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**The Spread of Home-Made Meal Delivery Services in Beijing and the Role
of Social Networks**

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Abstract

In this study, we examined the role of SNS fashioned social networks in the home-made meal delivery service in Beijing, and the resulting spatial expansion of the service area. It was found that the number of providers grew rapidly after the Covid-19 pandemic was downgraded in 2023. This coincided with their use of SNS to learn about the existence of potential customers and conduct business. A feature is that this promotes interaction between customers and small business operators. The bedrock of its continuity is the mutual trust, unmonetized reciprocity, and information exchange. While the high per capita disposable income of the 6 districts considered the centre of Beijing reflect the historical evolution of the city, the significant spatial development of the home-made delivery service has not been in uniform correlation with that. Moreover, there are pockets of increased activity in outer areas. Magnified by this incongruence, constants and patterns emerge.

Key words: home-made meal delivery service, SNS, social network, Beijing, China

Introduction

growing amount of economic geography research since the 1970s has focused on the concept of “embeddedness” proposed by Granovetter and others, and examined how non-economic factors such as social networks affect the development of companies, industries and regions. There is particular scrutiny of the network of personal relationships that interconnect people, companies and places. It is argued that all economic activities are embedded in this network (Aoyama et al., 2014). Therein, the role of “social capital”, which is considered to be a relationship that plays a productive role in the development of companies, industries and regions, has been organized by Coleman (1988), Putnam (2001, 2006), and others, as follows.

Coleman (1988) states all social capital constituents “consist of some aspect of social structures, and they facilitate certain actions of actors - whether persons or corporate actors - within the structure. Like other forms of capital, social capital is productive, making possible the achievement of certain ends that in its absence would not be possible” (Coleman, 1988), and classifies it into three forms: “obligations, expectations, and trustworthiness of structures” first, “information channels” second, and “norms and effective sanctions” third. Coleman argues that the existence of close social networks permeating social capital reduces the likelihood of deviant behavior. Putnam (2001) refined Coleman's theory into three elements: “trust,” “norms of reciprocity,” and “networks of civic participation.” He argued that the accumulation of social capital promotes the development of trust within the social structure, and contributes to the development of democracy by encouraging civic responsibility, mutual good will and unsolicited cooperation. Although there are differences in perspective and research methods, these discussions agree that trust and reciprocity play an important role in the development and preservation of local communities.

The spread of the internet and social networking services in recent years has further developed the debate. In other words, there is a need to consider how the networks formed through the use of the internet affect social capital and their role in shaping society. Here *et seq*, we will summarize previous research that has discussed the relationship between the use of SNS and real space.

Online communities have also been regarded as part of a broader social network (Rheingold, 1993; Hiltz and Turoff, 1993; Stoll, 1995), whereas Wada (2008) emphasizes the need to focus on their interaction with real space. Against this background, research into how internet use affects real-world social activities and regional development has intensified since the 2000s, with particular focus on how the use of social networking services contributes to collaboration with local communities. Okamoto (2000) researched the relationship between information and communication technology and local communities, and discussed the impact of the development of information technology on cities, transportation, and women's social activities. He highlights the importance of community-based networks, saying that “the

web of social networks is woven by the connections of people living in a particular time and place, and even in the information age, it is extremely geographical” (Okamoto, 2000: 53). Furthermore, Kim (2014) observes that when social capital develops in social media spaces such as SNS, social costs in SNS spaces decrease, enabling healthy development and smooth business activities.

Inagaki and Hara (2021) studied the formation and magnitude of social capital through the use of social networking sites by female farmers and classified the support they received. They postulate that the development of the Internet will change people's interactions and behavioral patterns, and, by applying the aforementioned social capital model, it is possible to further clarify the role of communities formed through the use of social networking sites.

These previous studies show that the Internet provides new connections with existing social networks through various means of synchronous and asynchronous communication, thereby enabling their restructure and acquisition of social capital (Ellison, Lampe, Steinfield and Vitak, 2011).

From an economic geography perspective, it is necessary to consider how social capital, as introduced above, affects the development of companies, industries and regions, with particular interest in how social networks are affecting the new business models and services that have rapidly expanded since the Covid-19 pandemic.

In this Beijing case study, we focus on the predominantly self-employed home-made meal delivery service. In conjunction with prospective customers being spared the need to mull over a wide range of order options, since around 2023, the low calorie, low salt, high nutrition and home-style flavor set menus have proved popular and consequently sidelined alternative online food delivery services. One of the characteristics of examining the development of such newly-born small-scale businesses is that they are very social capital and SNS customer evaluation sensitive during the establishment and development process. For this reason, from the perspective of social capital, this paper will examine the factors that led to the establishment of this new business type. In other words, (1) we will examine the nature of trust and reciprocity within social networks through the use of SNS in business, and clarify the benefits that such networks bring to operators. (2) We will then examine how such networks and the businesses formed through them expand geographically.

Research Area

Beijing, the area of study for this paper, is divided into 16 administrative regions, of which six are considered to be central districts: Dongcheng, Xicheng, Chaoyang, Fengtai, Shijingshan, and Haidian (Figure 1). According to the “Beijing Area Statistical Yearbook 2023”, these six districts have a significantly higher level of per capita disposable income than other districts, and play a central role in Beijing's economic activities.

Geographical distribution of home-made meal delivery services

Home-made meal delivery services attract customers by posting advertisements and information on RED, a Chinese social networking service similar to Instagram. As of December 1, 2023, the geographical distribution of providers posting advertisements on RED was as shown in Table 2. The 6 central wards *en bloc* provide both the highest absolute number and highest density (per million) of home-made meal delivery businesses. Even if 4 out of the 5 wards with more than 5 home-made meal delivery businesses per million people are located there, 2 central districts, i.e. Shijingshan and Haidian, are not as busy, while Changping District, adjacent to the center, by definition, with more than 5 operators per million people too, is an outlier. However, its underlying economic indices e.g. income per capita, are not as robust as those of the richer central boroughs.

On the other hand, eight of the non-central administrative regions, i.e. excluding Changping for example, provided few posts from either private users or businesses, a stark contrast that magnifies that this business phenomenon is sprouting from upmarket central areas, fueled by high population densities and above average disposable incomes. This does not preclude the possibility that eventually there will be an entrepreneurial overspill, for example, into the west of the central hub and the hinterland, but, for the time being, the development of the home-made delivery service has not progressed very much in such areas and the number of businesses per capita remains relatively low.

As for elsewhere, there are home-made deliveries in other large cities with high income levels such as Shanghai and Shenzhen, but Beijing is the most high profile example, with claims serendipity is a factor.

The Development of Home-Made Meal Delivery Services in Beijing and the Role of Social Capital

From February to April 2024, we conducted semi-structured interviews with 15 people who operate home-made meal delivery services. The basic attributes of the subjects are summarized in Table 3.

In this section, we will first introduce the reasons why the survey subjects started their home-made meal delivery services. Many cited economic factors after losing their jobs when companies in China downsized as a result of the Covid-19 epidemic. Home-made meal deliveries provided an income. The sample also includes full-time housewives with grown-up children who consequently have more free time, and middle-aged and elderly retirees. For others, cooking was a hobby. A lot of these entrepreneurs are operating without a business license for the food and drink industry. Relaxed regulation and uncomplicated start-ups for little outlay were the attraction for many.

Respondent ID10 however originally ran a restaurant, but noticed that home-made meal delivery services were becoming more popular, and therefore, after obtaining a formal business license, to try and increase sales, opted for this kind of business model, a possible precursor of corporate penetration of the home-made meal delivery market to come.

As hitherto explained, since this business model is SNS driven, the qualification benchmark for start-ups and outlay is lower than for restaurant businesses. That said, there are nevertheless some operational integrity issues that need to be addressed in order for this service to become genuinely viable: (1) unlike standard delivery services, there is no customer guarantee of delivery upon payment; (2) providers have no disclaimer protection from unfounded refund claims. In response to point 1, the businesses are putting a lot of effort into gaining the trust of their customers. For example, by posting photos of their food, menus and nutritional information on social networking sites, and putting a lot of thought into the packaging. Beijing's central residential areas, where there are many high-income earners, offer cause for optimism as there is already an innate trust of the businesses, lending itself to an x number of assured home-made meal orders. Moreover, businesses grow, become viable or shrink correlatively according to x number of customers, x customer reviews on the business operator's website and chat groups, and x positive reviews. The higher the number of positive reviews, the easier it is to acquire new customers, grow the business and consummate the product's viability. Conversely however, the maxim of correlation remains true for progressively negative reviews, i.e. when it becomes difficult to maintain the trust of customers. For small businesses in particular, positive customer reviews are the lifeblood for continuity.

To further this end, operators have established chat groups to interact with customers, many of whom live in the vicinity of the operational bases. This has provided residual benefits for operators, such as compliments and delivery obligations waived by customers who are happy to pick up their orders themselves. "I'm worried about how hard it is for them to deliver on a hot day" or "It's okay if they take their time on a rainy day" were some of the customer replies in the interview survey. As well as the

people who said they would collect the meals themselves, others did not care about the content as long as it was edible. “These things give me more happiness than just earning money”, were the words of owner ID2. ID11 said, “In the SNS group of customers who buy my food, sometimes customers interact with each other, talk about their worries, and help each other out”. There were many comments like these, and, in some cases, the development of an unmonetized mutual appreciation between the business operator and the customer is what underpins the continuity of this service. However, the conditions to nurture such social relationships can be capriciously at the behest of factors such as area culture, identity, local geography, e.g population size, population density, the income levels of residents, the degree of urbanization, etc. On the other hand, sometimes the explanation for budding relationships is much more straightforward, enabled by the “chance” alignment of time and place of 2 or more intrinsically individual variables, contingent upon their mutual agreeability, such as in friendly conversation, and arguably uninfluenced by environmental factors. Even if the results of the interview survey in this paper may be insubstantial, they indicate “chance” immediately after the start of the business may have a significant impact on the subsequent development of social relationships and services.

While it can be pointed out that the formation of social relationships between businesses and customers has the potential to affect the expansion and development of this industry, it was unclear whether the service had any effect on increasing the sense of solidarity in the local community as a whole.

Conclusion

In this study, we examined the role of SNS born social networks in the home-made meal delivery service in Beijing, and the consequent spatial expansion of the service area. As a result, it was found that the number of businesses providing this service in Beijing grew rapidly after the Covid-19 pandemic was downgraded in 2023. The businesses providing this service had begun to use SNS to learn about the existence of potential customers and to conduct business.

Since these delivery services are run from home, they require little initial investment and have low operating costs. This makes it possible to earn income with relatively low risk. For many housewives and retirees in particular, it is an attractive option for supplementing their incomes.

The following characteristics of this service were identified: (1) the existence of “reviews” on SNS is the basis for ensuring the reliability of the business operators, and (2) business operators running small-scale businesses are interacting with customers through SNS for unmonetized purposes. It was also revealed that mutual trust, unmonetized mutual good will, and information exchange, are the bulwark for the continuity of the business.

The spatial development of these services shows that they are particularly active in ‘central’ Beijing, where per capita disposable income is high. However, even therein, the growth of these services is variable, while pockets of activity outside the central hub that may be more due to “chance” alignments of circumstances and agreeability also exist.

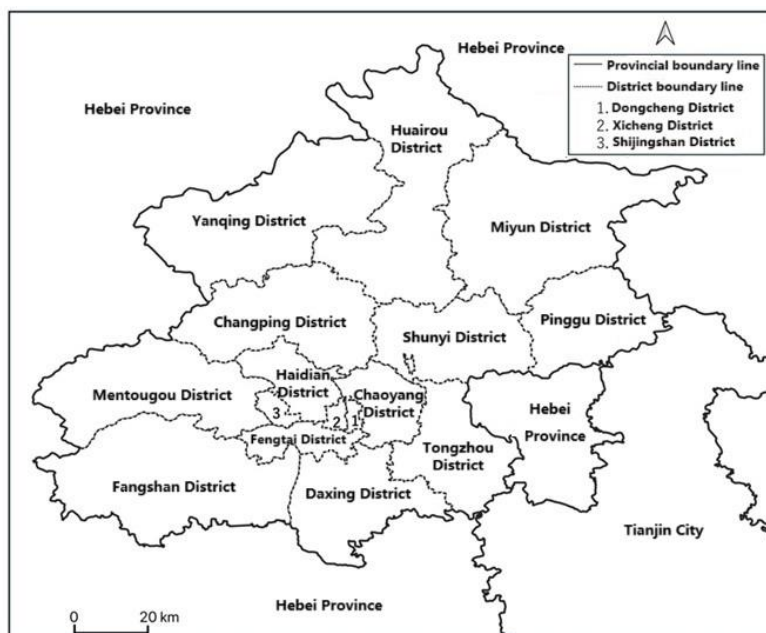


Figure 1: Each District in Beijing

Table 1: Population and Disposable Income per Capita in Each District of Beijing

District Name	Total Permanent Population (Unit: ten thousand people)	Proportion of Permanent Non - Native Population	Disposable Income per Resident (Unit: Yuan)
Dongcheng District	85.3	21.2%	92,040
Xicheng District	132	20%	99,276
Chaoyang District	458.5	37.2%	86,981
Fengtai District	264	31.2%	74,365
Shijingshan District	71.9	27.7%	86,994
Haidian District	418.3	33.9%	96,153
Mentougou District	51.1	29%	61,323
Fangshan District	174.9	33.4%	49,294
Tongzhou District	274.2	48.8%	51,618
Shunyi District	192.6	45.4%	47,590
Changping District	358.6	58.2%	58,483
Daxing District	300.7	51%	55,804
Huairou District	59.1	34.6%	47,150
Pinggu District	52.8	15.8%	45,320
Miyun District	63.4	20.5%	44,271
Yanqing District	42	22.1%	41,260

Source: Compiled from the "Beijing Regional Statistical Yearbook 2023".

Table 2: The Number of Business Operators by District and the Number of Posts and Comments on RED

District Name	Number of Business Operators (per million people)	Number of Business Operator Posts	Number of Customer Comments
Chaoyang District	54 (11.8)	861	8,704
Changping District	29 (8.1)	104	348
Dongcheng District	16 (18.8)	239	252
Fengtai District	15 (5.7)	120	213
Xicheng District	9 (6.8)	76	146
Haidian District	8 (1.9)	59	85
Tongzhou District	5 (1.8)	15	269
Shijingshan District	1 (1.4)	15	31
Shunyi District	3 (1.6)	9	234
Daxing District	2 (0.7)	9	85
Fangshan District	1 (0.6)	6	19
Miyun District	1 (1.6)	3	0
Mentougou District	1 (2.0)	2	0
Huairou District	1 (1.7)	2	0
Pinggu District	0	0	0
Yanqing District	0	0	0
Total	146	1,520	10,386

Materials: Compiled by the authors based on the content of posts on "RED" as of December 1st, 2023.

Table 3: Overview of the Business Operators in Survey

ID	Age Group	Gender	Place of Origin	Other Jobs	Price per Meal (Yuan)	Daily Sales Volume	Daily Profit (Yuan)	Business Period	Business License
1	20s	Female	Beijing	No	35	15	350	8 months	No
2	20s	Female	Beijing	No	32	37	400	10 months	No
3	20s	Female	Beijing	No	28	10	Unclear	3 months	No
4	20s	Female	Jilin	No	28	10	Unclear	6 months	No
5	20s	Female	Heilongjiang	No	30	13	230	4 months	No
6	20s	Female	Henan	Yes	33	3	Unclear	7 months	No
7	20s	Female	Tianjin	Yes	30	4	70	3 months	No
8	30s	Female	Beijing	No	28	48	570	11 months	Yes
9	30s	Female	Beijing	No	30	18	290	6 months	No
10	30s	Female	Shandong	Yes	40	70	1,800	4 months	Yes
11	30s	Female	Shanxi	No	28	4	60	3 months	No
12	40s	Female	Jilin	No	35	30	420	6 months	No
13	40s	Male	Liaoning	No	28	26	310	9 months	No
14	50s	Female	Liaoning	No	29	28	500	6 months	No
15	50s	Male	Jiangsu	No	28	26	460	8 months	No

Materials: Compiled from interview surveys.

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