilao has set up a company to run every aspect of a restaurant, ensuring that Haidilao is the best in every way. Haidilao has achieved the whole industrial ecological chain of the upstream and downstream of the restaurant, with more ports to make money and more channels to maintain a good cash flow. Haidilao is not a restaurant company at all, but a brand group, which can launch other sub-brands one after another, after all, they have already done the best in all aspects and have a ready-made system to complete other businesses. The supply chain and the various links in the industry chain that Haidilao is connected to are like a "moat" for the brand, providing it with strong synergies and the ability to withstand risks, as well as effective control on the cost side.

And, most restaurant owners will establish a strategic plan for their restaurant business and then group the various segments into a business model, but in fact, a business model can also guide restaurant owners to better sort out their business and establish a strategic plan. The Business Model Canvas is a handy tool for this purpose.

Let us first look at the canvas of Haidilao's pre-existing business model:

The Haidilao's business model canvas:

“The Business Model Canvas is a practical design methodology for business models devised by business model researcher Dr. Alexander Osterwalder, together with Professor Yves Pinheur of the University of Lausanne, Switzerland”. (New generation of business model,2021)

“It divides the business model into nine segments: Customer Segmentation, Value Proposition, Channel Access, Customer Relationships, Revenue Sources, Core Resources, Key Businesses, Key Collaborations and Cost Structure”.

Customer segmentation: The restaurant industry uses customer unit price as a market positioning standard, forming three levels: mass market, mid-to-high-end market and

high-end market, whose customer unit price is below 60RMB, between 60-200rmb and above 200rmb respectively. As an added value, the high standard of service level provides customers with a sense of experience that, to some extent, mitigates the sensitivity of high prices, as a result, its target customers focus on middle-income people between the ages of twenty and fifty who love passionate service in China's first and second tier cities.

Value proposition: Haidilao's value proposition is primarily reflected on two levels: internal and external. Firstly, it takes customer value as the starting point and sees service and customers as the first priority. Externally, it is based on the needs of customers. As a service industry with the closest contact with customers, the motivation of employees is the guarantee of all work. Haidilao's internal value proposition, then, is to maximize the value of its staff and realize the concept of "service to the staff". In short, Haidilao will combine internal and external values. The two core elements of the service industry - customers and staff.

Marketing channels:

According to the 2019 semi-annual report, as of 30 June 2019, the company had 593 shops worldwide, with 130 new shops opened this year. And in mainland China, new shop locations are gradually sinking to third-tier cities and county areas, forming a top-down, high-density distribution of shops. With the development of e-commerce in China, Haidilao has also become a part of the online sales force, with takeaway services, condiments and food supplies being sold online.

Customer relations:

Haidilao is more expensive than other similar restaurants, so its customer base is still mainly middle and upper income groups. According to a survey, out of two hundred customers at an average Haidilao shop, one hundred and fifty are repeat customers. The high percentage of repeat customers is due to the fact that the company exceeds expectations and has a good reputation and a large number of loyal customers. Customer loyalty can be classified into four categories, namely potential customers,

new customers, regular customers and loyal customers. For customer loyalty, Haidilao has established a membership system. Members are divided into four levels. Members can earn points, birthday gifts, upgrade privileges and have the opportunity to participate in interactive activities organised by Haidilao. University students in mainland China also receive a 69% discount when dining at Haidilao. The membership and discount system enhances customer stickiness. The large customer base that Haidilao has built up through its quality service has to a certain extent brought Haidilao significant resources, which are reflected in the bargaining power of the brand's own traffic, especially in terms of rental costs, which are significantly lower than those of its peers due to its own customer traffic.

Source of revenue: Haidilao's main source of revenue is from the operation of its physical shops, in addition to which it has gradually developed a variety of businesses such as takeaway, e-commerce sales, and sales of condiments and ingredients. growth. Overall, the three major business modules, namely shop operations, takeaway business and sales of condiments and ingredients supplies, accounted for 97%, 2% and 1% of sales revenue respectively.

Core Resources

With service as its main positioning point, Haidilao has an absolute competitive advantage in realising customer value. Its service processes are both standardised and personalized. In addition to the advantages of its unique services, its humanised management model, low staff turnover rate, the scale of its direct chain operations and the low cost of raw materials and convenient logistics and distribution resulting from its commercial matrix are also excellent advantages for Haidilao.

And by now, many parts of Haidilao have become self-sufficient through the establishment of subsidiaries, and the canvas of its business model is bound to change with it: the key business is supply chain in addition to the hotpot shops, and human resources services. Channel channels are self-operated shops, takeaway platforms, and supermarkets and convenience stores (retail items such as hot pot bases and dipping

sauces).

Customers are broken down into two main segments, one for hotpot consumers (shops, takeaways) and one for household consumers who buy their retail individual products. revenue streams from the part we can see, which is income from shops and takeaways, and the other part is revenue from subsidiaries selling and providing services for other restaurant brands.

The cost structure has basically increased manufacturing

From the business model canvas, we are able to see simply and clearly that Haidilao has evolved from a single hotpot restaurant to a huge restaurant group with both front and back ends involved. Everything on the canvas is interconnected and interacts with each other. For example, the previous business model purged the development of Haidilao, with an ever-increasing number of shops. In order to be able to serve more consumers and meet the needs of different consumers, Haidilao built its own supply chain and set up subsidiaries, but this also increased manufacturing costs. In order to make the best use of the supply chain, digest the remaining capacity and achieve profitability, these subsidiaries could also provide services to other restaurant brands, thus expanding the customer base and increased corporate customers, while the retailisation of the product also increased retail access and with it, Haidilao entered mass distribution.

3.2 O2O Take away industry

O2O(Online to Offline) is a new business model that uses the Internet as a medium to connect consumers and offline catering enterprises with the help of an Internet information platform. It can provide users with rich takeaway information and convenient takeaway services. Since its popularity in 2013, O2O has provided new sales and marketing channels for many catering enterprises to expand their business scale. (Baidu.com).

3.2.1 The significance of the study

Why do I choose to make a reference to the takeaway O2O marketing of the whole chain of catering enterprises by studying the takeaway O2O takeaway marketing of Haidilao? First, as a restaurant business strategy but large-scale takeaway business, Haidilao should be the first in the industry. In 2010, "Hi Takeaway" was established and Haidilao began to carry out hot pot takeaway business. The classic brand and takeaway O2O model has been developed very mature, takeaway business can greatly enhance the turn over rate. So the study of takeaway O2O marketing on whether it has been carried out or has not been carried out takeaway business catering companies can draw reference to the experience and advice. Secondly, it has also achieved the same service experience marketing in the takeaway business.

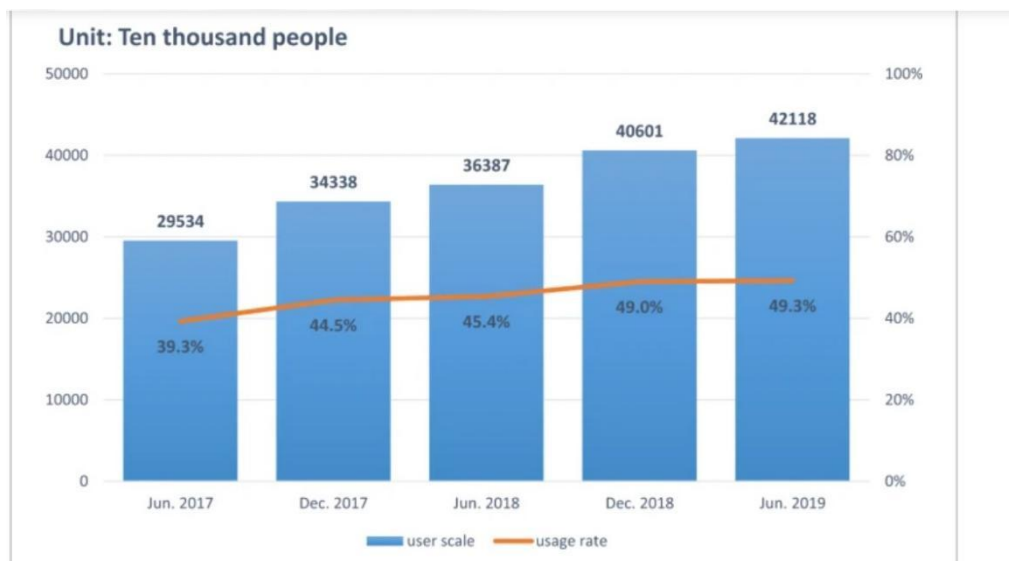
3.2.2 Research Background

In recent years, with the acceleration of the pace of life, takeaway delivery has gradually become a dining consumption habit for more and more users in China, especially for white-collar workers and the gathering market, and the scale of dining takeaway transactions has maintained a continuous growth rate. Catering takeaway O2O mode has penetrated into people's daily lives and become an emerging catering lifestyle, which has received the attention and attention of major chain catering enterprises.

3.2.3 Development of the O2O takeaway industry in China.

Studies show that the market size of the O2O food industry in China increased from US\$3.4 billion in 2011 to US\$32.5 billion in 2017, and that the industry's customers increased from 114 million in 2015 to 343 million in 2017. The growth of the O2O takeaway industry in China and the increased use of the internet has led to a dramatic change in China's takeaway customer base and their needs. from December 2017 to

June 2019, China's internet users grew from 772 million to 854 million. (China Internet Network Information Centre (CNNIC), 2018. 41st Statistical Report on the Development of the Internet in China. ,2018) During this period, O2O takeaway customers grew steadily by 22.7%, from 343 million to 421 million. (CNNIC, 2019. 44th Statistical Report on the Development of the Internet in China,2019) .It is clear that the O2O takeaway customer base has been growing steadily In addition, O2O customers are using takeaway services more frequently than ever in 2019, with the average number of orders placed by individual customers increasing from 18.8 in 2018 to 25 in 2019 The average number of orders placed by individual customers increased from 18.8 in 2018 to 25.5 in 2019. These findings suggest that the growth of the O2O industry in China is being driven more by an increase in the frequency with which customers use its services rather than an increase in the number of customers. This new pattern demonstrates a new development in the spending habits of O2O customers.



***4. Figure The number of O2O takeaway customers in China
 from 2017-2019***

Sources: CNNIC: 44th Statistical Report on the Development Status of the Internet in China 2019.

This graph shows the growth in the number of O2O takeaway system customers from 2017-2019. User size is the total number of O2O service users in China at each point in time (in millions). The usage rate shows the percentage of users at each point in time (100% = 500 million) to show the growth of users over the years.

Takeaway consumer demographic:

China's post-80s and post-90s, dominate the consumption of O2O takeaway services. 86.3% of orders on China's leading O2O takeaway platforms in the first half of 2019 came from customers aged 20 to 34. According to the survey, some of the main reasons why O2O customers choose to use takeaway services include "bad weather", "convenience of takeaway" and "don't want to cook". "The data shows that the proportion of student customers on O2O has fallen from 33% in 2015 to less than 10% in 2019, while the proportion of white-collar O2O customers has risen from 63% in 2015 to 86% in 2019". (China Report Network (CRN), 2019). This changing composition of the O2O customer base may partly explain the increase in high-priced takeaway orders. It was observed that takeaway orders above \$40 accounted for 32.9% of all O2O takeaway orders in Q4 2018, compared to 22.7% in Q1 2017. (2018-2019 China Online Takeaway Market Research Report, 2019).

3.2.4 Review of relevant research in China

By reviewing the relevant literature in recent years, research on the O2O model of restaurant chains in China has blossomed in recent years, but it is found that there are not many cases on research designated for the marketing of the takeaway O2O model of restaurant chains in China. In recent years, research on the service marketing of Haidilao, online internet marketing, new media marketing, brand marketing and so on has been in full swing, but it is found that However, research on its hotpot takeaway o2o marketing is lacking. However, it is still possible to find many studies on the Haidilao restaurant's O2O model that can be used as a reference and reference. For example, in "Research on the application of O2O model in China's chain restaurant enterprises"

published by Master Qian Xiaoshu on 01 November 2014, the article takes Sichuan Haidilao as an example and analyses in detail the application of its O2O model from four levels, including website construction, online marketing, customer relationship management and seamless connection of business, and puts forward corresponding management systems, talent training, O2O platform maintenance and supply chain management from the perspective of The company also put forward corresponding improvement suggestions from the perspectives of management system, talent training, O2O platform maintenance and supply chain management. (Qian xiaoshu,2014) And according to the latest "2016-2022 China Catering O2O Market Analysis and Investment Prospect Research Report" released by Booz Data Research Center, the catering industry has always been a popular industry for O2O practice. The research report shows that, "China's catering O2O market is gradually stepping into a period of rapid development. 2010, the market size of China's catering O2O industry was only 9.22 billion yuan, by 2014 the market size had developed to 94.6 billion yuan, five years, the market expanded by more than 10 times." 2015 was a year of concentrated explosion of catering O2O, chain catering enterprises were short of money, capital scrambled to invest, at present In addition to the takeaway O2O led by giants such as Meituan and Dazhong Dianping (take away app), which hold the vast majority of the market share, other chain restaurant O2O from niche markets have also started to kill the market. Data from the National Bureau of Statistics shows that the market size of China's catering industry was 2.79 trillion in 2014, and the market penetration rate of catering O2O was only 3.5%. In the future, as the penetration rate of catering O2O increases and the whole catering industry picks up, the catering O2O market is expected to maintain an annual growth rate of over 30% in the next 3-5 years.

3.2.5 Overview of research in other countries

The O2O model in the catering industry originated in the US, and the emergence of open table has made O2O online dining an important way of life for people. open table

was established in 1998 and has formed partnerships with tens of thousands of restaurants around the world so far, providing consumers with restaurant booking services that are detailed to specific times, locations, prices and other factors. The European and American takeaway platforms are very different from the Chinese ones and are quite mature in operation. At present, in Europe and America, there have been a number of listed companies produced, including Yelp, Just Eat, GrubHub and so on. The current situation of takeaway O2O marketing model for Chinese catering companies today:

According to the "2016 China Takeaway O2O Industry Development Report" data, the type of restaurant merchants chosen by users is mainly chain fast food and fashionable and popular restaurants (Airui consultation, 2016). "Among them, 74.4% of users chose fast food chains and 64.3% of users chose fashionable and popular restaurants. The percentage of users choosing non-famous restaurants was the lowest, at 19.9%". This also shows that users are becoming more aware of food safety and that fast food chains or fashionable restaurants can better guarantee the quality of their meals. As the O2O takeaway industry trend continues to progress, restaurant chains should seize the opportunity to get a bigger slice of the market.

Since 2017, the O2O takeaway industry has entered a period of stable development, and experience has become the key to competition, but regardless of dine-in or takeaway, customers' food consumption demands will not be divorced from the three main lines of "healthy and tasty, fast and convenient, nutritious meal preparation". Based on the three major requirements of "hygiene, convenience, and nutrition," each catering company's take-home will enhance its service quality and user experience as the core competitiveness of the development from a service improvement and technology innovation perspective.

3.3 Haidilao takeaway O2O marketing model

3.3.1 Marketing channels

Haidilao has developed its own mobile application, which is mainly used for functions such as numbering, ordering and customer service. It is simple and convenient for customers to check the information of dishes, special offers, advance booking, ordering and delivery of takeaway, mobile payment and other functions directly on the app, and at the same time, it can effectively manage the membership and carry out push information. In addition to these regular functions, on the app customers can also play video games to win vouchers for dish redemption, general knowledge of life, etc. Haidilao has also developed a WeChat subscription number on WeChat for those who do not wish to download the app, a popular Chinese social networking software, and they sent out the official opening of a subscription number (service number) from WeChat Yun solely for delivery services. The group meal booking of double meal, group meal and large banquet specifications. Through the WeChat operation, Haidilao's HiLao take-home service can directly connect with the huge number of WeChat users in order to achieve instant communication with consumers and provide services, and the article push of the subscription issue is also a means of spreading the culture of the corporate brand.

Official website as a chain of catering enterprises, the Internet "facade", the official website of the enterprise undertakes to display and convey the corporate brand image, special dishes, cultural connotations and other corporate iconic information, so that the restaurant brand belongs online, but also so that consumers can quickly, easily and fully understand and perceive the restaurant enterprise. The first time you click on the Seabed Hi Lo Delivery official website, it will always exceed your expectations, in addition to ordering takeaway, dish reviews, order tracking and other functions.

3.3.2 Marketing strategy

The experience value of users who have personally experienced any product delivered by Haidilao is automatically upgraded to experience master, leaving valuable suggestions. 20 lucky experience masters will be generated every week to enjoy the 200 RMB full series of product credit vouchers, using the word-of-mouth effect of customers to increase customer loyalty through word-of-mouth. The word-of-mouth marketing approach saves money and boosts consumer confidence. Importantly there is also differentiated service marketing, as with dining at Haidilao shops, ordering takeaway offers the same treatment as in shop: items delivered with the dishes include: bins and biodegradable rubbish bags, pots, pans, spoons and chopsticks, base, soup and extra soup, vacuum-packed seasonings, aprons, popcorn, chewing gum, headbands, glasses cloths and more. Integration of taste dishes service with offline shops. The taste remains the same, no difference from the shop; the service remains the same, as good as the shop service; the provision of uniform packaging boxes, induction cookers, pots and pans and other tableware to be picked up after the customer has finished using the meal to achieve standardisation of service and to improve efficiency with a distribution system with a coordinated layout of multiple substations.

4 Post-epidemic Era -- Haidilao Delivery

Beginning with the winter solstice of 2022, the recovery trend in the food service industry is gradually evident, with different festivals such as Valentine's Day occurring sequentially, driving the recovery of food consumption. The hot pot with rich ingredients and lively atmosphere is especially popular with consumers. As the head enterprise of the hot pot, Haidilao has recovered its store operation quickly in a short time, with a significant increase in the number of visitors. While the number of outgoing orders is also extremely large, according to the relevant person in charge of Haidilao, Haidilao has 1400 outbound delivery stations, which cover more than 200 towns and cities in the country, from the first tier cities of Beijing, Shanghai, Guangzhou and Shenzhen to the second tier, third tier and fourth tier cities have been covered. With such a high demand, will Haidilao Delivery continue its service advantages? How to improve the service to meet the growing demand of consumers.

In order to improve the delivery business of Haidilao, in July, Haidilao announced the establishment of a new business module "Community Operation Division". According to Zhang Ying, the general manager of the division, this business module formed a "food delivery + community + live streaming + online shopping mall" model of community operation through the integration of the internal and external resources of the Haidilao company. The business module is not an entirely new one, and its predecessor dates back to the outgoing business a decade ago. However, this is a diversified service innovation in addition to sit-down service. At present, the core business of the operation center is take-out and take-out business. Through community operation and O2O to achieve integration and transformation of online and offline traffic, and continue to launch new products and new packages that are different from in-store food experience. In view of why to develop a new business model, Haidilao COO Li Yu said, "At present we have more than one thousand stores, usually not only to solve the internal group meal needs, but also to undertake external demand experience, store end equipped with a professional chef team, the whole process system is quite

mature, after internal upgrade, can quickly respond to market demand." It is the author's opinion that the reason for such a development of Haidilao is not without merit. According to the "2022 Catering Retail Industry Observation Report" jointly released by CBNDData and Alibaba, during the epidemic period, consumers' eating behavior has shown an obvious migration -- offline dining has shifted to online ordering. Of these, almost 35% of consumers experienced great changes in the way they ate, online catering, home cooking behaviour increased. At the same time, the forms of online catering consumption of consumers are increasingly diversified, including take-out, take-out and prepared dishes, and they pay particular attention to the nutritional combination and quality of food materials. To put it simply, different groups of people demand more and demand more. Office workers tend to prefer nutritious prepared meals, and families with young children prefer full-service take-out meals without leaving home. Facts proved that Haidilao's decision was correct. "Haidilao hotpot delivery business in January 2023 sales growth of 114% year-on-year, order volume up 234% year-on-year". "According to data from Haidilao Delivery during the Spring Festival, the number of takeout orders from the New Year's Eve to the second day of the New Year increased by more than 160% year-on-year, and the number of orders from the first day of the New Year increased nearly twice year-on-year". (Xinlang website, 2023).

Haidilao O2O should not only expand the take-away market but also improve and optimize the model. The most important thing is to improve the quality of food. Haidilao, as a catering enterprise mainly engaged in special hot pot, although its service is the most influential to consumers, the most fundamental is that service is only a way to make the dining process pleasant, and the main content of customers' consumption is food. In addition to the formation of their own special meals, but also need to regularly enrich, update the menu, so that customers can maintain a long-term freshness, at the same time to meet the tastes of different groups of people. In the alternations of seasons, can adapt to the season to change the new menu, add new dishes. In addition to store

dishes, Haidilao can continue to make efforts in semi-finished meals, self-heating hot pot, hot pot base and other derivative products, and develop derivative products that are more in line with consumer tastes, nutrition and health, and more convenient and cost-effective. These derivative products can be sold on major e-commerce platforms to play their good brand image. After research and development of new products, promotion is also very important. Haidilao is expected to take advantage of the advantages of these new media platforms and conduct extensive cooperation with new media platforms. And keep up with the hot news of the Internet. When a new product is about to be launched. Haidilao can issue coupons on various payment software and social software commonly used in China (wechat, Alipay, etc.). Price is also a factor affecting customer satisfaction. In order to attract more customers, preference activities can be performed to directly reduce the price. In addition to the single marketing strategy of full consumption reduction, red envelopes and snacks, the forms of preferential activities can also be more abundant, giving full play to the role of member points, and establishing a more perfect member system.

The above Haidilao preferential mode optimization for other chain brand restaurants is also very useful for reference. The author believes that learning to grasp the consumer psychology, under the premise of profit, let them get what they want, is to win the market.

5 Conclusions and suggestions

Haidilao since its establishment, its service marketing for customers to bring more personalized experience. Traditional marketing if the way is not right will bring boredom to customers. While Haidilao is fully considered by customers, putting customer needs in the first place, combining marketing with service. When customers get good service, word of mouth spreads, and marketing spreads. Haidilao not only serves its customers, but also treats its employees like family members in order to retain them. In short, Haidilao is a warm family, no matter what identity people come here will feel very warm. At this stage of development, Haidilao is not just a restaurant, but an independent company. The founders set up a company to manage all aspects of the restaurant, it has independent suppliers, does not need to rely on other industries, completely self-sufficient.

The reason why Haidilao can be popular in China's hot pot industry is that the founder has implemented a unique business model. The internal value is to maximize the value of employees and combine internal and external values to satisfy consumers and employees. In terms of marketing channels and customer relations, because Haidilao is a mid-end hot pot brand, and consumers will not eat it every day. With the development of China's economy, first-tier cities such as Beijing, Shanghai, Guangzhou and so on. Haidilao stores have been saturated. Since 2019, Haidilao began to expand to second - and third-tier cities, and followed the general trend to open up food delivery and online markets. Although the price is expensive, Haidilao does not ignore the wide market of college students. As long as you show your college student ID, you can get a discount of 6.9 percent.

Haidilao has an extensive and methodical business model, with its own supply chain, but it is not content with that. In 2011, the market size of China's O2O food industry was \$3.4 billion. Haidilao quickly hit the windmill, opened up hot pot takeout business, attaches great importance to this takeout market. In terms of marketing channels, Haidilao has developed its own application and provided a subscription account on

wechat, a social software that almost everyone in China uses, so that it can communicate with powerful consumers. In the early days of the food delivery business, many worried about whether ordering food on the app would provide the same service as going to a store. Haidilao managers have realized in advance that they do not use differentiated marketing. Because many people go to the store just to enjoy the service, if the delivery is like other food and beverage brands, it may lose some customers. So if you order takeout, you'll get the same treatment, with induction stoves, uniform boxes, aprons and snacks. This strategy of online and offline integration will make consumers feel that they have been treated consistently and truly achieve the primary purpose of consumer demand.

The advent of COVID-19 in 2019 destroyed the catering industry's market. Many of the Tours shut down. In January 2022, all Haidilao stores were suspended, but huge cost losses were not avoided. From December 2019 to June 2020, compared with the previous year's turnover, the loss was more than 10 billion yuan. Fortunately, Haidilao survived this difficulty. Since the winter of 2022, in the post-epidemic era, Haidilao has established a community operation business module to meet the diversified needs of people. Internal group meals and external community needs are addressed. After the epidemic, the derivative products developed by Haidilao fit the taste and style of consumers, and many consumers are focused on the brand effect. On online platforms, the government has distributed a lot of consumer vouchers to stimulate the market. Every once in a while, Haidilao will develop new products and promote them to the market. Before they are released to the market, Haidilao will place advertisements on popular social software. (wechat, Alipay, etc.). And new products for promotional activities. The author believes that the marketing strategy and concept of Haidilao has great reference for other catering practitioners. Not only the use of price reduction activities to attract consumers, but also let customers actually see the quality of the product and taste to match the price. At the beginning of the business will certainly lose money, but to create their own catering brand style, profit and consumer oriented are



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equally important. When appropriate, according to the consumer group to develop the appropriate price.

6 Summary

This paper mainly studies the O2O business model of Haidilao. During and after the epidemic, Haidilao rapidly increased orders by expanding the distribution market. From fewer than 450 at the start of 2022, the number has increased to more than 1,400 by the end of this year. It is not easy to engage in the catering industry in China. Many businessmen go out of business for various reasons. Once they find the business strategy, concept and focus on consumers, the restaurant will be recognized. The author believes that the marketing strategy and concept of Haidilao has great reference for other catering practitioners. Not only the use of price reduction activities to attract consumers, but also let customers actually see the quality of the product and taste to match the price. But the main business of the restaurant industry is not food delivery, which is still essentially a store-based, offline service. Contents not covered in this study are. In daily life, hot pot is not a daily, weekly food, its frequency is limited. With the exception of heavy oil, salt and sugar, the pursuit of health trends and cost considerations, people cannot make it into three meals a day. The ceiling of demand that brand marketing can stimulate is clear. The most important dimension is cost. In the very large Haidilao restaurant, the cost structure of food materials, rent, labor and other restaurants is relatively fixed. Coupled with high commissions from delivery platforms, it is difficult for delivery services to make a profit. Therefore, before entering a catering industry, we must first understand the shortcomings of the industry. When consumers have low demand for this kind of food, how to deal with it in order to introduce customer flow.

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