

Analysis of the Competitive Strategies of UGC Model Platforms Under the Electronic Commerce Marketing Boom: Taking Dianping as an Example

Linxi Li ^a

*College of Business Administration, Capital University of Economics and Business,
Zhangjia Road, Huaxiang, Fengtai District, China*

Keywords: The UGC Model, Competitive Strategy, Dianping Company.

Abstract: With the development of the internet, a large number of marketing platforms have flooded into market. There are various advertisements that appear on various platforms. Therefore, the consumption experience and consumers' reviews are varies greatly and it affects other consumers' judgement. Nowadays, lots of consumers search information about true and highly reliable user reviews because they hope convenience, high quality and inexpensive goods. They need goods which are high performance-price ratio. Based on this, the subject of this paper is that taking Dianping as an example to analyze the competitive strategies of UGC model platforms under the electronic commerce marketing boom. First of all, this paper researched the growth progress of Dianping Company and the service group. Secondly, this paper researched the competitiveness of Dianping and the competitiveness advantages of Dianping, which adopts the UGC model, compared with its competitors. Finally, this paper researched the network effect related to UGC of Dianping and the innovative strategy of Dianping base on AI. The purpose of this paper is to provide better user reviews for consumers and to promote rational consumption among consumers by promoting the optimization and upgrading of the UGC model platform.

1 INTRODUCTION

Electronic commerce is becoming one of the most popular sales methods with the development of the internet, and it provides richer consumption channels for consumers. Due to the feature of electronic commerce that transactions are completed online, lots of consumers tend to refer to online information such as user reviews and ratings. As a result, network information and consumption evaluations provide important consumption references for consumers. However, due to the influence of merchants' advertisements and even merchant competition, there are more uneven quality of online information and consumer reviews confusing the public and lead to consumers' inability to make rational judgments. This will affect the experience of the consumers' consumption and even lead to inability to consumer rationally. Therefore, the UGC model platforms

which can provide genuine and highly reliable user reviews for consumers is born at the right moment.

This paper researches the competitive strategy analysis on UGC model platforms by taking Dianping which use UGC model as an example. Dianping offer lots of user reviews which avoid the negative impact of business as much as possible by providing a platform which can post the real consumption and user evaluation by users (Xu and Liu,2022). At the same time, The UGC model platform has formed a strong community atmosphere by accumulating data and this can help consumers get more real and credible reviews. Experimental results show that the evaluations generated by user-generated content model can motivate consumers to make purchases and has positive effect. (Gaoetal.,2024).

This paper aims to promote the optimization and upgrading of the UGC model platform and then promote rational consumption among consumers by making a detailed introduction, comparing and summarizing the advantages of Dianping.

^a <https://orcid.org/0009-0005-5612-8032>

2 ANALYSIS OF THE CURRENT DEVELOPMENT STATUS OF DIANPINGN

2.1 The Company Growth Process and Service Groups of Dianping

2.1.1 The Company Growth Process of Dianping

Dianping was established in Shanghai in April 2003. Dianping and Meituan jointly issued a statement, announcing a strategic cooperation and establishment of a new company on 8th October 2015. The new company will become a leading platform in the online-to-offline field in China. The new company still remain the originally personnel structure, brand and independent operation of business. The new company will conduct the Co-CEO strategy, which means that the CEO of Meituan Xing Wang and the CEO of Dianping Tao Zhang will serve as Co-CEO and Co-chairman at the same time. Major decisions will be made at the level of Co-CEO and the board of directors. Moreover, the valuation of the new company exceeds 15 billion dollars.

2.1.2 The Service Groups of Dianping

Dianping mainly serves consumers and merchants. The majority of consumers are aged between 18-45, with students and white-collar workers being the majority. The consumers are those who pursue convenience and good price, they not only care about the practical value of commodities but also pay attention to the superiority and self-satisfaction brought by the added value of commodities.

2.2 The Competitiveness and Competitive Advantages of Dianping

2.2.1 The Competitiveness of Dianping

Dianping has a unique business mode because its product services are comprehensive, detailed and integrated, it has made multiple uses for one platform. According to different cities and different keywords, it provides different information, reflecting its precise market positioning. According to the data which is published on TOP10 monthly active APPs for living and leisure in China in 2022 by iiMedia Ranking shows that the number of monthly users of Dianping

reached 165.312 million in 2022. Higher popularity and usage have injected vitality into it. At the same time, Dianping takes incentive mechanism to encourage users to post reviews and share consumption experience through points, rewards and membership levels, which is conducive to the sustainable development of UGC model platform.

2.2.2 The Competitive Advantage of Dianping Compared with Its Competitors (in Terms of UGC)

Compared to Meituan, as a technology retail company, Meituan not only provides group buying and takeout services, but also includes hotel reservations, travel and so on. Although it merged with Dianping in 2015, the two companies still compete with each other. In comparison, the competitive advantage of Dianping is mainly reflected in rich and real user reviews (Wang et al., 2025). As the world's first third-party consumer review website, Dianping has accumulated a large number of real consumer reviews and feedback. The "2024 Evaluation Transparency Report" released by Dianping shows that Dianping added 268 million real reviews, covering over 8 million merchants across various scenarios such as dining, entertainment, travel and so on, in 2024. This helps users choose merchants from a consumer perspective. Data show that as a trading platform, Meituan uses comments only 35% of the time.

Compared to TikTok, TikTok as a short video platform, it influences consumers' decisions through recommendations and provides group buying services to compete with Dianping in catering and tourism. In comparison, the competitive advantage of Dianping is reflected in the depth of user-generated content. Dianping adopts the UGC model, accumulates a large number of real user reviews, and forms a strong community atmosphere, which can help users to have a deeper understanding of merchants. However, the TikTok's UGC is more entertainment and instant promotion. So, it can only give a superficial understanding of merchants. The report published by Hexun shows that Dianping platform dealt with illegal evaluations beyond 20 million resolutely and punished more than 60,000 illegal merchants. Moreover, it intercepted 156 instances of negative review harassment by reviewing one by one in 2024. In order to protect the authenticity of user reviews.

3 THE NETWORK EFFECT OF DIANPING (UGC RELATED)

3.1 The Underlying Logic of Network Effects

Dianping adopts the UGC model. It formed a strong community atmosphere and increased user engagement. It is good for enhance network. effects (Pengetal.,2020). Dianping has both bilateral network and multilateral network effect. First of all, about cross-border network effects. Dianping connected consumers and business, forming a typical cross-side network effect. When consumers post comments and share them consumption experience, it can help merchants increase exposure, attract more consumers to the store, earn profits for merchants, and thus attract more merchants to enter. Therefore, when the scale of C-end users expands, it will promote the enrichment of B-end merchant resources. When the number of merchants in Dianping increases, it will provide consumers with more consumption choices, thus promoting healthy competition among merchants, improving service level, providing better services for users, and ultimately attracting more consumers to consume. Therefore, when the resources of B-end merchants are enriched, the scale of C-end users expands. Second, regarding the network effect of the same side, Dianping adopts the user-generated content model, accumulates a large number of real user reviews, and forms a strong community atmosphere (Formosa et al., 2024). Therefore, it has a strong network effect on the same side. When users release real comments, ratings and other consumption experiences, they will attract more consumers to use Dianping for consumption reference, which will bring good reputation to Dianping. As a result, the brand effect enables Dianping to attract more users to join, achieving the same side network effect of attracting C-end users to C-end users (Wang, 2023). At the same time, through the user does not Breaking the sharing consumption experience and conducting interactive activities such as asking questions and answering questions can enhance the stickiness between users and promote the sustainability of network effect Continuous development. It can be seen that the network effect of Dianping is essentially synergy of two-sided market and the self-consistency of content ecology It's a dual driver. For the mutual benefit and protection of Authors and Publishers, it is necessary that Authors provide formal written Consent to Publish and Transfer of Copyright before publication of the Book. The signed Consent ensures that the publisher has the Author's authorization to publish the Contribution.

3.2 The Network Effect Amplification Mechanism of the UGC Model Platform

The amplification mechanism of the UGC mode platform is mainly reflected in the increase of information density, social media fission, long tail demand activates three aspects. First, about information density improvement. The model of user-generated content provides good convenience for the release of a large amount of information. In the consumer review and experience published by users in Dianping, other consumers can provide clear self-views. This concise expression directly cuts to the theme and is conducive to other consumers making decisions quickly.

At the same time, in the consumption evaluation and experience published by users, users will use vivid and colloquial expressions to make the evaluation content clear and easy to understand. In addition, the consumption evaluation and experience published by users contain the true feelings after user experience, which are true opinions proved by practice and have relatively fair and objective credibility and persuasiveness. To sum up, the user-generated content model is conducive to improving information density, making information transmission more accurate and better quality, so as to enhance the network effect of C-end users. Second, about social communication fission. As a reference platform for consumers before consumption, Dianping adopts the mode of user-generated content, which greatly promotes social communication fission. By sharing their consumption experience on Dianping, users will attract consumers with the same hobbies together, forming a strong community atmosphere.

Through forwarding and liking, the content will quickly spread, forming social communication fission, enhancing the interactivity and dependence among users, thus promoting the amplification of network effect among C-end users. Third, about the activation of long tail demand. Due to the user-generated content model, Dianping can pay full attention to various demands and provide personalized service recommendations for more niche users. According to the data of China Business News, In 2024, the evaluation volume of Dianping's spare rib and rice cake increased by+468.1%, while the evaluation volume of Gansu spicy hot pot surged by +441 times; in 2024, the evaluation volume related to Jiangxi cuisine increased by+212%, Guizhou cuisine by +136%, and Northwest folk cuisine by+121%; in 2024, the number of notes related to

"local flavors" increased by +215%, and the number of notes related to "food travel guides" increased by +209%, indicating a trend towards "exploring local flavors." In 2024, the number of notes related to "fly-in restaurants" and "street stalls" increased by +132%; the evaluation of snack and fast-food categories grew by +56%; and the evaluation volume for supermarkets and convenience stores rose by +45.3%. This suggests a trend towards "returning to the warmth of daily life." Combining these two trends, we can summarize that there is a preference for small eateries and a desire to explore local culinary flavors. It reflects that Dianping uses big data and AI technology to understand users' preferences based on their past consumption and provides personalized recommendation services to effectively improve user experience. It promotes the activation of long-tail demand and effectively enhances network effect.

4 INNOVATION STRATEGIES OF DIANPING UNDER AI DEVELOPMENT

4.1 AI Reconstruction of Content Production and Distribution

4.1.1 AI Assisted Writing

With the continuous development of technology and the constant upgrading of AI technology, UGC creation tools have also been upgraded. When consumers write post-consumption experiences, they often share their views in fragmented or colloquial ways to AI. Through AI-assisted creation, it is hoped that AI will play the role of an auxiliary assistant to help refine consumer reviews (Formosa, 2024). Through AI polishing, more accurate and concise language is used to make the consumption evaluation more vivid and realistic. At the same time, the assistance of AI enables Dianping to realize multi-modal content generation, breaks the limitation of traditional AIGC (AI-Generated content) technology, makes consumer evaluation rich in pictures and text, so as to attract more users to join, and makes the user-generated content model of Dianping sustainable development. In addition, the combination of text and visual images has been realized in the search and recommendation scenarios of Dianping, realizing multi-modal content generation.

4.1.2 Precise Content Recommendation

The development of AI can provide users with more accurate content recommendations. AI provides personalized merchant recommendations and preferential information by analyzing users' historical behaviors, preferences and geographical locations. At the same time, AI bravely analyzes user comments and reviews through natural language processing, extracts key information, enriches interest maps, so as to meet users' personalized interests.

4.2 Intelligent Transformation of Merchant Services

Dianping uses AI to optimize its operations and use AI as an assistant for merchants (Ali et al., 2024). Artificial intelligence enables Dianping to develop sustainable enterprises. Dianping has launched a hybrid mode of "AI assistance + human customer service", which uses AI to answer simple questions and reduce the waste of labor resources. At the same time, Dianping launched virtual scene marketing, such as AR store exploration and VR panoramic display. Through the pending improvement of AR and VR technology means, consumers can help to experience a more real consumption environment through multi-sensory experience (Agost et al., 2024).

4.3 Technology-Enabled Ecological Governance

AI maintains the community environment. Research has found that content homogeneity and information authenticity have a significant impact on the countermeasures of brand marketing information in social media (Zhang and Wang, 2024). Therefore, it is necessary to strictly govern the community environment of Dianping. As mentioned in the Xinhuanet article, in recent years, the number of negative feedback related to users who "induce good reviews" on Dianping has increased. In 2024, in response to key violations such as "users writing reviews with the interference of interests", Dianping will promote multiple governance actions such as AI identification, undercover visits by black people and manual visits on the basis of four lines of defense. In this way, a good community environment can be guaranteed. However, due to the imperfect laws related to AI, legal supervision should be strengthened, ethics and morals should be observed, and users' data privacy should be paid attention to when ecological governance is enabled by AI technology (Chen et al., 2025).

5 CONCLUSION

This paper adopts the method of qualitative analysis to study the strategies of UGC model platforms with mass point as an example from multiple perspectives. The advantages of the UGC model platform are summarized as follows, Dianping adopts the UGC business model, accumulates a large number of real users reviews, forms a strong community atmosphere, helps users to have a deeper understanding of merchants, facilitates rational consumption by consumers, and promotes economic growth. It further elaborates the innovation strategy of Dianping under the empowerment of AI, which is embodied in the AI reconstruction of content production and distribution and the intelligent transformation of merchant services and ecological governance enabled by technology.

In recent years, the booming development of short videos has caused a great impact on Dianping. Therefore, Dianping should explore more content forms to attract young users. Considering its advantages and challenges, in order to promote the optimization and upgrading of UGC mode platforms, UGC mode platforms should strengthen supervision to ensure the authenticity of user reviews. Strengthen data management to ensure the information security of users. Combine with AI to carry out personalized recommendations, attract users and form a good community atmosphere.

REFERENCES

- Agost, M.-J. et al., 2024. Perceiving design features in new interaction environments: Comparing rendered images, 360° rotation, AR, immersive and non-immersive VR, and real product interaction. *Applied Sciences* 14(11), 4470.
- Ali, M. et al., 2024. Synergizing AI and business: Maximizing innovation, creativity, decision precision, and operational efficiency in high-tech enterprises. *Journal of Open Innovation: Technology, Market, and Complexity* 10(3), 100352.
- Chen, X. et al., 2025. Discussion on artificial intelligence safety and ethical issues. In ITM Web of Conferences 70, 04031. *EDP Sciences*.
- Formosa, P. et al., 2024. Can ChatGPT be an author? Generative AI creative writing assistance and perceptions of authorship, creatorship, responsibility, and disclosure. *AI & Society*.
- Gao, M. et al., 2024. Is UGC sentiment helpful for recommendation? An application of sentiment-based recommendation model. *Industrial Management & Data Systems* 124(4), 1356-1384.
- Peng, Y. et al., 2020. Video platform user-generated connect investment and pricing decisions. *Journal of Management Science* 23(10), 116-126.
- Wang, M., 2023. Study on the factors influencing consumers' purchase intention of UGC model in e-commerce. *Beijing University of Posts and Telecommunications*.
- Wang, Y. et al., 2025. Product competitive analysis model based on consumer preference satisfaction similarity: Case study of smartphone UGC. *Systems* 13(1), 38.
- Xu, Y., Liu, P., 2022. Case analysis of UGC social marketing platforms: Taking Xiaohongshu, Detu and Dianping as examples. *Chinese Business Theory* (5), 41-43.
- Zhang, M., Wang, Z., 2024. A study on the backlash mechanism in the propagation of brand marketing information in social network. *Social Network Analysis and Mining* 14, 216.