

# The Development Status and Development Direction of Food Stores: "Online + Offline"

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## ABSTRACT

In the era of continuous development of the Internet, offline retail stores are gradually affected by e-commerce online stores, resulting in a continuous decline in sales of physical stores. There is a situation of "zero profit, no sales staff performance, and no customers" in offline stores. According to the sales situation and data in recent years, the combination of "online + offline" can help physical stores recover, and can completely fill the loopholes in online e-commerce and promote economic development. One of the major aspects of food is the most notable part of the sales process. This article mainly studies how to change the online and offline sales model in the Internet era, how to plan and develop brick-and-mortar stores and how to solve the current problems.

**Keywords:** *Physical store, Internet marketing, Offline economy, Online economy.*

## 1. INTRODUCTION

In recent years, with the continuous development of e-commerce, the growth rate of the online and offline economy has gradually been affected. Adopting only e-commerce or only brick-and-mortar stores will not help the economy. The combination of online economy and offline economy has become the direction and trend of social development. In the food industry, this combination will provide the prospect of higher quality and more efficient sales.

## 2. ADVANTAGES AND DISADVANTAGES OF ONLINE STORES AND OFFLINE BRICK-AND-MORTAR STORES IN TERMS OF FOOD

The rapid development of the Internet has driven the pace of life, the economy, and changed sales patterns. The benefits of the online economy are speed, convenience, increased employment, and monitoring of sales data through big data. Through big data technology, the consumer psychology is analyzed and summarized, and the product portfolio is launched for sales in a targeted manner. More and more online stores appear on different

platforms and control different kinds of sellers. The continuous development of e-commerce has brought a huge impact on the economy of offline physical stores, but "the shortcomings of the online economy in terms of food are particularly obvious" [1] (Adamczyk 7). Offline stores, exhibitions and other carriers are used to provide consumers with goods and services, so consumers can feel the products more intuitively and enhance the buyer's sense of experience. However, when selling food products offline, there are high costs, insufficient human resources, and lack of comparative analysis of similar products. Therefore, the online + offline integration model has become an indispensable development direction for sales and marketing.

### 2.1 Online Stores: Portable Expert & Consumers Can't See or Touch

#### 2.1.1 Advantages of Online Stores: Portable Little Expert

##### 2.1.1.1 No Time and Place Restrictions

With the development of the economy, people feel that time is more and more precious. In a fast-paced life, the time to go to a brick-and-mortar store is becoming less and less. Online stores

provide a channel without time and geographical restrictions, and people can buy the food they want at any time at home, on the subway, in companies and other places. People can taste the special food of other places in different provinces, which makes the communication and exchange of the world more convenient.

#### 2.1.1.2 Reducing Face-to-face Embarrassment

Recently popular words: socialite & social fear - these two words accurately reflect the two extremes of performance in social situations. Socialites tend to quickly blend into different situations and become dominant, while social phobia is the fear of communication. Therefore, "online shopping enables different groups of people to meet their needs" [2] (Dixit 8). People can get information and details about food without going out of their house. The appearance, specification and price of the product can be displayed in all aspects and in different stores. In offline brick-and-mortar stores, this is not possible. It is impossible for people to go to different sales locations to compare and buy a certain food product. At the same time, the sales recommendation of the salesperson often affects people's judgment ability, and people tend to listen to the salesperson's recommendation to buy a certain food. Therefore, people's calm judgment is often affected, which leads to the result of "recommended products are non-demand products".

#### 2.1.1.3 Increasing Turnover

Online sales can increase the turnover of enterprises and businesses, promote enterprise popularity, and maximize profits. The existence of online online stores reduces the costs of enterprises and merchants: physical store costs, sales staff salary costs, advertising expenses and other costs. Online stores often face the world, so "online products have the advantage of small profits but quick turnover" [3] (Li 1165). Comparing the same products in online stores and brick-and-mortar stores can find lower prices in online stores.

#### 2.1.1.4 Safer and Healthier Payment Methods

Although online payment is also popular in physical stores, more uncertainties can be reduced in online stores. Online store delivery methods can be more convenient and faster for merchants and consumers. This way avoids loss of cash and records transactions through online banking.

### *2.1.2 Disadvantages of Online Store: Consumers Can See But Can't Touch*

#### 2.1.2.1 The Virtuality Leads to the Risk of Fraud

The information of online food is all text information and video information provided by the merchants, and consumers cannot feel the food at close range. When people buy food online, they are often deceived by advertising gimmicks on food packaging. People are often attracted by words such as "nutrition", "health" and "natural" in food advertisements and stimulate their purchase interest. In fact, the essence of these foods is food that is no different from ordinary products, and even brings health problems to people. Because people with diabetes need to control their diets, when buying "sugar-free food", there are often far more types of online stores than offline stores, but online stores will deceive consumers in terms of product standards. People tend to be drawn to being sugar-free, but the videos include lots of starch, fat, and energy. Therefore, it will lead to increased blood sugar, blood lipid indicators and other health hazards.

At the same time, merchants in online stores have the behavior of avoiding important things. For example, high-fiber biscuits are often high in fat. Therefore, even if dietary fiber is good for health and body metabolism, it is offset by the disadvantages of high content of saturated fat. However, when businesses advertise and promote sales, they use consumers' knowledge blind spots to attract consumers with the advantage of high fiber, so that consumers can increase their desire to consume in a fresh advertising experience.

#### 2.1.2.2 Convenience Has Not Been Fully Popularized

Most of the products sold by online stores are mainly easy-to-store food items. Sales of vegetables and fruits are low, and delivery methods create many after-sales problems. Delivery methods and delivery times in different regions result in vegetables and fruits that are not fresh enough to reach consumers. The actual product is completely different from the picture and the salesperson's explanation, which in turn causes consumers to greatly reduce the desire to buy on the Le online platform. At the same time, the number of online points for suppliers of vegetables and fruits is too

small, and the quantity of vegetables supplied is limited.

### *2.1.2.3 Weak Protection of Consumer Rights*

Online food is often traded through some purchase APP platforms or live broadcasts. The biggest disadvantage of this transaction method is that it generates concealment and uncertainty through the Internet, and most of the food sold may not have obtained the permission of the relevant industrial and commercial, food, health, and taxation departments. Therefore, when consumers find that the food they received is different from the promotional information and ask for a return, there is often a "no one cares" response method, so the protection of consumers' rights is greatly reduced.

### *2.1.2.4 Food Supervision Is Too Low*

The retail bulk of online stores and the products made by merchants often do not have disinfection and sanitation testing methods, and the operation of online stores is easy to operate. Therefore, many online stores do not have hygiene guarantees from the source of purchases. At present, the supervision of food sales in the traditional market has gradually been fully regulated, while the food sold in the online store is still in violation of laws and regulations due to the concealment of the purchase mode. Due to the continuous updating and upgrading of network technology, merchants use different technologies to operate, resulting in gradually increasing difficulty in supervision. The online food market has become one of the sources of food safety instability and is harmful to society.

## ***2.2 Offline Physical Stores: Visible and Tangible & Time-consuming***

### *2.2.1 The Advantages of Offline Physical Stores: Consumers Can See, Touch and Taste*

#### *2.2.1.1 Being Visible*

Consumers are often more keen to buy some high-priced foods in brick-and-mortar stores. Consumers can directly observe the actual situation of the video and conduct on-the-spot inspection of the goods. Food in physical stores gives customers a sense of authenticity and freshness, especially in fresh food. Real objects are far more three-dimensional and real than simple pictures and words. At the same time, consumers can

communicate directly with store owners or sales staff face-to-face and view product details on the spot based on feedback.

#### *2.2.1.2 Being Touchable*

Under the influence of traditional consumption habits, most consumers prefer to see the real food before purchasing. Consumers can exchange goods in a C2C mode with sellers in physical stores, thereby preventing unscrupulous merchants from "dropping packages and stealing exchanges". Buying in a physical store can enhance the consumer experience, and people can enjoy shopping with friends and enhance their spiritual pleasure. In addition, offline purchases often make people more aware of the concept of product specifications and prices, thereby preventing cost-effective issues such as excessive purchases.

#### *2.2.1.3 Consumers Can Taste*

The most important parts of food are: taste, quality, standard of additives, license, etc. The biggest advantage of buying food in offline physical stores is that you can decide whether to buy it after tasting the experience pack. The real experience of food is currently only available in offline brick-and-mortar stores, especially some expensive and complex foods. Offline stores make the food purchasing process safer and provide after-sales service, which in turn gives consumers greater peace of mind.

## **3. "ONLINE + OFFLINE" INTEGRATION**

The whole sale model can gradually achieve the "online + offline" integration by using SWOT model to analyze and summarize the food information content of online and offline stores.

### ***3.1 Offline Stores Focus on Store Location & Online Stores Focus on Content-based Sales***

A good store location is the most important part of improving offline store sales. Merchants should choose according to their business content. Because of the different types of food being sold, the requirements for the location are also different. The basic starting point for offline stores to consider is to provide convenience for people. It is worth noting that the location of the store should be determined according to the nature of the store so

that the store is close to and around the customer base. Often the same type of sales stores needs to be selected in the same area, so that people can compare and choose. The food in the online store must be synchronized with that in the offline store to ensure food safety, production hygiene conditions, raw material purchase channels and raw material quality. Since the establishment of the online store is relatively simple, the health inspection of the production staff and the food production and operation license of the product are further determined and checked. Enhance the online store experience by showing consumers more information about the production date, shelf life and nutritional content of food.

### ***3.2 Uniform Price and Service***

The vast majority of online store sellers directly connect with the factory, so the cost of online sales is lower. Offline stores need to gradually unify and synchronize prices with online points. Stores of different sizes can have direct contact with food manufacturers, thereby reducing the process of “marking up” by middlemen. By adopting the C2C model, offline stores can appropriately reduce the number of sales staff, and some stores have too many sales staff, resulting in high costs and increasing food prices. Offline stores summarize and communicate with manufacturers based on consumers' purchasing preferences, so as to “achieve more favorable cost prices with more quantity” [4] (Rasoli 123). Offline stores often provide more services, people can taste and pay attention to the food processing process, online stores should focus on service provision. For some products that can provide experience packs, delivery is based on the number of consumers browsing products online and consumers' attention, allowing consumers to feel the food more closely.

### ***3.3 Providing Customized Services Jointly***

Online stores and offline stores have their own advantages, but they lack the part that provides customized services. In the face of some people who need to pay special attention to diet, such as pregnant women, infants, people with low immunity, people with diabetes, etc., “offline stores and online stores need to provide relevant customized foods to support customized tastes” [5] (Svatosova 147). The offline store has become a carrier for consumers to consult and communicate and customize the selection of raw materials. Since customization takes a certain amount of time, the

online store will deliver the customized food after completion, and the process and results of the customization will be promoted online, thereby attracting more customers. It is worth noting that the store layout of offline stores needs to be transformed according to the integration model, reducing the number and area of unnecessary booths, and increasing the area of production rooms and customer experience. At the same time, offline stores can increase the number of Internet celebrity check-in and photo spots, so as to achieve the connection with the information flow of the Internet. Online shops need to enhance the communication of sensory information and reduce unnecessary information and advertisements.

### ***3.4 Improving Rights Protection Jointly***

First of all, consumers need to be aware of their rights and understand the content of food safety laws. The problems of food rights protection and after-sales service are always emerging. The new Food Safety Law, which has been implemented since 2015, also “provides detailed instructions on the safety supervision of food in offline stores and online stores” [6] (Walcott 69). Food transactions in online stores and through other third-party platforms require real-name registration of food operators to clarify their responsibilities for food safety management. Those who should obtain a license according to law should also review their license. If consumers' legitimate rights and interests are damaged when they buy food online, they need to be compensated accordingly in accordance with the law. Consumers can directly claim compensation from food operators, or compensation can be provided by the trading platform. Online stores need to provide channels such as food complaint telephone numbers. Relevant departments need to increase the inspection of e-commerce companies. Due to the phenomenon of “fake and real” online purchases, once there are problems such as the qualification and reputation of online food operators, the food supervision department needs to “impose administrative penalties on them in a timely manner” [7] (Zhang 17). If an e-commerce platform operator fails to register the operator's real name and review the license according to the law, thereby harming the legitimate rights and interests of consumers, consumers and relevant departments should claim that the platform operator and the food operator bear joint and several liability.

Offline stores must completely solve the prominent problems that the people are generally concerned about. Regarding the quality of food, because it is impossible to accurately investigate whether the offline operators know the essence of the food, some situations need to be identified as the operators "knowingly". For example: the food is still sold beyond the shelf life, unable to provide a legitimate source of purchase, purchased at an obviously unreasonable low price and sold at an unreasonable price, and failed to fulfill the obligation of purchase inspection according to law. Moreover, operators of offline stores need to clarify every step to reduce loopholes and provide consumers with safety guarantees for food circulation. It is worth noting that in the sales practice of online stores and offline stores, it is necessary to fully consider and eliminate the human factors caused by consumers in many aspects, so as to further enhance the operability of the law. In the face of consumer fraud, relevant departments need to give operators strong protection and support.

#### **4. CONCLUSION**

Under the premise of the continuous development of the world economy, the combination of "online + offline" can further promote social development and achieve world information exchange. In food, this model needs to be vigorously applied and promoted to gradually become an indispensable development direction of sales and marketing.

#### **AUTHORS' CONTRIBUTIONS**

This paper is completed by Zhe Li independently.

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