

Research on Problems and Countermeasures of Social E-commerce Operation

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Abstract: With the popularization and development of Internet technology, social e-commerce emerges as the times require, but the social e-commerce model is still in its infancy stage. The business operation of social e-commerce is also not mature. However, at this stage, there are the problems of presale risk, low profit and scenes integration in social e-commerce operation in China. In view of these problems, this paper puts forward corresponding countermeasures to provide references for relevant researchers.

1. Introduction

Social e-commerce is a new mode of e-commerce, which takes social network platform as the carrier, promotes the sale of goods through social interaction between merchants and consumers, and spontaneous promotion of consumers [1]. The interaction and promotion behavior in social e-commerce is initiated not only by businesses, but also by consumers. Business-led interaction mainly involves consumers in the process of commodity trading and even R&D. It innovatively changes the process of traditional enterprise manufacturer's product-driven consumers, and allows consumers to submit improvements in commodity demand, which in turn affects the manufacturing value chain, and then jointly drives the production of commodities with enterprises. Consumers initiate the sharing of recommended products to other consumers or potential users mainly through social networking relationships. In the current context of global economic development, there are still many problems to be solved in order to develop social e-commerce vigorously. Where is the difference between it and traditional e-commerce, how to make full use of its advantages and compete with traditional e-commerce, how to locate and reflect the differentiation of social e-commerce, how to share the market with e-commerce and the future development direction, etc. Social e-commerce applies the core social links such as concern, sharing, communication, discussion and interaction to the whole process of e-commerce transactions. From the perspective of e-commerce enterprises, through social tools and cooperation with social media and networks, on the one hand, through social networks directly to complete enterprise marketing, promotion and final sales of goods, on the other hand, from consumers to get product feedback, reverse revision of all aspects of the product supply chain, to achieve greater benefits. The core of innovation in social e-commerce is to make full use of interaction to stimulate consumer's shopping desire and share their shopping experience with more people [2].

2. Problems of Social E-commerce Operation

2.1 Problem of Presale Risk.

Although social e-commerce can help enterprises to coordinate the upstream and downstream management of the supply chain, achieve the rapid response of the supply chain, and minimize inventory [3]. From a practical point of view, in the face of higher product surplus and shortage risk brought by market demand uncertainty, more and more enterprises begin to consider using pre-sale strategy to improve the accuracy of demand forecasting to a certain extent. Reasonably designed pre-sale strategy can significantly reduce demand uncertainty and help enterprises predict demand more accurately. It is precisely because of this remarkable advantage of pre-sale, with the increase of

demand uncertainty, more and more enterprises begin to use pre-sale to reduce risk. According to their own characteristics, enterprises can properly streamline the supply chain, reduce the intermediate circulation links, and then reduce the operating costs of enterprises, improve the profitability level. However, there is still a certain risk in the zero-inventory supply chain management mode. In the process of starvation marketing, many fans cannot get orders because of strict quantity control, which makes it easy for them to transfer their purchasing target to other brands, resulting in the loss of fans and brand damage. The pre-sale mode may result in the risk of goods being discontinued due to over reliance on suppliers of product parts. Before the contract agreement between enterprises and users is reached, the relationship between traditional e-commerce and social e-commerce enterprises and users is obviously different. On the one hand, traditional e-business releases large quantities of information through the Internet. The way of publishing does not fully consider users' needs and wishes, but does not understand the relevant information of users. On the other hand, users with purchasing intention need a lot of time to browse relevant similar commodity information in order to choose the right commodity for themselves. And social e-commerce can overcome the above shortcomings. Through data mining of social network platform, enterprises can understand shopping preferences and recent shopping situation.

2.2 Problem of Low Profit.

In recent years, with the deepening of social network research and the enrichment of research results, the application of social networking sites by enterprises is common. This is followed by the emergence of a new business mode of social networking, social commerce. The early application of social commerce can be traced back to the early 1990s. Amazon took the lead in introducing online comment system into its shopping website platform to help online shoppers make purchasing decisions. In recent years, with the development of technology, the rise of social media and other emerging technologies, the functions of social commerce and various tools are rapidly introduced into the industry, which further promotes the development of social business model. Enhance the visibility of enterprises and expand shopping channels. Through short-term interactive marketing activities on micro-blog, enterprises can gather popularity, lay the foundation for enterprises to carry out follow-up micro-blog marketing, and through interactive exchanges, can fully understand the needs of the audience, which is conducive to improving the scientific decision-making and grasping the accuracy of product delivery. In addition, the cooperation between e-commerce and social networking sites can increase consumer access, so that Internet users can browse commodity information while brushing micro-blogs, not only as a choice of shopping websites. From the profit point of view, the traditional e-commerce takes the price difference of commodities as the profit point, and the business model itself has no reengineering of the purchase and sale process, so it cannot change the purchase and sale process, reduce the cost and improve the profit margin. The pre-sale and pre-purchase mode, which brought about by gathering the ability of consumers, mobilizing their enthusiasm to participate in group purchase of commodities and even improving the quality of commodities, has improved the process of purchase, sale and inventory of commodities to a certain extent. It reduced the cost of commodity research and development and inventory and decreased the profit margin of merchants.

2.3 Problem of Scenes Integration.

Social networking and e-commerce are two different scenarios. How to communicate between them is a thorny problem. According to potential awareness and consumption habits, e-commerce platform is used for shopping and consumption. Social platforms such as Weibo and Wechat are used for chatting and entertainment with friends. There is a problem of convergence between social networking and e-commerce. Therefore, e-commerce and social scenes cannot be rigidly integrated together, it is necessary to integrate e-commerce into social through specific scenarios in order to improve user acceptance. In social platforms, people's relationships are generally weak and connected, that is, they are like acquaintances, but they are far away from each other. People do not remain modest and low-key, but become more impulsive and self-centered, because they do not care

what others think of themselves, but emphasize the sense of self-dignity. This determines that consumers, in order to maintain their sense of dignity or existence, want to actively share goods in social networks. This is the transmission effect of social networking. Social networking will reduce people's self-discipline. People will lower their self-restraint level after enhancing their sense of dignity in social networks. The more social networks are used, the more frequent people consume, the higher the credit card debt. This is the economic value of social networking. Social networking is more subjective. In social networking reviews, people often subconsciously raise the level of comments. From the observation of commodity evaluation of major e-commerce websites, although the quality of commodities varies, most of the evaluations are highly praised, and few of them are medium or poor. Such mutual recommendation of consumers will minimize the vigilance of consumers, and even subconsciously transform consumption. These characteristics determine that the social network must be a catalyst to further stimulate people's consumption demand. E-commerce must be deeply integrated with social networks, and only the creation of new general trading scenarios can be achieved [4].

3. Countermeasures of Social E-commerce Operation

3.1 Countermeasure of Experience Presale.

Nowadays, with the emergence and popularity of social network media, retailers can use social business platform to publicize and create momentum for products. Retailers experience products before the pre-sale period, that is, they sell some products at a price that enables consumers to buy experience products before the pre-sale period. Customers who get experience products will publicize the experience of products on social networks. For example, before the official release of mobile phones, a limited number of engineering machines are sold in the form of low prices. Buyers can experience the products in advance. Through the publicity and fermentation of social networks, the recognition and enthusiasm of products that are close to the people are once again enhanced, thus triggering a rush to buy products. In the experience pre-sale mode, retailers sell some products, and well-informed people will have a snap-up experience of products during this period. At the same time, retailers use social media network platform to expand the publicity of experience-related feelings and product recommendation information, so as to attract semi-informed customers to obtain products. Information, participation in the pre-sale activities to improve their purchase intention. In order to introduce the influence of social network on the purchase desire of potential customers, retailers can add the link of product experience before ordinary pre-sale, that is, selling some products at a low price for the purchase of well-informed potential customers, and using social network platform to publicize and recommend products, according to the correlation of social network influence. Literature studies show that affected customers will increase their willingness to buy products, and their valuation will change in the process of considering whether to buy. By experiencing the purchase, retailers can obtain more orders in the pre-sale period and raise the pre-sale price. Intuitively speaking, this will enable retailers to obtain more accurate ordering information, further reduce the risk of product inventory uncertainty, and the overall profit situation will change accordingly.

3.2 Countermeasure of Bargaining Power.

The bargaining power of suppliers is related to the concentration of suppliers and the substitutability of suppliers. But for the comparison of different e-commerce modes, the first thing is to assume the same supplier to make a fair analysis, so the bargaining power of suppliers is mainly reflected in the ability of the supplier to control them. For the self-run business model, retail e-commerce is mostly oligopoly, e-commerce procurement scale is huge, strong control of most product suppliers. The higher the monopoly degree of the general industry category, the weaker the bargaining power of the supplier. For example, Dangdang in the field of books, Jingdong Mall in the field of consumer digital and Suning Easy-to-buy, they have strong control over book and consumer

digital suppliers, and often get very low supply prices. For the third-party merchants on the trading platform, the better the brand, the larger the trading scale, the more the number of purchases, and the stronger the bargaining power with suppliers. For the third-party merchants on the social platform, the bargaining power of the supplier is the same as that of the trading platform. And self-built social networking platform providers often have the strongest bargaining power for suppliers. The reason is that such e-commerce not only has a monopoly position in the industry, such as millet in the mobile phone industry, Haier in the household appliances industry. And the products they operate are more extensive. The most important thing is that they can get the quantity and advance payment of products promised by consumers in advance through the pre-sale mode. When e-commerce knows the quantity of product reservation, it can control the quantity of purchase or the scale of production, reduce the inventory and operation cost, and improve the turnover rate of funds by means of advance payment. These advantages enable them to control their suppliers better than their own suppliers.

3.3 Countermeasure of Platform Cooperation.

Nowadays, social e-commerce platforms are basically communities in fashion fields such as clothing and cosmetics. Young women account for the vast majority of users. Different from traditional e-commerce modes, the social e-commerce platforms represented by Mushroom Street and Beauty Theory have formed their own consumption culture. At present, the profit of social e-commerce platform mainly depends on drainage commission. To maximize traffic, it is not enough to rely solely on the construction of its own platform. To cooperate with social enterprises and maximize platform diversion is the cheaper and more effective way. A single platform does not have enough strength and control to deal with this threat. Since enterprises have already obtained the demand of consumers through social networks, the most ideal way for consumers to use convenience is to submit product orders directly through social networks after they feedback products to improve their demand through social networks. This requires that social networking platforms themselves support this function or provide third-party trading platforms for support. Consumers complete social links on the electronic commerce platform. Similarly, enterprises are faced with the problem that the trading platform converges the ability of vertical groups of consumers. If the trading platform does not have enough interaction between consumers and enterprises, it cannot promote enterprises to complete subsequent production and sales. Enterprises can only choose the trading platform and social platform to operate separately and do their own business, leading consumers to jump between the two platforms to complete the transaction. Therefore, we can adopt the way of strong alliance to form a social e-commerce alliance to deal with the threat from e-commerce giants, and purchase in the way of alliance to effectively reduce costs.

4. Conclusion

At present, in order to compete for users and gain more market share, price wars are frequent among major traditional e-commerce enterprises. At the same time, the user conversion rate is decreasing. In order to improve user conversion rate, the integration of e-commerce and social networking sites is imperative. Problems in the development process will be solved in the course of development. Social e-commerce will also have bright prospects.

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