

Financial Analysis and Countermeasures for Platforms in the Intense Takeout Competition: A Comparative Study of Meituan and JD.com

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Abstract. With the continuous development of electronic technology and the acceleration of people's daily life pace, the food delivery business has been continuously improving. Numerous food delivery merchants and platforms have sprung up in the market like mushrooms. Over the past decade, among the numerous food delivery platforms, two of them, Meituan and Eleme, have formed a duopoly situation, occupying the majority of the market share. In early 2025, with JD.com announcing its entry into the food delivery field, an unprecedented food delivery competition began. Various huge subsidies and discounts have been launched one after another. Therefore, how to play to one's strengths and avoid weaknesses to be in the lead of the competition is an issue that needs to be studied. This article will conduct an exploration of this issue based on the bilateral market theory and the financial risk theory, using data analysis and comparison as well as case analysis. Through the research process of this article, it can be found that the subsidies of the two platforms are not symmetrical, and the financial risk exposures they generate also vary. Moreover, due to its well-developed dispatching system, JD.com's logistics is more efficient. Therefore, the following conclusion is if enterprises want to gain an advantageous position in the competition, they must reasonably balance subsidies and financial risk exposure to maximize profits. At the same time, the integration and development of the logistics system and artificial intelligence should be emphasized to enhance the efficiency of the material distribution system.

Keywords: Takeout competition; financial analysis; bilateral market theory; financial risk theory.

1. Introduction

Over the past decade or so, with the continuous development and improvement of electronic technology, the takeout business has gradually taken root and flourished in the market. From offline to online, orders have expanded from a single food category to a wide variety of daily necessities. Takeout has already become an indispensable part of People's Daily lives. The O2O trading platform, mainly for food delivery, is the most typical O2O business model. From the large-scale competition in the past to today's oligopolistic market formed by Meituan and Ele.me [1]. In February 2025, with JD.com's announcement of entering the food delivery industry, an unprecedented food delivery battle officially kicked off. According to platform statistics, Meituan has 120 million daily orders, Ele.me has 80 million, and JD.com has 25 million. The three major e-commerce platforms, Meituan, Ele. and JD.com, have simultaneously launched a fierce subsidy war in the food delivery sector, and the scale and intensity of the war have reached an unprecedented height.

However, in previous literature, scholars' exploration of the food delivery sector has mostly focused on the economic principles behind food delivery or the operational profit strategies of food delivery platforms, without discussing the impact of huge subsidies on companies. Moreover, previous literature on the field of purchasing has mostly been conducted in a relatively stable environment, which cannot be generalized to the current high-intensity environment. In such an environment, the question that follows is whether the huge subsidies have enabled enterprises to occupy a larger market share or have increased the financial risks they face. How can enterprises become the leaders in such a fiercely competitive environment and achieve sustainable development?

This article will take Meituan and JD.com as a case study, supported by the bilateral market theory and financial risk theory. It will comprehensively adopt research methods such as data analysis and case analysis to analyze the similarities and differences between these two enterprises in the context of the food delivery war, and combine the SWOT model to analyze their respective advantages and disadvantages. The data sources are mainly based on the financial data of the first quarter of 2025 on the official websites of the two platforms, and their financial risks are comprehensively evaluated through the calculation of various indicators.

This study aims to investigate how enterprises can make correct decisions regarding subsidies in the context of the food delivery war and how they can capture a larger market share in the future. It also seeks to analyze an enterprise operation mode suitable for highly competitive environments, providing a reference analysis direction for enterprises to make better decisions in the future.

2. Literature Review

Through the reading and study of previous literature, this paper finds that the research of scholars at home and abroad on the takeout field mainly focuses on three aspects. First, there is the pricing strategy related to food delivery, as well as how to attract and drive consumers to make food delivery purchases. Then there are the consequences and side effects that the outbreak of the food delivery war since 2025 has brought to platforms, merchants, and consumers. The last aspect is the assessment of the risks of food delivery platforms.

Domestic scholars studying pricing strategies start from the definition of the bilateral market, and centering on the main research directions that scholars at home and abroad are currently conducting in the bilateral market, introduce the relevant influencing factors of the bilateral market and construct the basic theoretical framework of the bilateral market. Introduce the concepts of differentiated services and logistics costs [1]. Worldwide, some scholars have found that consumers often observe the ratings of other consumers before purchasing to reduce the uncertainty of product taste and delivery services. However, the accuracy of the rating information can be affected by the seller's marketing strategies, such as pricing and delivery insurance policies. Ultimately, it was found that the seller could always charge a lower price but earn more profits by adopting a paid insurance (PI) policy [2]. Today, with the rapid development of digitalization, scholars have also studied the competitive price war strategies in food delivery under the digital economy. One study investigated how Thai consumers make decisions when using online food delivery services, with a particular focus on the price-related factors influencing their choices. A hybrid research method combining quantitative and qualitative data collection and analysis was adopted [3]. To explore the factors driving consumers, some scholars have confirmed the importance of convenience, speed, trust, customer satisfaction and the intention to continue using through confirmatory factor analysis (CFA). The research results emphasize the importance of speed, convenience and trust in enhancing customer satisfaction and retention rates [4]. Some scholars have also conducted a potential profile analysis of the driving factors of consumers' food choices when ordering food on online food delivery platforms [5]. In addition, some scholars have conducted detailed research on price subsidies. Research shows that consumers' coupon tendencies and user-generated online reviews have a significant moderating effect, which strengthens the mechanism by which consumers adopt and use OFD applications [6]. Based on the successful information system (IS) model of DeLone and McLean as the theoretical framework, a model of the influencing factors of the continuous use intention of OFD platform users was constructed from three aspects: service, system, and information quality, adding academic literature and practical inspiration to the research on the continuous use intention of consumers [7].

Many scholars in China have made detailed summaries of the consequences and side effects after the start of this food delivery war. Excessive subsidies for food delivery have triggered four major negative effects - weakening the foot traffic in offline restaurants, compressing the overall profits of the industry, overburdening small and medium-sized restaurants, intensifying waste, and fostering users' "low-price dependence" mindset [8]. The crazy food delivery war, on the one hand, has

stimulated users' enthusiasm for placing orders; On the other hand, chaos has also emerged: free milk tea is eventually thrown away because no one takes it, and some merchants complain that they are being manipulated by the platform. As the war continued, some catering associations put forward an initiative, calling for rational competition [9]. Some scholars have analyzed from a financial perspective and provided more objective data. He believes that in the fierce battle of food delivery, if platforms blindly pursue the increase in asset turnover rate brought about by order volume, they are very likely to fall into the predicament of low-quality assets and inefficient operation, and even result in negative gross profit margins of goods, that is, they cannot cover variable costs, leading to more losses as they sell more, which is extremely unfavorable for the creation of shareholder value [10]. Overall, the side effect brought about is that behind the seemingly "win-win-win" carnival, not only do merchants, riders and platforms face new value games, but it also triggers in-depth thinking among researchers on the development of the industry and market rules [11].

The last aspect is about the measurement of platform risks. One of the important risk factors is the food delivery rider. Some scholars have described in their articles the characteristics and controversial positions of three groups of riders. Their social structure positions have shaped their experiences and participation with the platform, as well as their resistance to control mechanisms and disciplinary processes [12]. Enterprises must give priority to the welfare policies for riders and minimize the risks in this regard. Issues such as the determination of labor relations and labor protection measures for flexible employees have become increasingly prominent, and food delivery workers are a typical example. This article takes food delivery workers as an example to deeply explore the current situation of labor rights protection for food delivery workers in the background of new employment forms and proposes corresponding countermeasures [13]. In addition to the risks related to riders, there are also innovation risks that enterprises themselves have to face in today's digital age. Taking the Alibaba Hema Grocery Store Chain as an example, under the background of developing physical stores, the unique and innovative methods adopted by online retailers in the Chinese food retail market were identified and analyzed. Four aspects of innovation were studied, namely: the form innovation of using stores as local fulfillment centers to provide efficient last-mile delivery; Develop a more consumer-centered retail model; Change the domestic supply network; And source live seafood globally. The article indicates that the digital data capabilities of online retailers of broader platform commercial groups are rapidly changing the competitive landscape of China's food retail industry [14].

3. Research Methods and Processes

This article selects Meituan and JD.com as the two major platforms for the case study. The main considerations are as follows. Firstly, there is a sharp contrast between the two. They differ greatly in core capabilities, business models and strategic intentions, which can create a strong analytical tension and have prominent differences. Secondly, both offer a complete value chain. One is a local life service giant, and the other is an e-commerce logistics giant. Their competition almost covers all the key links of the food delivery business. Finally, both companies are listed companies, which can very well represent the current development status and possible future development trends of the industry. At the same time, the data obtained from their official websites is more genuine and reliable, and the subsequent data analysis is more rigorous and reliable.

3.1. Data Analysis

An analysis of Meituan's financial data for the first quarter shows that its total revenue in the first quarter reached 86.56 billion yuan [15], an increase of 18.1% year-on-year, which was higher than the market expectation of 85.44 billion yuan. The gross profit margin was 37.45%, a decrease of nearly 1 percentage point compared to 38.44% for the whole of last year. The ratio of sales and marketing expenses decreased by 1 percentage point year-on-year to 18%. Net profit soared by 87.3% year-on-year to 10.06 billion yuan, and the adjusted net profit was 10.95 billion yuan (up 46.2% year-

on-year), far exceeding market expectations. It can be seen from this that when JD.com entered the food delivery field in February and the external competition began to take shape, Meituan's profitability also improved. Particular attention was paid to the takeout business segment, with an average daily order volume of 57.85 million (up 9.6% year-on-year), and the average order value rising to 48.3 yuan, driving revenue of 36.2 billion yuan (up 12% year-on-year) [15]. However, as the battle in the food delivery industry intensifies, there are also other large costs to be invested in. Firstly, the demand for the number of riders has reached its peak. This is not only due to the large number of orders generated under the "Hundred-billion Subsidy", but also because of the competition among peers, which has exerted a certain degree of pressure on the number of riders. Moreover, Meituan introduced a social security policy for riders earlier this year. It is estimated that the additional cost will be 7.68 billion to 14.88 billion yuan [15], which may squeeze the profit margin by 1.5 to 3 percentage points.

When analyzing JD.com's first-quarter financial report for 2025, it can be found that the net revenue for the first quarter of 2025 was 301.1 billion yuan (141.5 billion US dollars) [16], an increase of 15.8% compared with the first quarter of 2024. The gross profit margin reached 15.9%, and marketing expenses accounted for 3.5% of net income. The takeout business will be officially launched in February 2025. Starting from core retail, JD.com has expanded into on-demand retail and food delivery to meet users' demands in various scenarios. JD Takeout is rooted in the company's ecosystem and is not an independent business. However, from the analyst Q&A record in the report, it can be seen that JD.com stated that its current average loss per order is 30% lower than that of the industry, mainly due to the reuse of the JD logistics network. It is expected that the UE (Unit Economic Model) will be turned positive in the pilot cities in the fourth quarter of 2025, and full profitability will be achieved in 2026 [16]. It can be seen from this that JD.com is making a strong push in the food delivery business field and seems to be catching up from behind. However, it cannot be ignored that when JD.com first entered the food delivery sector, it encountered a fierce battle in the food delivery industry and received multiple rounds of subsidies, which led to significant losses in the initial stage of the food delivery business segment. Although JD.com's daily order volume exceeded 10 million, the loss of its new business reached 1.327 billion yuan. This is bound to bring certain financial pressure to the company as well.

3.2. Case Study

After the above data analysis, this article finds that after fierce competition occurs among enterprises, there are both advantages and disadvantages. Looking back at this food delivery battle, consumers have enjoyed the pleasure of "getting a bargain" from food delivery. Food delivery platforms have reaped a booming report with record-breaking order volumes. Many merchants have seen a sharp increase in orders, and the income of delivery riders has doubled. However, some food delivery merchants have seen a decline in profits. "Free purchase" milk tea has no one to pick it up, and consumers have encountered problems such as merchants' "order jams" and slow food delivery. The increasing hustle and bustle coexist with excessive consumption [8]. Despite the platform's slogans of "zero commission" and "high subsidies", neither the platform, merchants, riders, nor consumers can claim to have truly benefited. Businesses are increasingly burdened with hidden costs such as advertising, traffic and technical service fees, further compressing their profit margins. As a result, they have no choice but to maintain operations by cutting costs. Therefore, how to bring out one's own advantages in competition and thus gain an advantageous position is also a problem worthy of key study. The following article will respectively analyze the two enterprises, Meituan and JD.com.

First of all, Meituan and JD.com are both typical bilateral market platforms. Meituan connects numerous catering merchants with consumers, while JD.com links suppliers with consumers. Essentially, both play the role of providing platforms. On the one hand, by constantly optimizing the platform's algorithms and services, a large number of consumers are attracted to join. The increase in the number of consumers boosts the platform's traffic and activity, which in turn attracts more merchants to join. On the other hand, providing merchants with a variety of marketing tools and data

analysis services helps them increase sales. The abundance of merchant resources can also offer consumers more choices and better services, thus forming a virtuous cycle. Whether it is Meituan's "30-minute food delivery" or JD Logistics' "211 Express Delivery", they are both attracting consumers and, in turn, suppliers, promoting the aforementioned virtuous cycle. Therefore, in this battle of food delivery services, the rounds of huge subsidies are also an attraction to consumers under the theory of the two-sided market.

When considering these two platforms from the perspective of financial risk theory, this paper finds that the financing risk and operational risk of Meituan will increase significantly. Meituan requires a large amount of financial support during its business expansion and may face certain fundraising pressure. For instance, in order to compete with rivals like JD.com, Meituan announced that it will invest hundreds of billions of yuan in subsidies in the local life sector over the next three years, which requires a sufficient source of funds. If Meituan's fundraising channels are not smooth or its fundraising costs are too high, it may affect the stability of its capital chain. The operational risks of Meituan mainly lie in the management of merchants and delivery riders. With the increase in the number of merchants and riders, how to ensure that merchants provide high-quality goods and services, as well as that riders can deliver goods efficiently and safely, has become a challenge for Meituan.

For JD.com, it is more reflected in the risks of fundraising and investment. JD.com's entry into the food delivery industry requires a large amount of capital. Although JD.com has a strong cash reserve, if it overly relies on debt financing, it may lead to an increase in its debt-to-asset ratio and increase its debt repayment pressure. For instance, JD.com's measures, such as paying the five social insurances and one housing fund for its riders, will increase certain cost expenditures and put forward higher requirements for its financial arrangements. As a new entrant, JD Takeout needs to invest a large amount of funds in market promotion, rider recruitment and technological research and development, etc. If JD's food delivery business fails to achieve profitability quickly, it may affect JD's overall return on investment. Furthermore, in its continuous investment in the e-commerce business, if JD.com fails to keep up with market changes promptly and fails to effectively respond to the competition from emerging e-commerce platforms, it may also lead to an increase in investment risks.

To conduct a thorough comparison of the two platforms, the following is a detailed comparison of the two platforms based on the framework of the SWOT model.

S (strength): Meituan's strength lies in its powerful user base. It has hundreds of millions of active users in China alone and has become a household name in the food delivery field. Not only that, Meituan is not limited to food delivery in the food delivery field. It has gradually extended to many service areas such as medicine, hotels, and entertainment. Its profit model is comprehensive, and its business segments are diversified, reducing the risks of a single business. Meanwhile, Meituan invests a large amount of funds every year to build a complete delivery network, shorten the delivery time of food delivery and enhance the user experience.

W (weakness): Although Meituan has multiple business segments in the food delivery field, such as food, medicine, hotel and tourism, and entertainment, it is still more dependent on food delivery as a whole. Once the market becomes saturated or a situation like JD.com's sudden entry into the food delivery field at the beginning of this year occurs, it will pose a risk of a decline in Meituan's food delivery market share.

O (opportunities): The opportunity for Meituan lies in making innovative breakthroughs in the fields of artificial intelligence and big data. Based on its years of understanding of the food delivery industry, it will build a complete delivery network and strive to meet users' personalized demands as much as possible, improve service quality and enhance user stickiness.

T (threats): The threat to Meituan is self-evident, and this food delivery battle is the best demonstration. If any competing enterprises want to enter the food delivery market, they will definitely encroach on Meituan's market share. Another point is that Meituan has a rather sensitive

labor relationship. If the relationship between the enterprise and the riders is not handled properly, it will also cause a great threat to public opinion.

Analysis of JD.com under the SWOT model:

S (strength): The most notable reason why JD.com was able to directly enter the food delivery sector and make a significant impact this time is that JD.com is one of the largest comprehensive e-commerce enterprises in China, enjoying wide brand recognition and influence. At the same time, JD.com's logistics and distribution system is also quite mature and complete.

W (weakness): One of JD.com's weaknesses also stems from one of its strengths. It is that complete logistics system. The large-scale logistics and distribution system has led to high operating costs. JD.com has already established a stable brand image. If it wants to enter new fields, it is bound to face certain doubts.

O (opportunities): Consumers' spending levels are gradually recovering, and JD.com can leverage its traffic resources on e-commerce platforms to provide a very good personalized customization service for consumers' daily necessities delivery. JD.com will also continue to make breakthroughs in the fields of big data and artificial intelligence, reducing the cost of the logistics system while making it more complete.

T (threat): There is a constant risk that outsiders will come to squeeze this field. At the same time, the impact of policies is also a threat to e-commerce and food delivery platforms, which is a risk that both enterprises need to take into account.

After the food delivery war broke out, both enterprises will face numerous opportunities and challenges. For Meituan, in the short term, its sales are still maintaining a stable growth. However, in the long run, there is also a risk that its market share will be squeezed. If Meituan wants to continue to develop steadily in the food delivery field, it must make breakthroughs in the direction of big data and artificial intelligence, build a more complete delivery system, and form a more stable labor relationship with riders. For JD.com, although the revenue from its food delivery business reached a considerable level in the early stage, it still suffered significant losses under the influence of various subsidies and promotional activities. For JD.com to successfully enter the food delivery sector, it also needs to leverage the advantage of its complete logistics system, actively make breakthroughs in big data and artificial intelligence, and reach the break-even point as soon as possible. Through the comparison in the case analysis, the author found that the subsidy intensity of Meituan and JD.com is not symmetrical. This is because the objects they connect to under the bilateral market theory are different, and thus, the subsidy intensity also varies greatly. At the same time, we found that the financial risk exposures of the two platforms are also different. Meituan mainly faces financing risks and operational risks, while JD.com is confronted with financing risks and investment risks. In terms of operation, JD.com has a more complete dispatching system, which makes its logistics efficiency higher and the operational risk lower. However, as it is a newcomer to the food delivery industry, the investment risk is relatively higher than that of Meituan.

4. Conclusion

In the situation of fierce competition in the food delivery industry, the financial risks of both platforms have significantly increased. Therefore, when enterprises consider the next round of subsidy policies, they should strike a balance between profits and costs to keep their financial risks to a minimum. For instance, how to ensure the welfare policies for riders while making their delivery more efficient. Moreover, in today's era, especially for e-commerce platforms like Meituan and JD.com, innovation and progress in the fields of big data and artificial intelligence are definitely of Paramount importance. This also determines the height that enterprises can reach in this field in the future, and is also the core competitiveness of enterprises. When making decisions in the future, priority should be given to ensuring that the funds for this part are sufficient. This paper still has certain deficiencies and flaws in data collection and model analysis due to factors such as time and policies. It is hoped that in the future, scholars can conduct tracking research on the financial status

of the two platforms in the next ten years, compare the results with expectations, and come up with a more complete development strategy for the food delivery platform.

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