

Research on the Transform of Business Model in the post-epidemic Era -- A Case Study based on symbiosis

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ABSTRACT: *Based on the symbiosis perspective, this article selects Meituan to conduct a case study, which released the "Spring Breeze Action" during the epidemic to drive industry symbiosis. We analyzes the logic of its business model transformation, and further outlines the path of corporate business model transformation from the symbiosis perspective. That is, through the partial adjustment of each element module, the whole body will be affected by one move, and the four values of value proposition, value network, value maintenance and value realization will be realized, and finally multi-party win-win and value creation will be realized. This article has enlightening significance for enterprises to carry out adjustment of business model transform in the turbulent environments.*

KEY WORD: *Business model transformation, Symbiosis theory, Case study. Mei tuan*

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I. INTRODUCTION

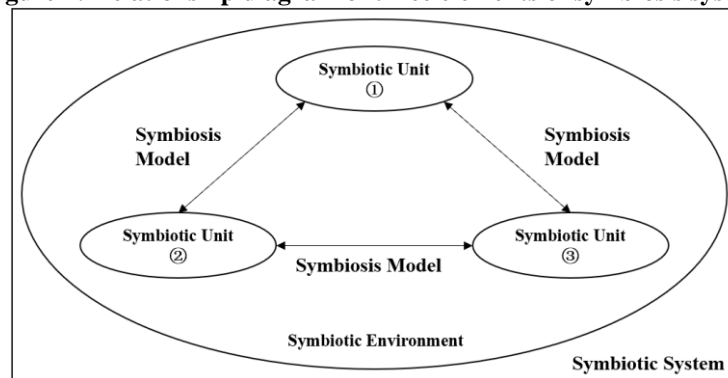
According to the national Economic data for the first quarter released by the National Bureau of Statistics on April 17, China's GDP in the first quarter of 2020 was 2.5054 trillion yuan, down 6.8% year-on-year. Covid-19 has had a profound impact on China's economy and society, among which catering, accommodation, tourism, transportation, culture and entertainment and other industries have been hit the hardest. However, the external environment in which enterprises are located is turbulent. In the ERA of VUCA, enterprises will encounter crises with the characteristics of uncertainty and unpredictability at any time. However, the epidemic can expose the deficiencies and problems in the business model, forcing enterprises to reform their business model and turn the crisis into an opportunity. Then, how to transform the business model according to the external environment and the stage of enterprise development to turn crisis into opportunity and realize value creation is a topic worthy of attention. Based on this, this paper selects Meituan, which released the "spring breeze action" during the epidemic period to invigorate the industry ecology, as the object of case analysis, and explores the path of its business model reform based on symbiosis, so as to provide reference and inspiration for the business model reform of enterprises in the post-epidemic era.

II. THEORETICAL BACKGROUND

The academic research on the business model is detailed and concentrated on the definition of the business model and the analysis of its constituent elements. In terms of definition, the existing research mainly from a strategic perspective, the management system or organization structure perspective, the perspective of value creation and so on to discuss the connotation of business model (including the peng, 2014), among them, the influence of the perspective of value creation is the most widely, and some scholars based on this perspective, think the business model is ultimately help enterprises to achieve to create value, value sharing and win-win cooperation (zhang, 2019), "business model is the enterprise value creation logic" point of view also gradually get industry recognition, value proposition, value creation, value delivery and value for the business model of linear value logic (Zhu Mingyang, 2015).

Symbiosis originated from biology, and the initial research mostly focused on the biological field. With the deepening of the research, symbiosis, as a perspective and methodology to understand the world, has gradually expanded to economics, management, sociology, philosophy and other disciplines. One of the characteristics of symbiosis is the coexistence of competition and cooperation. It is a system of interaction and mutual influence formed by symbiotic units linked together in a certain symbiotic environment in accordance with a symbiotic mode. It is mainly composed of symbiotic units, symbiotic environment and symbiotic mode (Yuan Chunqing, 1998). Figure 1 shows the relationship between the three elements of the symbiotic system. The ultimate goal of the symbiotic system is the co-evolution, mutually beneficial coexistence, mutual benefit and win-win, and co-creation value among the symbiotic units.

Figure 1: Relationship diagram of three elements of symbiosis system



To sum up, what business model and symbiosis advocate is to create value. Starting from the perspective of symbiosis will help to understand the nature of business model and provide methodology for the change of business model.

III. RESEARCH DESIGN

3.1 Methodology

This article uses a single case study approach. Case study method is an empirical research method to reproduce the situation, excavates the laws behind the situation, and focuses on answering the "how" question. Research question of this paper is the outbreak era enterprises how to carry on the business model based on the symbiotic perspective transformation, belong to the category of "how" problem, you can select the typical and representative from the realistic situation of enterprises, analyzes the question of "how" in this case enterprise were discussed and summarized, to understand and grasp the inner mechanism of the case enterprise business model change.

3.2 Case Selection Criteria

In this paper, Meituan takeout is selected as the research object. The selection of this case is mainly based on the following three sample selection principles:

First, the principle of object typicality. Meituan is a leader in the domestic life service e-commerce industry and a mature practice in the industry development. The design and reform of its business model have reference significance.

Second, the principle of enterprise representativeness. During the covid-19 epidemic, Meituan's "spring breeze action" was well received by merchants. On May 26, the day it released its quarterly report, even though the report showed a loss of 1.7 billion yuan, Meituan's share price continued to rise, reaching a record high that day. Therefore, it is representative to explore the transformation path of Meituan's business model.

Third, the principle of data availability. Meituan is a leading e-commerce platform for life services in China, with many media reports, industry research, and commentary articles and literature. During the epidemic period, the government, media, academia and others paid close attention to the catering industry, so rich materials and data can be obtained through multiple channels, which is also conducive to the establishment of mutual verification between data.

3.3 Data Collection

The data sources of this paper are mainly secondary data collected for Meituan "spring breeze action", and the data are collected through a variety of channels and ways, so as to cross-verify and complement each other and form an evidence triangle. Specific information includes: Meituan takeaway, Meituan university and other case company official information; Collect and sort academic literature, review articles and other materials related to Meituan, catering and spring breeze action on CNKI, WanFang, WeiPu and other databases, data providers such as ai media consulting, and commercial information websites such as huxun.com and 36kr; Collect media report information about Meituan spring breeze action on sohu, Tencent and other news and information websites.

IV. CASE STUDY

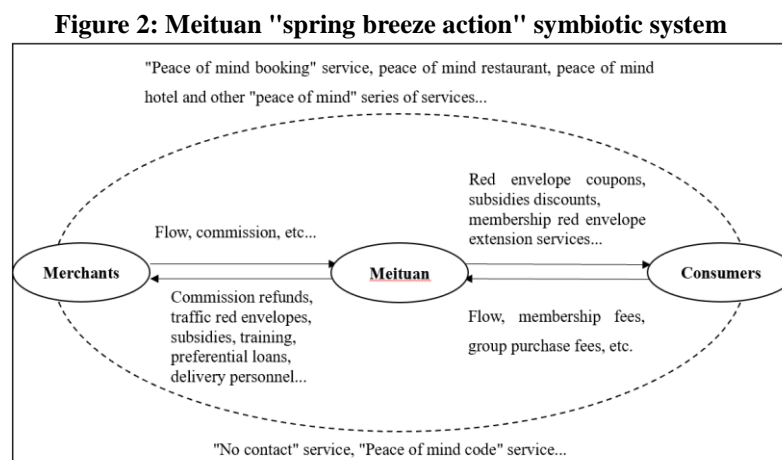
4.1 Case Description

On February 26, the Joint prevention and control mechanism of the State Council held a press conference in Beijing, introducing that it will step up efforts to help hotels, restaurants, cultural tourism and other industries severely affected by the epidemic to resume work and production. In this context, Meituan,

responding to the call of government departments, proposed to launch the "spring breeze action" on the same day. On the one hand, it helps businesses with lips and teeth to resume work and production, and drives the positive cycle of the industry. On the other hand, through this initiative, the business model can be partially adjusted to respond to the abrupt environment and reduce the impact of the epidemic on Meituan. From February 26, the first to March 9, the upgraded version announced seven measures to May 26, the launch of millions of small shop plan, Meituan "spring breeze action" from the merchant, consumer, environment and other aspects of layout, stimulate consumption, recovery of supply, invigorate the life service industry symbionts.

4.2 Symbiosis Model Analysis

According to the above case description, this paper found that Meituan launched during the outbreak of "spring breeze action" build a virtuous cycle of symbiotic system, in which, Meituan platform, merchants and consumers symbiotic unit under the environment of the symbiotic resource exchange, value creation activities, realize win-win symbiosis, create value, as shown in figure 2, the arrow represents the flow of resources, knowledge, solid line oval represents symbiotic unit.



SymbioticUnit: in the symbiosis system formed by "spring breeze action", three main symbiosis units, namely Meituan, merchants and consumers, are involved. The basic units of these symbiosis system are mutualism, and they are involved in the exchange, connection and communication of commission, flow, subsidies and other resources among each other.

SymbioticMode: "spring breeze action" is Meituan's measure to revitalize the life service industry in response to the epidemic environment. Specific actions and cooperation are characterized by one-off, transient, randomness and instability, and it belongs to the point symbiosis mode. Meituan takes advantage of the digital power and resource advantages of the Internet platform, starts from both ends of guaranteeing supply and stimulating consumption, and provides merchants and consumers with support, security and confidence in commission, flow, subsidies, preferential loans, training and other support in terms of takeout resumption, supply chain service, security and cash flow support. At the same time, merchants and consumers bring traffic, commissions, membership fees and other returns to Meituan, which will be more obvious in the long run.

Symbiotic Environment: Meituan intervenes the consumption environment to ensure the achievement of the initial goal of "spring breeze action" and creates a symbiotic environment that plays a positive role. Through the launch of "secure booking" service, "contactless" service, "secure code" service, "secure" series of services, for other symbiotic units -- merchants and consumers, to create a secure, worry free, secure external consumption environment, to ensure the smooth operation of the symbiotic system.

V. FINDINGS

Through the analysis of "spring breeze action", it is found that Meituan's adjustment change of business model in response to the epidemic is based on the change of symbiosis perspective, which aims to cooperate with the industry to seek win-win results and realize value co-creation. Next, this paper will start from the four modules of value proposition, value creation, value transmission and value acquisition, and elaborate the internal logic of Meituan's business model transformation based on the concept of symbiosis.

5.1 Value Proposition: Strategic Mission

Meituan has always been committed to building a one-stop life service platform with the strategic mission of "helping everyone eat better and live a better life" and "eating" as the core. However, during the epidemic, the implementation of this mission was difficult and difficult. To deal with the impact of environmental uncertainty and get the mission on track, Meituan has launched the "spring breeze initiative". First of all, with the strong digital ability, to create a secure, worry - free consumption environment, from the source to solve the consumption environment security problems; Secondly, from the commission, subsidies, loans, training and other angles to help merchants resume work and production, from the supply side began to recover; In addition, in order to stimulate consumption, Meituan provides red envelope consumption coupons, subsidies and discounts, etc., to activate demand at the consumer end. In short, "Spring Breeze Action" focuses on the industry itself. By starting from several nodes in the industry chain, it helps the life service industry recover, drives the industry symbiosis, and creates more survival value, entertainment value, social value and leisure value for users in the platform.

5.2 Value Creation: Key Business

The value creation process of "spring breeze action" can be analyzed from the key business of Meituan, which is catering and takeaway business. In "spring breeze action", Meituan's business model reform measures are mainly aimed at catering and takeout businesses, and involve merchants in the platform supply side in accommodation and tourism businesses. To be specific, Meituan injects the concept of symbiosis on the basis of the original business in this reform. First, it is to create a comfortable in-hall food environment and provide guarantee for the recovery of catering industry. Second, empower merchants from multiple perspectives to help old merchants stay on the platform and attract new merchants to enter the platform, so as to ensure the supply of takeout, tourism and accommodation; Third, provide subsidies on the demand side to stimulate consumption. According to the report of Meituan research institute, during the epidemic period, xibei and other large dinner chain brands launched Meituan takeout and added its "contactless comfort delivery", which achieved good results. In addition, Meituan reported a loss of 1.7 billion on the day of the first quarter, and its share price rose to a record high. Therefore, it can be seen that Meituan, while helping customers, is favored by the capital market, realizing the co-creation of customers' life value and Meituan platform value.

5.3 Value Delivery: Merchant Value+ Consumer Value

As an e-commerce platform for life services, Meituan's value delivery is divided into merchant value and consumer value. In terms of value delivery for merchants, Meituan first provides online quality courses for merchants through Meituan university platform, including a series of special courses on anti-epidemic, such as guide to fight against the epidemic, food safety, re-operation tips and policy interpretation, and a series of public benefit courses, such as "post-epidemic business insight", to convey the value of necessary skills for re-operation. Secondly, the problem of distribution personnel can be solved by recruiting riders, and the smoothness of food material purchase channel can be guaranteed through Meituan fast donkey, so as to ensure the smoothness of all links in the value chain. Finally, the bank partners provide special loans to merchants to help them solve their cash flow problems. In terms of consumer value, Meituan delivers extremely high experience value for consumers through its powerful distribution network, and launches "contact-free delivery" service to meet the basic consumer demand for peace of mind and rest assured. Due to the characteristics of the platform, value transmission among merchants, consumers and platforms is two-way and collaborative. Meituan retains users, acquires traffic and sets up corporate image while delivering value to users, realizing symbiosis and win-win results.

5.4 Value Capture: Source of Revenue + Cost Structure

Value acquisition can be analyzed from two factors: revenue source and cost structure. In terms of costs, "Spring Breeze Action" involves the cost of subsidies to merchants and consumers, the cost of riders to recruit a large number of delivery personnel, the cost of research and development of "Peace of mind" series of services and contactless projects, as well as daily operating costs and promotion costs. In terms of revenue sources, it mainly includes commission income from merchants, advertising income, online promotion and marketing income of catering enterprises, distribution fee income paid by users and membership income, etc. The epidemic has a huge impact on the life service industry. The "spring breeze action" can be said to be the Meituan leading industry in self-help, so the short-term balance of payments is unbalanced, the actual explicit distribution of financial value is missing, but the hidden value such as flow rate, user habits, number of businesses has been obtained.

VI. DISCUSSION

This study adopts a single case study to analyze how enterprises should change their business model in order to scientifically cope with uncertainty and turn the crisis into an opportunity when facing the turbulent environment caused by the epidemic. It has enlightenment significance for the change of business model of enterprises in the post-epidemic period: the post-epidemic era will still be an era full of uncertainty. In the face of highly volatile environment, it will be difficult for enterprises in the industry to break through the dilemma of emergencies if they stay alone and continue the old competition mode. For example, if Meituan, a case enterprise, does not issue "spring breeze action", and allows merchants to survive on their own, consumers' demand to naturally increase, and the consumption environment to develop freely, it will suffer huge short-term explicit losses or long-term implicit losses. For example, Hema Fresh food recruited Shared employees to work as temporary workers during the epidemic, which is also a manifestation of symbiotic value. It not only solves the distribution problem of fresh food, but also alleviates the temporary work problem of closed employees in catering enterprises. Therefore, the development mode of enterprises should shift from competition mode to symbiosis mode, and cooperate with industry partners to cope with the crisis and achieve a win-win situation.

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