

# SOCIAL SURVEY ON DOUYIN BUSINESS MODELS IN THE LOCAL LIFE CATEGORY: A CASE STUDY OF THE CATERING MARKET IN HEFEI, ANHUI PROVINCE

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**Abstract:** This investigation provides an in-depth analysis of the business model evolution and practical effects of Douyin in the local life services field, especially within the catering industry. By focusing on real cases from the Hefei market in Anhui Province in 2025, the study systematically examines the operating mechanisms of four mainstream models including influencer store visits, influencer promotion, merchant self broadcasting, and professional account promotion. It compares the differences and advantages of Douyin versus traditional media, influencer promotion versus merchant self broadcasting, and seed planting content versus brand marketing across three dimensions including communication breadth and responsiveness, communication depth and precision, and marketing credibility and effectiveness. The research indicates that Douyin is reshaping the consumer decision making path for local life through its powerful content ecosystem and precise algorithms, which offers new growth opportunities for merchants.

**Keywords:** Douyin local life; Business models; Catering industry; Hefei market; Content e-commerce; Communication effects

## 1 INTRODUCTION

### 1.1 The Development History of the Douyin Platform

Douyin is a short video social application launched by ByteDance in September 2016. In its early stages, the platform focused on creative music videos. It spread rapidly among young people by relying on advanced recommendation algorithms and an immersive user experience. By 2025, Douyin reached over 700 million daily active users and more than 1 billion monthly active users, covering over 90% of mobile internet users in China. Users aged 30 to 45 account for 52% of the total, providing a massive traffic base for local life services [1].

The core competitiveness of Douyin lies in personalized recommendations driven by algorithms. It builds user profiles through behaviors such as browsing, liking, commenting, sharing, and location to match content with users accurately. For example, if a user frequently views content about Anhui cuisine or Hefei food, the algorithm prioritizes local catering videos in Hefei. This creates a closed loop of interest, content, and conversion. Additionally, Douyin has expanded its features from simple video sharing to live streaming, local positioning, group buying, and in-store verification. This builds a complete system for content display, transactions, and service fulfillment in the local life sector.

The platform has evolved through three key stages:

**2016 to 2018:** The entertainment content stage, focusing on music, dance, and comedy.

**2019 to 2021:** The e-commerce exploration stage, featuring the rapid growth of live streaming commerce.

**2022 to 2025:** The local life deepening stage, where catering and travel services have become new growth points.

### 1.2 The Evolution of the Local Life Service Market

Local life services refer to various daily consumption services provided based on the geographic location of users. These services mainly include catering, hotels, tourism, beauty, fitness, and entertainment. Douyin started its local life business in 2020 by using a light model that combined influencer store visits with group buying links. In 2021, the platform established a dedicated local life business department [2]. During 2022, it fully opened self-broadcasting permissions to merchants and launched a support program for life service providers. In 2023, Douyin made local life a core part of its strategy and set a goal to develop 100 cities with a GMV of over 1 billion yuan.

From a business structure perspective, Douyin local life covers three core categories including catering, travel and accommodation, and leisure and entertainment. Catering and food is the largest segment, accounting for 62% of national data in 2024 and serving as the foundation of the business. The core business model relies on content discovery and instant conversion [3]. Short videos and live streams stimulate local consumer demand while the platform provides transaction tools like group buying coupons and vouchers. This approach shortens the decision path for users from seeing an item to wanting it and then placing an order. This model differs from the demand driven approach of traditional platforms like Meituan and Dianping which focus on searching, comparing prices, and ordering.

## 2 BUSINESS MODEL ANALYSIS FOR THE LOCAL LIFE CATEGORY

## 2.1 The Influencer Store Visit Model: Rapidly Building Brand Awareness

Influencer store visits refer to content creators with a follower base and influence visiting physical stores to share their real consumption experiences through short videos or live streams to guide users to visit. This model features creators showing physical scenes which provides a strong trust endorsement for the audience [4]. The content is vivid and interesting so it easily resonates with viewers and is suitable for experience based consumption. The core logic involves endorsements from Key Opinion Leaders or Key Opinion Consumers combined with content seeding. By using influencer trust and content reach, this approach quickly increases merchant exposure for scenarios such as new restaurant openings, product launches, or regional brand expansion.

Top tier influencers have over 100,000 followers and examples include Hefei Food Brother with 280,000 followers or Hefei Greedy Cat with 150,000 followers. Their content covers all of Hefei and has strong influence with fees ranging from 5,000 to 20,000 yuan per video. Mid tier influencers have between 30,000 and 100,000 followers such as Yaohai Food King with 50,000 followers or Shushan Food Sister with 40,000 followers. They focus on specific areas with precise audiences and charge between 1,000 and 5,000 yuan per video [5]. Nano influencers or KOCs have between 1,000 and 30,000 followers and are mostly regular users or part time creators whose content feels more authentic. Their fees range from 200 to 1,000 yuan per video or they may cooperate through free store visits plus commissions.

In a typical case from Hefei in March 2025, a local food influencer named Hefei Food Explorer conducted an in depth visit to the newly opened Hui Yan Fu in the Government Affairs District. A series of three videos showcased the restaurant environment, signature dishes like stinky mandarin fish and hairy tofu, and the overall dining experience. These videos accumulated over 4 million views and more than 100,000 likes. According to restaurant statistics, customer traffic increased by 75% within two weeks after the videos were released. More than 50% of customers explicitly stated they learned about the store through Douyin videos.

## 2.2 The Influencer Promotion Model Focusing on Transaction Conversion and Rapid Sales Growth

Influencer promotion refers to directly recommending products and services through short videos or live streams to guide users to place orders via links or coupons. Compared to influencer store visits which focus on content seeding, influencer promotion emphasizes conversion and the integration of brand building with sales performance. It typically uses strategies like limited time discounts and limited quantity flash sales to stimulate immediate consumption. This model has a shorter conversion path and strong impulsive consumption characteristics [6]. It relies heavily on the influence of the creator and the trust of their followers and is suitable for consumption with low decision costs.

In a typical local case from Hefei in April 2025, the influencer Xiaolu Food Diary collaborated with the local milk tea brand Kawangka to promote a new spring product called Jasmine Milk White. Through three creative short videos and a two hour dedicated live stream, the campaign sold more than 15,000 group buying coupons with total sales exceeding 600,000 yuan. In the videos, the influencer not only showcased the product but also visited the source of the raw materials to show the jasmine picking process which helped increase consumer trust in the product.

## 2.3 Merchant Self-Broadcasting Promotion through Independent Operations and Low External Dependency

Merchant self broadcasting refers to brands or stores operating their own Douyin accounts to promote products through daily content updates and regular live streams. Currently, self broadcasting has become a standard model for many brands. This model offers strong brand autonomy and precise control over content. It allows for the accumulation of public traffic and further private domain operations. It focuses more on professional and consistent content and is suitable for brand merchants with operational capabilities [7]. The core logic involves brand self broadcasting and private domain retention to reduce reliance on influencers and lower customer acquisition costs. However, merchant self broadcasting also faces challenges such as insufficient operational capacity and a lack of professional teams. Additionally, content homogenization is a problem because many merchants produce repetitive content that can lead to user fatigue.

In a typical local case from Hefei, Lao Xiang Ji further improved its Douyin operation system in 2025 by forming a professional team of 15 people and maintaining more than four live streams per day. By using themes such as open kitchens, ingredient sourcing, and chef stories, the brand established strong trust. During the first quarter of 2025, the brand sold over 180,000 meal sets through the Douyin platform and online sales increased by 220 percent year over year.

## 2.4 The Professional Account Promotion Model Increasing Trust Through Professionalism and Deeply Cultivating Vertical Fields

Professional accounts refer to industry experts or in-house professionals such as chefs, nutritionists, and catering practitioners who build personal brands and indirectly recommend services by sharing professional knowledge and skills. This model provides strong professional endorsement with core features of expertise and trust [8]. Unlike the experience based recommendations of general influencers, the content from professionals is more likely to gain audience trust if it is both informative and practical. This approach is particularly suitable for high end dining, specialty dishes, and healthy catering scenarios.

Currently, catering professional accounts in Hefei are mainly divided into three categories. Chef accounts include Hefei

Huizhou Cuisine Chef Wang who previously worked in a five star hotel and has 80,000 followers. His content focuses on teaching Huizhou cuisine and recommending restaurants with authentic ingredients and professional techniques. Nutritionist accounts include Hefei Nutritionist Sister Li with 50,000 followers who focuses on healthy dining recommendations such as ten light food shops in Hefei suitable for weight loss. Industry insider accounts include Hefei Catering Old Pro who has 20 years of experience and 60,000 followers. His content reveals industry secrets and recommends reliable restaurants that use no additives and operate with integrity.

In a typical local case from Hefei, Old Wang Talks Pastries is a pastry chef with 25 years of experience who reached over 250,000 followers in 2025 by sharing pastry techniques and industry knowledge. A spring pastry training course launched in February through Douyin saw all 30 spots filled within five minutes. This led to a monthly knowledge monetization income of over 200,000 yuan while also driving more than 1,500 customer visits to his offline store.

### **3 CHARACTERISTICS, ADVANTAGES, AND DISADVANTAGES OF SEVERAL BUSINESS MODELS**

#### **3.1 Comparison Between Douyin and Traditional Media Based on Communication Breadth and Responsiveness**

Traditional local media for catering communication in Hefei mainly includes newspapers such as Hefei Evening News and Xin'an Evening News, television programs like Most Delicious Hefei on Hefei TV, and radio shows like Food Navigation on Hefei Traffic Radio. In terms of communication breadth, Douyin relies on 780 million daily active users and precise algorithm recommendations to achieve viral distribution of content. During the 2025 Spring Festival, the Lei Street Check-in for Year of the Dragon topic launched by Hefei Lei Street reached over 40 million video views within one week with more than 300 influencers participating. In contrast, special reports on Lei Street released by Hefei Evening News during the same period reached 600,000 readers, but the effectiveness was difficult to quantify and interactivity was weak.

Regarding responsiveness, Douyin users provide real-time feedback through likes, comments, shares, and purchases, allowing brands to adjust strategies promptly. In April 2025, a hot pot restaurant in Hefei tested different set meals on Douyin and optimized its strategy four times within 24 hours based on real-time data to achieve a 1 to 10 ROI. Traditional advertising has a long feedback cycle. Advertisements placed by local brands on Hefei radio stations only received 20 to 30 valid inquiries through hotlines in a week, resulting in delayed performance evaluation.

A case study comparing media choices for a time-honored Hui cuisine restaurant founded in 1980 shows significant differences in results. In 2022, the restaurant invested 150,000 yuan in traditional media including half-page ads in Hefei Evening News and sponsorships on Hefei TV. After one month, the number of customers increased by 30 percent from 2,000 to 2,600. Most new customers were middle-aged or elderly people over 45 years old. The acquisition cost was about 58 yuan per person and it was impossible to track exactly how many people visited because of the ads.

In 2023, the same restaurant invested 100,000 yuan in Douyin including two videos from a top influencer, five videos from mid-tier influencers, and self-broadcasting with traffic subsidies. The content featured a 128 yuan stinky mandarin fish set for only 88 yuan with a location link. After one month, the number of customers increased by 150 percent to 6,500. New customers were primarily aged 20 to 45. The acquisition cost dropped to about 15 yuan per person. The restaurant could track exactly that influencer videos drove 800 sales while self-broadcasting drove 500 sales. This case proves that Douyin outperforms traditional media in catering communication due to its broad reach, high responsiveness, low cost, and quantifiable results, making it especially suitable for attracting young consumers.

#### **3.2 Comparison Between Influencer Promotion and Merchant Self Broadcasting Based on Communication Depth and Precision**

The core difference between influencer promotion and merchant promotion lies in the trust of the communicator and audience matching. These factors influence communication depth, which is how well content penetrates user minds, and precision, which is how well content matches user needs. Communication depth refers to whether content can enter the mind of a user and trigger action. Its core is user trust. Influencers act as opinion leaders and build trust through long term content creation. Their recommendations carry an emotional connection. Influencer promotion uses real person appearances and emotional expressions to build deep connections more easily. For example, a student foodie influencer in Hefei named Yaohai Food King has many followers who are local college students. This influencer often shares content like eating across the university town for 10 yuan or affordable hot pot for students. This builds trust within the same social circle. When they recommend an affordable spicy soup shop, followers often order according to the recommendations and even interact by saying they came because of the video. This indicates a high level of content penetration.

In contrast, merchant self broadcasting focuses more on product information and promotion policies. However, since merchants are interested parties, their recommendations are often viewed as advertisements by users. This leads to lower trust and shallower communication depth. For instance, when a hot pot brand in Hefei promotes a set meal for 298 yuan, users often comment that the merchant is just trying to make money or that they are afraid to try it because they are unsure of the taste. Even if the content quality is high, users may still feel resistance, resulting in low content penetration.

Communication precision refers to whether content can reach target users and satisfy their needs. The core of this is the matching of user profiles. Influencers have clear follower profiles, so merchants can choose influencers that match their target audience to achieve high precision. For example, a mommy foodie in Hefei attracts followers who are mostly

mothers aged 30 to 45 interested in family dining and child friendly restaurants. If a themed restaurant uses this influencer, the conversion rate can reach 15 percent, which is much higher than the 5 percent rate of general influencers. Merchant official accounts often have followers who are mostly old customers and their profiles are often vague. This makes it harder to reach new specific users and results in lower precision.

In a typical case from September 2023, a light meal shop in the Zhengwu District of Hefei targeting white collar workers aged 25 to 40 launched a promotion. For influencer promotion, they chose two fitness influencers whose followers perfectly matched the target group. The content focused on high protein and low calorie salads for lunch. These videos received 150,000 views and a 12 percent conversion rate, driving 600 sales. Around 80 percent of these users were white collar workers from the target district. For merchant promotion, the official account posted a salad video but only 30 percent of its followers were white collar workers in that area. The video received 3,000 views with a 3 percent conversion rate and drove only 90 sales. Only 40 percent of those buyers were the intended white collar workers.

### 3.3 Comparison Between Seed Planting Content and Brand Marketing Based on Credibility and Effectiveness

The core difference between seed planting, which involves organic user or influencer experiences, and brand marketing, which consists of official promotional content, lies in content authenticity and conversion efficiency. These factors directly influence marketing credibility and effectiveness. Marketing credibility refers to whether users believe the content is truthful and free from exaggeration.

Seed planting content comes from the genuine experiences of creators and is more likely to gain trust. This includes casual videos from regular users or authentic store visits by influencers that lack obvious commercial traces. For example, a user in Hefei named Xiao Zhang posted a video on Douyin about a restaurant in Lei Street. He mentioned the food was delicious but a bit expensive. Because the video was unedited and used natural language, other users found it highly credible. Even the mention of the high price actually enhanced the trust of the audience. In contrast, brand marketing is often seen as official promotion. Even though professional videos featuring celebrities are high quality, users often view them as exaggerated. A milk tea brand in Hefei released a professional ad with a celebrity claiming the drink was calorie free, but user comments expressed skepticism about additives and doubted the celebrity actually consumed the product.

A comparison from October 2023 involving a trendy BBQ shop in Hefei illustrates these differences. When 100 regular users posted organic videos mentioning both the good taste and the long wait times, the content reached 5 million views and brought in 2,000 customers. The negative review rate was only 5 percent because the real experience matched the expectations set by the videos. However, an official advertisement costing 200,000 yuan claimed the food was great and there were no queues. This ad reached 1 million views but only attracted 500 customers. The negative review rate reached 30 percent because the exaggerated claims led to a poor user experience.

Marketing effectiveness refers to the efficiency of converting content into consumption and the ability to quantify those results. Seed planting has a short conversion path where users see a video, click a location or link, and place an order immediately. This allows for high efficiency and real time tracking of sales and redemption rates. Brand marketing involves a much longer path where users see an ad, remember the brand, and only search for it when they have a specific need later. This results in a conversion cycle that can last several months.

In November 2023, a new Hui cuisine brand in Hefei invited 50 small influencers to post videos with group buying links. This campaign generated 3 million views and 12,000 sales with an average conversion cycle of only five minutes. The results were easy to measure. Meanwhile, the brand spent 300,000 yuan on a professional ad featuring a local celebrity. While brand searches increased by 50 percent, sales only grew by 20 percent over a two month period. It was difficult to determine if the sales growth came entirely from the advertisement.

Furthermore, seed planting offers a long tail effect. In January 2025, a coffee shop in Hefei used influencer videos that continued to bring in customers for three months. The total value generated was 18 times the initial investment. In comparison, brand marketing has strong initial impact but decays rapidly. A new tea brand in Hefei saw sales spike by 350 percent during the first week of a campaign in 2025, but volume returned to normal levels immediately after the promotion ended.

## 4 CHALLENGES AND FUTURE OUTLOOK FOR THE DOUYIN LOCAL LIFE MODEL

### 4.1 The Main Challenges Faced

Fake store visits and high content similarity are major issues for the platform. Some creators exaggerate or provide false information to gain traffic and fees. Most store visit videos follow a repetitive pattern of entering a shop, showing dishes, claiming the food is good and cheap, and providing a group buy link. This lack of innovation has caused significant user fatigue. For example, a Hefei influencer claimed a local Sichuan restaurant used ingredients flown from Chengdu and had a Michelin starred chef when the food was actually local. This led to a 50 percent negative review rate and damaged the reputation of the brand. Data from 2025 shows over 600 store visit accounts in Hefei with a 75 percent content similarity rate while average views for such videos dropped by 30 percent in 2024 compared to the previous year.

Merchants also face operational difficulties including a lack of professional skills and low coupon redemption rates. About 80 percent of small and medium catering businesses in Hefei do not have professional teams and do not

understand video editing or live streaming techniques. For instance, a noodle shop owner in Hefei simply ate on camera without any explanation during a live stream which resulted in fewer than 50 viewers and almost no sales. Low redemption rates are another problem with the average rate being 65 percent. This leads to food waste and higher costs. In one case from December 2023, a restaurant sold 10,000 coupons but only half were used. The merchant had to refund the expired coupons and lost 100,000 yuan because prepared ingredients like seafood and meat spoiled.

Platform regulation remains a concern due to opaque rules and difficult dispute resolution. Many merchants find it hard to understand traffic algorithms or commission rules. A merchant who spent 10,000 yuan on traffic subsidies only received 10,000 views instead of the expected 100,000 and had no way to investigate the reason. Additionally, when users find that a restaurant does not match its video description, the process for claiming rights is complicated and involves the creator, the merchant, and the platform. Platform customer service is often slow with an average processing time of 72 hours, making the cost of protecting user rights very high.

Looking ahead, several trends are shaping the market. Vertical content is deepening as the growth rate of professional accounts reached 180 percent in 2025. Technological upgrades like AR and VR for virtual store visits are becoming more affordable and common. Douyin is also strengthening local operations by forming a dedicated team in Hefei and planning 60 offline training sessions in 2025. Finally, platform regulation is improving with the establishment of credit systems for creators and more than 120 low quality influencers were removed in 2025.

## 5 CONCLUSIONS AND REFLECTIONS FROM THE INVESTIGATION

Douyin has become a vital channel for local life services and digital transformation for catering businesses in Hefei due to its content ecosystem and algorithm. In 2025, the GMV for local life catering in Hefei reached 4.8 billion yuan with a year over year growth of 150 percent which far exceeds the growth rate of traditional media and traditional platforms. Among the four models, influencer store visits are effective for attracting new customers and are suitable for new openings and hot product promotions. Merchant self broadcasting is better for brand building and user retention because it offers a more stable long term ROI. Professional accounts offer unique advantages in specialized services with higher average spending and trust. Combining seed planting with brand marketing allows for a balance between short term bursts and long term value.

New merchants should use a combination of influencer store visits and hot product promotions to enter the market quickly. During the growth stage, businesses should strengthen self broadcasting to build brand awareness and loyalty while developing private domain operations. Once a store reaches the mature stage, it can develop professional content to enhance its expert image. Throughout the entire business cycle, merchants must focus on data analysis to optimize marketing strategies. When choosing influencers, it is best to select those who focus on vertical and professional niches to avoid homogeneous competition. Both parties should work together to build authentic personal brands and avoid fake data while adapting to algorithm changes for mutual success.

The core competitiveness of Douyin lies in its communication advantages. Compared to traditional media, Douyin offers superior reach with a single video capable of reaching over 500,000 users in Hefei along with high responsiveness where users receive feedback within ten minutes. Compared to merchant promotion, influencer promotion provides better depth through follower trust and higher precision through audience matching. Compared to brand marketing, seed planting excels in credibility due to authentic content and effectiveness through a shorter conversion path. These advantages help merchants quickly capture the local catering market.

Several problems still restrict the sustainable development of the industry. Issues such as fake store visits, content similarity, poor operational skills, and price wars have led to a crisis of trust and compressed profit margins. If these problems remain unsolved for a long time, they will hinder the healthy and sustainable growth of the local life category.

## COMPETING INTERESTS

The authors have no relevant financial or non-financial interests to disclose.

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