

MOEA 2020 3rd New Economic Development

Consulting Meeting

Minutes Abstracts

1. Change in Consumer Behavior after the Pandemic

- (1) Local consuming habits have changed after pandemic, such as increased on-line shopping; however, only large e-commerce companies have performed well, while small and medium companies have not.
- (2) Food and beverage industry
 - Revenue from delivery services : revenue will increase 20-30% in 2020.
 - Extreme revenue: some franchise, Japan and Korean restaurants performed well; some small and medium and old restaurants closed.
- (3) Revenge travel after lifted the lockdown satisfied people long-suppressed urge to go shopping in the middle, southern and east parts of Taiwan while food and beverage stores in the northern part of Taiwan performed worse. When reshoring people back to work and open school in September, people returned to normal. In addition, under the influence of factors such as downturn macroeconomic indicators and reduction of subsidies, the substitute-in-consumption is decreasing and may getting worse in the Winter Season.

2. The practices for service industry resilience

- (1) Digital transformation
 - The digital transformation of many snack bars is not fast

enough. Small food stalls that are not chain-type and have insufficient digital transformation capabilities need government help. The government has to think about the dimension of digital transformation that can support these stalls in order to make the policy decision.

- During the pandemic, the Ningxia night market used digital technology to control the flow of people, and achieved good results. When 5G and AI technologies get fully developed, more convenient and faster commercial application services can be provided in the future.
- Mobile payment is hindered, and the most important issue is taxation. The tax for monthly turnover of 200,000 NTD is from a 75-year old law. Although the government will release the regulations in stages, the information should be announced to more people in order to accelerate the use of mobile payment by stores.
- Local government should use policy tools such as environmental subsidies or digital transformation tools to make improvements such as matching or task orientation, and encouraging regional SMEs or new service industries to digital transformation.

(2) Street revival, creating new business opportunities

- Government should cooperate with enterprises to assist in the renewal and improvement of old communities and shopping area. To promote cross-industry alliance co-branding delicious food sell in Family Mart and 7-11.
- The shopping area can be renewal through cooperating with delivery service company, it will not only help increase flow between shopping area and delivery service company, but

also increase job opportunities in the surrounding area.

- (3) Famous stalls drive famous markets, and then famous markets drive various stalls: For example, famous stalls such as Formosa Chang, sesame oil chicken, oyster fried and other famous stalls to promote Ningxia night market and each stall have a famous delicacy; now when consumers think of eating, they think of Ningxia night market.
- (4) To develop regional delivery platforms
 - The biggest problem for the food and beverage industry after the pandemic is that the delivery service took a high percent from each order, resulting in an unbalance cost structure. It is recommended to refer to the Manga Night Market to develop regional delivery services for local enterprises.
 - Government should subsidize local enterprises to develop application services with local characteristics.
- (5) To establish theme night markets: different night markets have different spatial perception. Night markets should propose a niche theme to become more competitive; to develop a paradise style night market requiring ticket admission by story or experience marketing to create characteristic selling points.