Logistics Distribution Optimization of Self-Ordering Platform Catering Enterprises for O2O

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Abstract. Based on O2O theory and O2O model, this paper analyzes on logistics distribution situation of catering enterprises on the self ordering platform and find out the existing problems. This paper also put forward some suggestions on the catering enterprises in the O2O mode of logistics distribution: with the help of the third party logistics to build new logistics mode of catering enterprises, implementation of distribution service system catering logistics standardization, strengthen the construction of logistics information system, improve the catering logistics laws and regulations, etc.

Introduction
Currently, more and more traditional industries began to try O2O and open emerging markets through the Internet's precision marketing model. The O2O platform for catering enterprises developed rapidly in the situation of overall slowdown affected by market environment and national policies. In 2016 China catering industry conference, China Cuisine Association released China food industry development report which pointed out that Chinese catering market size has more than 3 trillion yuan in 2015, the huge market potential has spawned unlimited business opportunities of O2O for catering industry. However, with the rapid development of O2O for catering enterprises, how to transform the traditional catering enterprises and O2O compatibility has become an urgent problem to be solved, the appropriate logistics and distribution of catering enterprises and O2O organic combination has played an important role.

The Theoretical Basis of Logistics Distribution for Catering Enterprises Based on O2O

Concept of O2O
O2O is the abbreviation of Online to Offline; it lets the Internet become a platform for offline transactions with the combination of trade opportunities and the Internet. Online services can attract customers, customers can choose goods or services and settle the bill online, and then get the goods or services offline.

O2O Mode of Catering Enterprises
At present, the catering enterprises O2O mainly has the following several models, one is the online group purchase and takeaway website, such as the meituan, Baidu takeaway, ele.me online ordering site, by attracting consumers to shop experience or takeaway, businesses can earn profit by the amount of takeaway and the customer group purchase in the store after consumption. The store will also consume other dishes, so as to enhance the gross profit of two food sales model; the other model of catering enterprise O2O is the enterprise's own platform, the typical enterprises have KFC, McDonald's, Pizza Hut and Kung Fu steamed etc.
Catering Enterprises Logistics Distribution Problems of Self Ordering Platform in O2O Mode

In O2O mode, no matter what kind of the catering enterprise logistics distribution mode, the ultimate goal is to improve the customer experience and meet customer requirements maximization. At present, in order to cope with the rapid development of the O2O, especially in the face of a growing number of takeout orders, the catering enterprises began to build their own distribution team, and community values and self distribution, establish their own logistics distribution center in the future, to cover the last mile logistics network and develop intelligent distribution in the process of providing technical solutions for customers.

Catering Logistics Distribution Costs are too High

<table>
<thead>
<tr>
<th>Catering enterprises</th>
<th>Area</th>
<th>The number of stores</th>
<th>The number of distribution staff</th>
<th>Number of monthly distribution</th>
<th>Unit distribution cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>KFC</td>
<td>Xi'an</td>
<td>6</td>
<td>30</td>
<td>8000</td>
<td>11.25</td>
</tr>
<tr>
<td>KFC</td>
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<td>70</td>
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<td>8.75</td>
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<tr>
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<td>19</td>
<td>66</td>
<td>21000</td>
<td>9.43</td>
</tr>
<tr>
<td>McDonald's</td>
<td>Wuhan</td>
<td>20</td>
<td>116</td>
<td>43000</td>
<td>8.09</td>
</tr>
<tr>
<td>McDonald's</td>
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<td>27</td>
<td>186</td>
<td>65000</td>
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<tr>
<td>Kungfu</td>
<td>Beijing</td>
<td>19</td>
<td>77</td>
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<td>10.04</td>
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<tr>
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<td>Shanghai</td>
<td>18</td>
<td>54</td>
<td>12000</td>
<td>13.5</td>
</tr>
</tbody>
</table>

Table 1. The Number of Stores and Distribution Staff in O2O Model.

Catering enterprises self built logistics distribution team, although the management is convenient, but the cost is also a lot of investment, distribution personnel with tracking customer orders, distribution, transportation and other costs, so that the logistics distribution costs of catering enterprises is very high, coupled with the current food and beverage industry agreement 60 minutes of distribution strategy, the distribution of the cost is actually more expensive, catering enterprises have the opportunity to profit only when catering enterprises have enough orders and logistics personnel distribution speed every day.

Table 1 is the current distribution cost comparison of the distribution allocation of member based on typical Catering Enterprises, comparison sample extracted the number of stores and distribution staffs of a certain area of the certain brand, a distribution personnel wage and social security are paid at a standard level in accordance with the 3000 yuan per month. It can be seen from the data in the table that these enterprises can bear the logistics costs so high, mainly through the service regionalization, sales delivery of high starting point, gross profit to compensate in the average order price of only a few yuan case, the catering enterprises which cannot be through the above way to seek a breakthrough in costs only choose the other way to reduce distribution costs.

Catering Logistics Distribution Resources are Dispersed

At present, the own logistics distribution team of many catering enterprises has its own coverage area, the reality of the problem is that each store service time is relatively concentrated, the catering enterprises logistics resources without integration, making the logistics distribution team of catering enterprises in different overlapping area distribution. There is no unified combination of distribution staffs and rearrange the task in idle time. With the major catering enterprises continue to strengthen their awareness of the Internet, line catering enterprises under the Internet is constantly reduced threshold so that it has created a relatively mature market of catering enterprises O2O. In view of this situation, it is urgent to integrate the relative scattered distribution resources, and coordinate the manpower and material resources in the overlapping areas.
Catering Logistics Distribution Has Poor Quality of Service

The purpose of developing logistics distribution for most of the catering enterprises is to make profit, it is ignored that catering takeaway profit faced to O2O lies in the user experience which directly affect the number of repeat customers. User experience includes logistics speed, dish style, price, service attitude of delivery staff, and the degree of control on time. It will make the user experience better, the number of orders quickly increase, and the income of catering enterprises ultimately boost food and beverage companies only through the above aspects of mutual coordination. According to the survey data, 87% of consumers can accept no more than half an hour of logistics and distribution during the meal peak. But now a lot of catering enterprises cannot meet the requirements of this distribution, distribution time exceeds the time range of customers expected. In addition in the order of concentration time, on average, more than half of the orders cannot receive or delay delivery, because there is no way to guarantee the meal receiving time of customers, the taste and quality of food, this can result in customer dissatisfaction.

Catering Logistics Distribution is Lacks of Standard

China's logistics standards are not yet completed, it is only for specific issues to develop the legal norms, there is no provision of food safe operation of the standard and precautions in the logistics distribution which results in that food logistics security cannot be achieved. At present, China has not yet established a monitoring system to ensure food quality which can monitor food production, storage, transportation and sales of the whole process. Poor execution of temperature and food hygiene related laws and regulations leads to food in the entire logistics process of the quality of the situation cannot be effectively controlled and guaranteed. The lack of standardized system makes a lot of catering enterprises lack of coordination in developing logistics distribution and no standard system and standard when food are from catering enterprises to customers.

Logistics Distribution Optimization of Self-ordering Platform Catering Enterprises for O2O

To Construct New Logistics Distribution Mode of Catering Enterprises with the Third Party Logistics

![New Logistics Distribution Mode of Catering Enterprises](image)

Figure 1. New Logistics Distribution Mode of Catering Enterprises with the Help of Third Party Logistics.
There is no doubt that the current lack of food logistics capability has become a significant obstacle to takeaway business development, guarantee the food to the customer within the agreed time, which not only affects the customer satisfaction, but also directly determines the potential demand for takeaway market. The basic method of breaking through the lack of self-catering logistics capacity and logistics distribution resources scattered is to optimize the distribution path, the basic direction is to use big data on the catering industry to conduct accurate analysis of customer behavior, the combination of self-built logistics distribution team and third short distance logistics distribution will be a new catering logistics distribution model.

The use of new catering logistics distribution model can not only expand the social consumption, but also expand the food takeaway business, even can promote separation of production and consumption of catering industry services on the site, create a new business model of catering industry. As shown in Figure 1. The specific operation of the mode is as follows: the catering enterprise receives the ordering information of the consumer through the network, telephone and mobile terminal. After analyzing the data through big data mining technology, the catering enterprise assigns the order to its own distribution personnel or submits to the third party catering logistics distribution enterprises. The model can use open API interface and third-party catering logistics distribution enterprise background distribution system for docking, update and delivery of distribution data in time. Each delivery staff handheld positioning system, when the delivery staff accept instructions, required to perform related tasks according to the delivery route planning, execution is completed, upload electronic data to the catering business database, the data become big data sample, can further consolidate the next distribution effect, enhance the efficiency of delivery.

To Realize the Standardization of Catering Logistics Distribution Service System

First, it is necessary to get through the online and offline links and let customers feel that the service, the number of dishes, the price of online and offline are the same. At the same time it should to allow customers to be able to make an appointment at any time through the network, point order, payment. In conditions permitting, consumer information and consumption points, preferential information can get through because those data will facilitate the business in the future accurate sales.

Second, it is important to achieve standardization of food control. Western-style food dishes is easier to develop a unified standard, but Chinese food dishes are often not clear standards, in order to cope with the new opportunities and challenges of catering enterprises, large-scale catering enterprises should establish a standardized central kitchen, the procurement of raw materials and distribution of uniformity, the development of a unified standard, catering enterprises can establish check acceptance of the raw materials and accessories through the development of unified control of food safety, in order to strictly control raw materials, catering enterprises should to establish cooperation with the local ecological green raw material base for consumers to eat healthy and safe food. Catering enterprises should also to protect food safety from the source and make unification in production and distribution of the brand dishes, it can enhance its professional production and control. Non-compliant products are not allowed to enter into the kitchen, while food processing site environment, equipment and facilities health quarantine and other aspects should be strictly in accordance with the relevant national food safety conditions to ensure zero food safety incidents and strictly monitor the procurement process from the hands of consumers to the supply chain of raw materials and food quality.

Third, it is urged to improve the catering business professional services and customer stickiness. Such as Starbucks which will be positioned as customers in addition to work and family outside the third space for customers to provide free wireless network services, customers can rest and chat at Starbucks and free access to the Wall Street Journal, the New York Times and other quality content.

Fourth, it ought to establish and improve the payment and refund system. Catering enterprises can be introduced into the current third party payment, such as Alipay, WeChat two-dimensional code payment and settlement, to achieve effective docking enterprise self built platform and the third party payment platform.
To Strengthen the Construction of Logistics Distribution Information System

The construction of the information system of catering industry is very important. It can link the purchasing, processing, storage and distribution system of the whole enterprise organically, strengthen the interrelationship among the enterprises, the third-party catering logistics distribution organization and the consumers, and make a complete file of food traceable system from the farm to the table. Catering enterprises logistics information system can include ordering system, out of storage management system, information feedback system, point of sales management system and other sectors. It can ensure the quality of raw materials and food safety through the unified control and unified distribution of information system.

To Perfect the Laws and Regulations of Catering Logistics Distribution

With the improvement of people's consumption level and the accelerating pace of life, people's concept of food consumption more tend to rational. At present, different levels and different grades of catering industry in all regions basically formed a full range of market competition pattern, catering enterprises should establish business philosophy for the purpose of mass consumption, and actively adjust the catering structure in the face of this situation, catering enterprises can be invincible. Only by strengthening the characteristics of management, brand management and personality management.

Catering enterprises should also pay attention to the food and beverage products as the center of management, through the enterprise internal management innovation to reduce costs, improve efficiency, enhance the catering business distribution capacity. At the same time, the government should improve the logistics distribution system of catering enterprises, as soon as possible to establish a unified, standard system for the consumer to create a safe, nutritious, delicious food environment. At present, "food cold chain logistics service standards" industry standards led drafting by China Federation of logistics of cold chain logistics Specialized Committee and Jingya food are under development, it will better promote the healthy development of catering industry logistics. But at the same time, it is not perfect at other relevant laws and regulations of catering logistics distribution process, governments at all levels should perfect catering logistics distribution laws and regulations as soon as possible, to create a standard harmonious dining environment, to ensure the interests of consumers.

Conclusion

To consider the long-term development of the O2O market, if the catering market want to do similar to Taobao's size, catering enterprises need to work together and know the broad development opportunities of O2O from the thought. In the O2O mode, the suitable logistics distribution mode has the significant meaning to the catering enterprises. Catering enterprises with self-built O2O platform need to improve the importance of logistics distribution, by means of third-party logistics distribution to create a new logistics distribution model to achieve standardization of catering logistics distribution service system, strengthen the logistics distribution information system, logistics distribution laws and regulations to solve their own problems. China's catering industry has entered a critical period of upgrading and transformation. With the combination of catering and O2O opportunities, catering enterprises in the future competition in the industry must choose and improve the O2O logistics distribution system in order to obtain more competitive.

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References


