Study of CSF in China’s B2C E-Commerce Based on Expert Evaluation

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ABSTRACT

E-commerce changed the habits of the customers in recent 10 years. Analyzing the changes in customer’s demand and the characteristics of e-commerce in China more and more companies commit to the war online. Making scientific quantitative analysis on the factors to each other, the quantitative index system provides a broad prospect for development. What’s more, in order to solve the implementation of China’s B2C e-commerce, the problem that is badly in need of solving in more fierce market competition currently. Based on the expert evaluation, this paper puts forward the critical factors in China’s B2C e-commerce system, using numerical method to construct ISM, so that the CSFs can be got, namely it will be easier for the decision makers to catch the important points during the process. At last the instance of Jingdong can be the perfect model for the strategies and the CSFs in practice.

Keywords: Critical Successful Factor, Development, e-Commerce, Strategy, Structure

1. INTRODUCTION

As is known to all, websites like Amazon and Alibaba are providing the masses a new way of consumption, which leads to the development of e-commerce in China. As the Internet is suitable for all kinds of goods, many traditional and emerging Chinese companies such as Jingdong, Suning and Haier, etc., are involved in large-scale e-commerce which changes people’s consumption habits (Teng, 2004).

The enterprises develop worldwide trade with others on the Internet, which is called e-commerce. It not only increases productivity and reduces management cost, but also expands the product market and enhances the actual strength of the enterprises. As a result, traditional trade way is receiving more and more challenges from new trade way, which is unprecedented. Though more and more Chinese enterprises plunge into e-commerce with great passion in these five years, they don’t attain the expectant goals -- the further development of e-commerce and Internet economy. So developing strategies for e-commerce appropriately is in great need.
However, with the combination of development of domestic e-commerce and the industry become broader and deeper, making full use of B2C e-commerce has become an important choice for a domestic industry to get over the winter of economy. Therefore, since 2008, investment institutions pay more attention to domestic e-commerce: no matter the number or the scale of the investment in B2C industry both showed a trend of rapid growth. Maternal and child supplies, IT digital products, jewelry, building materials and etc., a large number of traditional industries started to enter the B2C industry. During the year, VANCL awarded 20 million dollars and Mecox Lane got 80 million dollars of fresh capital, which means B2C has become important industry to promote the development of domestic e-commerce industry (J.J. Chen, 2010).

This article is looking for a suitable for various strategies in the present development of e-commerce market, the introduction of the quantitative analysis way Specific means of strategy research and the way of realizing, and scientific evaluation are to be further research. A real scientific and reasonable evaluation method of developing mode is badly in need in order to evaluate the current ecommerce serving quality and make improvement.

2. LITERATURE REVIEW

This section provides a brief background to the B2C e-commerce research that attempt to support the evaluation of factors in B2C e-commerce using CSF method.

2.1. The Trend of the E-commerce

Around the world, the exploration of the e-commerce market has never stopped, and focus on the B2C e-commerce market is growing greater and greater in these 10 years. Many scholars are dedicated to finding all kinds of emerging characteristics of e-commerce market and users. Consumers’ preference, efficient transportation infrastructure, and credit payment system have been regarded as the most important three factors in e-commerce market (J. Yu, 2006).

So experience marketing as a personalized consumer marketing emerged as the times required (An&Tian, 2011). Data shows that compared with the standardized products and services, the personalized services and products are more helpful to the increase of products’ added value and meet the users’ needs better (Y.H. Yu & Wu, 2010).

Then, in the aspect of logistics, enterprises adopt outsourcing to conduct their logistic distribution. In order to choose the appropriate logistic provider, a detailed, in-depth logistic plan should be designed (J.J. Chen, Feng & Cai1, 2013). Jiang and Wang (2005) proposed that the design should be based on the size of logistic distribution centers and the characteristics of what the customers demand for business-to-customer (B2C) e-commerce companies. Besides, how to effectively manage return logistics, and achieve better customer satisfaction, is very important for every enterprises (Joffe, 2001).

Finally E-commerce trust has become the bottleneck of the development of e-commerce in China (Lu, Deng & Yu, 2006), proposing an e-commerce enabled model for secure electronic fund transfer, and discussing ways to mitigate challenges in building trust in B2C have been the vital task (Dey, Nabi & Anwer, 2009).

2.2. The Method Used for Solving the Problems in B2C Market

Substantial research efforts have attempted to understand the market development--process in order to catch more consumers’ eyeballs and make the whole e-commerce market work well. From the following contents we can know that lots of methods have been used to search for the optimal solution of the problems in B2C market.

Lee (2010) use a two-step process for the assessment of B2C controls: firstly validate the efficiency of controls for the implementation of B2C applications by DEA (data envelopment analysis) model; Secondly, determine efficient firms and generate rules for recommending levels of controls by decision trees.