

Research on Restaurant Online Channel Decision Considering Showcase Effect and Flow Effect Under the Background of Delivery Platform

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Abstract

With the online delivery platform becoming more and more mature, businesses with online sales demand will also build their own online sales channels in addition to joining the existing delivery platform. This study introduces the showcase effect of self built online channels and the flow effect of delivery platforms, and considers the ‘marketing effort-like’ cost, and constructs a Stackelberg game model. The main conclusions are as follows: 1. Too low or high showcase effects of self built channels will hinder the expansion of self built channels in restaurants due to the difficulty of expansion and the dispersion of resources, respectively. Only in a moderate range will it be beneficial to the channel system. 2. Counter intuitively, when the flow effect of the delivery platform is very high, the restaurants with low showcase effect can also choose to join the self built channel due to the impact of the low cost of similar marketing efforts. 3. After the restaurant selects the self built channel, when the showcase effect of the self built platform reaches the squeeze threshold, the profit share brought by the flow effect of the franchisee platform will be squeezed. Within a certain range, the income of the self built party will exceed the income of the platform party, intensifying the competition among channels. This study provides an important reference for the decision-making of sales pricing and channel selection of restaurant online dual channels from the perspective of showcase effect and flow effect.

Keywords

Delivery Platform, Showcase Effect, Flow Effect, Pricing Strategy, Channel Selection