

Service Optimization under B2C Mode of Cross-border E-commerce

--Based on the Consumer Purchasing Decision Theory

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Abstract

B2C model is a relatively mature shopping model in today's cross-border e-commerce. It connects manufacturers and consumers. In the B2C model, being consumed is the ultimate goal of the goods or services produced by enterprises, that is, the final output value of cross-border e-commerce. Consumers are affected by many factors in the decision-making process. Based on the theory of consumer purchasing decision-making process, this paper studies the pain points existing in cross-border e-commerce platforms, and builds an optimization model of its service system accordingly.

Keywords

Cross-border E-commerce; B2C; Consumer Decision Model.

1. Introduction

With the development of cross-border e-commerce, a variety of cross-border e-commerce platforms h emerges one after another. The cross-border e-commerce retail import and export consumer groups are also expanding year by year. The consumer groups are gradually expanding to the lower level and the types of consumer goods are also increasing year by year [1]. B2C (Business to Consumer) mode refers to the mode in which enterprises, merchants and consumers trade related commodities or services through the Internet platform, disclose trading information and obtain post-purchase evaluation. In cross-border e-commerce, this mode will also involve factors such as cultural differences and research on the shopping habits of related foreign users. As one end of the B2C model of e-commerce platform, consumers play a crucial role in the establishment of cross-border e-commerce service system. Consumers purchase decision is a complicated process, according to the theory of consumer purchase decision making process, consumers in order to meet the demand of a certain, will be under the domination of certain buying motives, the selection of two or more than two purchase schemes, after analysis, evaluation, selection and implementation of best buy project, evaluation after the merger. Decision-making process mainly includes demand determination, purchase motivation formation, purchase plan choice and implementation, post-purchase evaluation and so on. If any link is affected, it will affect the final consumer's decision. In other words, every link of data and information release of cross-border e-commerce platform should be set when how to effectively stimulate the demand of consumers is taken into account. Therefore, the current service system of cross-border e-commerce platform should be optimized according to the decision-making process of consumers' choice and purchase, and the corresponding service system optimization model should be established to guide and improve the sound development of cross-border e-commerce.

2. Literature Review at Home and Abroad

Many scholars at home and abroad have focused on the unique status and role of consumers in B2C model of cross-border e-commerce. Martens. B (2017).^[2] believed that for enterprises, B2C online retail means direct contact with consumers, can effectively grasp the market information, grasp the popular trend of management products, easier to obtain consumer satisfaction, so that enterprises can gain more profits. Srinivasan et al.^[3] put forward the concept of e-loyalty in order to more clearly describe the consumer loyalty in the network environment, which is defined as "a preference attitude of consumers towards e-retailers, which will lead to repeated purchase behavior of consumers. Sun (2017)^[4] analyzed the influencing factors of consumer e-loyalty and demonstrated the maintenance strategy of consumer e-loyalty in his paper again in 2018, studied the characteristics of consumer e-loyalty from the measurement index of e-loyalty, and put forward the measures to maintain consumer e-loyalty in the context of e-commerce. Zhang (2019)^[5] believed that it is very important for consumers to participate in the decision-making process of enterprises, that is, to let consumers participate in the process of "Value Co-creation", that is, enterprises integrate consumers' interests, needs, wishes, knowledge, experience, inspiration, creativity and design choices into the process of business activities of enterprises.

3. The Unique Status of Consumers in B2C Model of Cross-border E-commerce --Starting from the Purchase Decision Model

Consumer purchase decision, in narrow sense, is divided into five steps. From the perspective of cross-border electricity, The first is the self-awareness of consumer demand, and then to find the purchase channels, namely cross-border electric business platform of information retrieval, and next, to sort out and compile purchase information, followed by a review of existing purchase plan, including price, freight, shipping time evaluation. After that, the purchase decision is formed, and the final post-purchase behavior is to make a certain judgment on the overall shopping effect and whether the goods meet their own requirements, thus forming the post-purchase evaluation. Any problem in any link of this process will affect the formation of consumers' entire purchase decision. This shows the status of consumers in the B2C model. The internal service system of cross-border e-commerce platform also influences consumers' purchasing decisions from the outside.

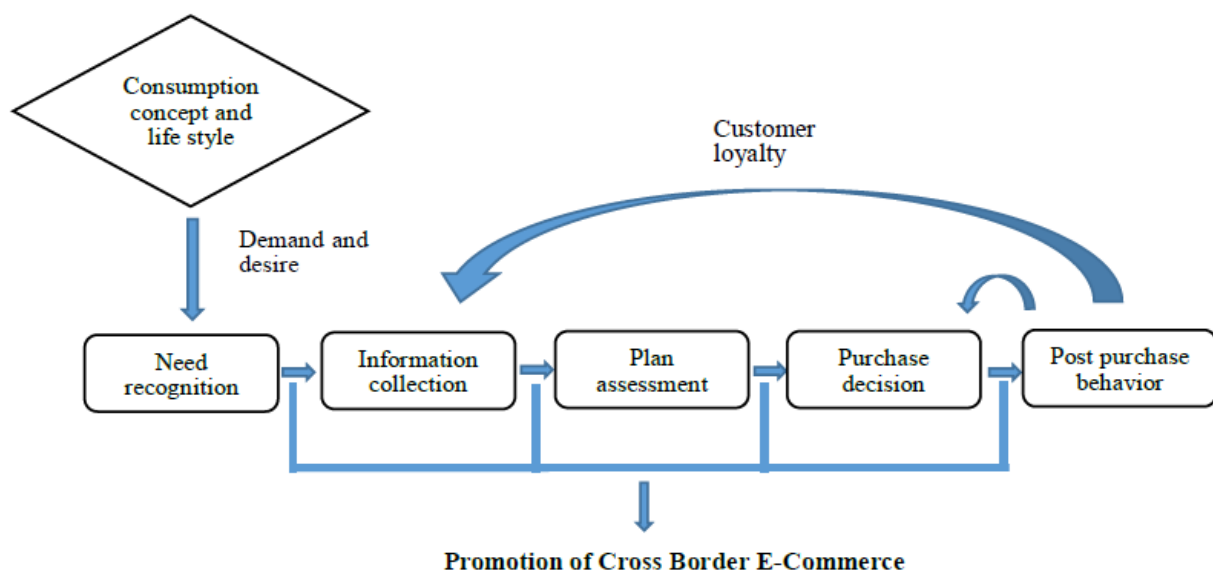


Fig. 1 Five Step Diagram of Consumers' Purchase Decision

3.1. Impact of Consumer Demand Awareness on Cross Border E-Commerce Platforms

The purchase demand of consumers is the premise of purchase decision. It is affected by many factors. Generally speaking, it includes the internal demand and the external demand. Internal demand refers to consumers' psychological demand to meet their own needs in life. This demand originates from consumers themselves and has little impact on cross-border e-commerce platforms. However, consumers' external demand can be stimulated by relevant measures of cross-border e-commerce platforms, such as advertising, discounts and other marketing activities. Therefore, the external demand of consumers affects the formulation of enterprise marketing plan, that is, how to properly make consumers produce external demand, and will not make consumers have a sense of disgust.

3.2. Impact of Consumer Information Collection on Cross-Border E-Commerce Platforms

Information collected by a primary channel make cross-border electric business platform of the search engine, the Internet search engine to obtain the content of it has certain uncertainty, consumers have questioned its content itself has certain ingredients, but not sure the commodity information is very difficult to make consumer purchase decision, this affects the cross-border electric business platform to build a system of their own algorithms, distinguish and determine the value of the goods^[6]. Secondly, the channels of consumer information collection are very extensive, not only from the search engine of cross-border e-commerce platform, but also from the circle of friends, Weibo, etc., which affects the cross-border e-commerce platform to expand the channels of commodity information release.

3.3. Impact of Scheme Evaluation on Cross-Border E-Commerce Platforms

The significance of cross-border e-commerce platform to analyze consumer program evaluation lies in that it directly determines the purchase decision. Compared with traditional e-commerce platforms, consumers' evaluation of solutions has a more direct impact on cross-border e-commerce platforms. Cross-border B2C e-commerce refers to the fact that enterprises directly sell goods to consumers in various countries without intermediate platforms, which involves a series of issues such as overseas transportation, customs inspection, delivery time and so on. Compared with traditional e-commerce platforms, consumers will pay more attention to the logistics information and product transportation quality of goods. This enlightens enterprises to optimize the cross-border logistics system.

3.4. Influence of Post-Purchase Behavior on Cross-Border E-Commerce Platforms

Compared with traditional foreign trade, cross-border retail transaction has shorter cycle and more direct after-sale feedback. Each consumer can evaluate and feedback the quality of products and services provided by merchants in the process of transaction^[7]. And consumers' post-purchase evaluation directly affects the establishment of consumers' brand and merchant loyalty. Once consumer loyalty is formed, it is likely to shorten the process of purchasing decision making, that is, it can directly start from the collection of information, or even form a purchase decision without the collection of information and the evaluation of the plan.

4. Cross-Border E-Commerce Issues Reflected in Consumer Decision-Making Process

4.1. Ignoring the Personalized Needs of Consumers

With the support of the government, China's cross-border e-commerce transactions reached 9 trillion RMB in 2018. In terms of import and export structure, China's cross-border e-commerce

transactions are mainly export. Therefore, domestic cross-border e-commerce platforms not only face huge international competition, but also face personalized international market demand, that is, consumers from different countries with distinct cultural and cognitive differences resulting in different demands. However, cross-border e-commerce platforms mainly focus on their own cost efficiency, profit and promotion benefits, thus ignoring the personalized needs of consumers. Compared with traditional e-commerce platforms, a distinctive feature of consumer demand of cross-border e-commerce is individualization. One of the reasons why consumers choose cross-border e-commerce platforms is that they hope to obtain products produced in other countries, that is, to obtain different shopping experience in China. At this time, consumers no longer pursue low-cost products. Instead, their expected prices largely depend on the real experience and satisfaction degree of the products [5].

4.2. Information Asymmetry Between Enterprises and Consumers

Cross-border e-commerce platforms, as the information providers of commodities, provide commodity information includes main characteristics and pictures, the way of which may provide asymmetric information, not coinciding with the real one. Moreover, cross-border electricity business logistics cost and time cost is much higher than conventional electricity, so this is the information asymmetry caused by consumers will hesitate because of information asymmetry, change their buying decisions. This has always been a pain point for cross-border e-commerce. Moreover, buyers and sellers of cross-border e-commerce come from different countries, and the measurement standards of culture and customs are different, which further aggravates the problem of information asymmetry [1]. In this situation of information asymmetry, consumers are more inclined to choose the merchants they trust, which indirectly explains the significance of consumer loyalty.

5. The Establishment of the Optimization Model of Cross-Border E-Commerce Service System

Based on the impact of all aspects of consumer decision-making on cross-border e-commerce platforms and the pain points of cross-border e-commerce platforms in the process of consumer decision-making analyzed in this paper, the following hypotheses are proposed:

H1: The quality of marketing and promotion on cross-border e-commerce platforms directly affects consumers' external demand for purchase.

H2: The direct involvement of consumers in the design of goods can significantly increase their demand.

H3: The number of information source channels is positively correlated with the times of browsing commodities.

H4: When product quality and other factors remain unchanged, the efficiency of international logistics transportation of goods is positively correlated with consumer satisfaction.

H5: There is a positive correlation between consumers' trust in cross-border e-commerce platforms and their purchase decisions.

Therefore, the optimization model of cross-border e-commerce service system is established as Fig. 2:

5.1. Letting Consumers Directly Participate in the Product Design Process

Based on the internationalization and personalized needs of cross-border e-commerce, this paper believes that merchants on cross-border e-commerce platforms can publicize their products through multiple channels, such as the current popular social media such as Moments, Weibo, and release their new products. Taking clothing as an example, we can release the designed samples and ask customers about their needs. At this time, interested customers will

explain their personalized needs in the comment area, and the platform can improve its products accordingly. That is, engaging consumers in a process of "value co-creation" can significantly increase consumer demand.

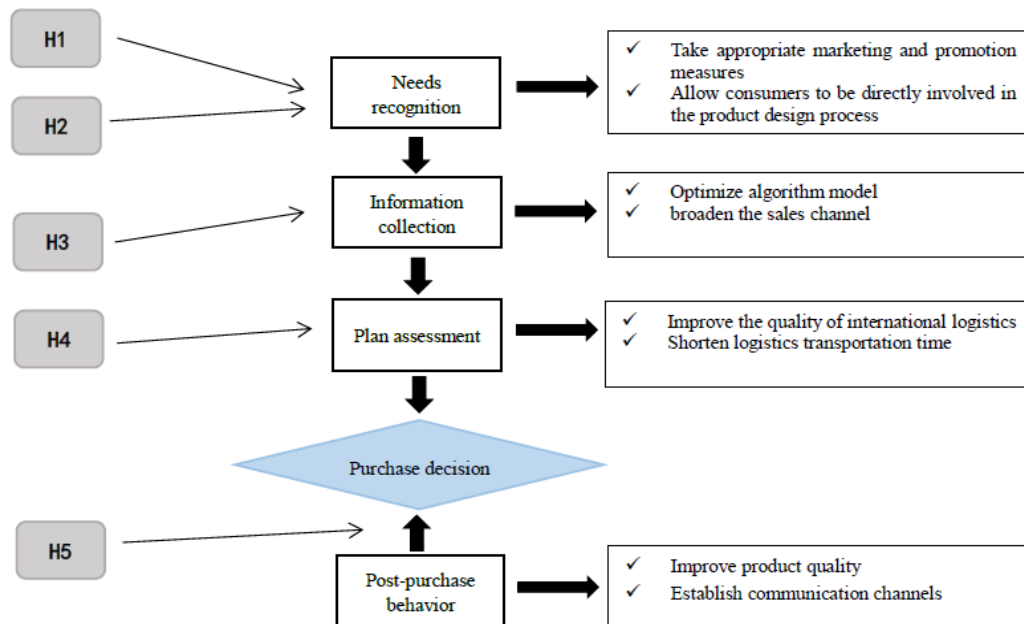


Fig. 2 Establish a cross-border e-commerce service system optimization model

5.2. Improving the Efficiency of Cross-Border Logistics and Transport

Improving the transport efficiency of cross-border e-commerce logistics can significantly improve consumers' satisfaction with goods and sellers, which is the key to building consumer loyalty. Currently, cross-border logistics has problems such as high cost and low degree of informatization. Cross-border e-commerce platforms should take the construction of overseas warehouses as the object of current and future development.^[8] Overseas warehouse can effectively improve the transportation efficiency of cross-border e-commerce, shorten the time, and realize the logistics transportation pain points such as the difficulty of returning or replacing goods. In addition, enterprises should establish a supply chain management system, monitor the logistics transportation situation in real time, and make the information open and transparent.

5.3. Maintaining Consumer Loyalty

This paper holds that the key to establish and maintain customer loyalty is to improve product quality and establish communication channels. Consumers are always concerned about business services. Cross border e-commerce platform is more serious because of information asymmetry. So, trust building is crucial. This requires cross-border e-commerce platforms to start from consumers and provide personalized and satisfactory products. In addition, strengthen the vocational training of customer service. Whether it's automatic customer service or manual customer service, we should do whatever we need. In addition, the platform can introduce some reward mechanisms for old customers, which can effectively maintain consumer loyalty.

6. Conclusion

Cross-boundary electric business platform is a concentrated reflection of electricity, the platform of the revenue to a certain extent affect the cross-border electricity trade, and

consumers are cross-border electricity cannot be ignored in B2C mode, enterprises should take customers as the core, combined with various countries different consumer spending habits, provide personalized, high quality products and effective to establish and maintain customer loyalty. In this way, it can promote the sound and healthy development of China's cross-border e-commerce and make great contributions to China's import and export industry.

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