

Pathways for the Small and Medium-Sized Businesses to Develop the E-commerce Under the Internet Plus

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ABSTRACT

The development of the Internet Plus has been pushing the popularization of e-commerce in all walks of life. The e-commerce can do many benefits for the businesses either in the market expansion or in the cost reduction, etc. It's quite necessary for the small and medium-sized businesses to develop the e-commerce. How can the small and medium-sized businesses join in construction of the e-commerce? To solve this problem, the paper first expounds the necessity and feasibility to develop the e-commerce under the Internet Plus, then discusses the bottlenecks existing in the small and medium-sized businesses, in the end suggests some pathways to develop the e-commerce under the Internet Plus for the small and medium-sized businesses.

Keywords: Internet Plus, small and medium-sized businesses, e-commerce, pathways

I. INTRODUCTION

Since the entrance into the twenty-first century, the e-commerce has been playing more and more important role in the operational activities of the businesses. The infrastructure, technologies in information, network and big data and human resources, etc. for the e-commerce have laid a fond foundation. The vast application of the e-commerce in all fields of economy and social life has contributed much either to the economic growth or to the people's life improvement. Up to now, the main e-commerce types consist of business to consumer, business to business, consumer to consumer, online to offline. Except for the consumer to consumer, the rest types are all suitable for the small and medium-sized businesses to apply. In some industries, the e-commerce is gradually substituted the brick and mortar in the marketing, which is a big attack to the traditional small and medium-sized businesses[1]. But an important part of the economy in China, most of the small and medium-sized businesses have lagged behind in using the e-commerce, which directly affects their development and the sustainability of the national economy.

II. NECESSITY AND FEASIBILITY FOR THE SMALL AND MEDIUM-SIZED BUSINESSES TO DEVELOP THE E-COMMERCE UNDER THE INTERNET PLUS

A. Necessity for the small and medium-sized businesses to develop the e-commerce under the Internet Plus

The fast development of the Internet Plus has been bringing many benefits for the medium small enterprise. First, the exchange intermediaries can be reduced and this is helpful to cut down the operational cost. Then, under the Internet Plus, no brick and mortar is needed, which can do away with both the rent and the inventory costs. Next, the Internet Plus can give the timely opportunity for the small and medium-sized businesses to communicate with the consumer so as to provide what the customer needs for the marketplace. Therefore, it is quite necessary for the small and medium-sized businesses to develop the e-commerce.

B. Feasibility for the small and medium-sized businesses to develop the e-commerce under the Internet Plus

Also, currently, the infrastructure, the institutions, the skilled personnel and the users, etc. for the e-commerce have been greatly evolved, which have provided the possibility for the small and medium-sized businesses to develop the e-commerce. Take it for example, the quick growth of a third payment platform makes the online payment much convenient either for the enterprise or for the customer and this gives a security to the development of the e-commerce of the

medium small enterprise; The promulgation of the Electronic Signature Law of the People's Republic of China in Aug.2004 and the Numerous Comments on Accelerating the Development of the E-commerce from the General Office of the State Council in Jan.2005. All these have sped up the quick development of the e-commerce and achieved a lot in pushing the economic increase in China. In 2018, the total online retail volume reached 9006.5 billion yuan, of which the online retail volume of the physical goods was 7019.82 billion yuan while the commodity sales volume of the chain retail industry such as convenient stores, supermarkets, specialty store and factory outlets, etc. was only 3801.27 billion yuan [2].

III. BOTTLENECKS FOR THE SMALL AND MEDIUM-SIZED BUSINESSES TO DEVELOP THE E-COMMERCE UNDER THE INTERNET PLUS

A. Insufficient cognition to the role of the e-commerce in the economic development

Some small and medium-sized businesses often think that e-commerce is obliged to the big company and not to the medium small enterprise. This idea leads to a situation: no strategic planning in the e-commerce construction; lack of the input into the construction of the e-commerce system or scattered e-commerce infrastructure even if some firms have certain investment into the e-commerce; limited use of the e-commerce functions like receiving and sending the e-mail, setting up a website, etc.

B. Deficient funds make the medium small firm unwilling to invest into the systematic construction of the e-commerce

Commonly, the medium small firms have much difficulty in funding, which makes most of them hard to input the funds into the e-commerce [3]. Although a few businesses have begun to set up the e-commerce installations, the atmosphere to use the e-commerce among most small and medium-sized businesses is to be improved. This phenomenon constrains the prevalence of the e-commerce in the scope of the medium small enterprise. Some enterprises don't know how to expand their market by way of the e-commerce or interact with the customer on the e-commerce. The finite e-commerce installations become a decor in the end.

C. Scarcity of the skilled personnel in the e-commerce restricting the development of the information technology in the medium small enterprise

Except the enterprise in the information and internet, most medium small firms are short of the skilled personnel in the information and internet technology [4]. Considering the personal career

development, the skilled personnel majored in the information and network technology are unwilling to work in the medium small firms. On the other hand, the medium small firms don't want to keep the skilled personnel in the information and network because of the cost consideration. All these worries curb the development of the skilled personnel both in the e-commerce rules & regulations and in the e-commerce technology and the implementation of the e-commerce of the operational activities.

IV. PATHWAYS FOR THE SMALL AND MEDIUM-SIZED BUSINESSES TO DEVELOP THE E-COMMERCE UNDER THE INTERNET PLUS

A. Fostering a correct e-commerce value judgement

The administrator of the medium small firm should tailor his or her perspectives on the e-commerce from ignorance to valuing. Concretely, the firm should attach the importance to the training of the staff in the IT & network skills and e-commerce, by which the staff may realize the value of the e-commerce. Then, formulate an overall e-commerce development plan like targets, business model, etc. Next, set up the e-commerce infrastructure such as data banks, installations etc. and re-engineer the operational process around the key business so as to downsize the organizational structure and optimize the inner management and governance to cater for the requirement in developing the e-commerce [5].

B. Coordinating the various sections in the e-business

Due to the lack of the funds input into the construction of the e-commerce platform, the small and medium-sized businesses may make full use of the information and network foundations in the market. They can increase the correspondent service activities based on the e-commerce when optimizing their traditional business model around their core business [6], cooperate with the partner specialized in the e-commerce and pay much attention to the e-business security in such aspects as payment online, item innovation and customer resources, etc.

C. Strengthening the precision of the e-business service

By using the network and information technology, analyze the marketplace to find out who your target customers are, what they want, in what conditions they buy the product, etc. Different from the traditional marketing activities, the online marketing often concerns double or universal communication. The enterprise should dynamically adjust its marketing approaches according to the customer's consumption inclination so as to provide the precise item for the market

D. Attaching the importance to the training of the staff in the information & network technology and e-commerce

The construction of the e-commerce is a systematic project and it involves in multiple disciplines like information, network, marketing, management and commerce [7], etc. Most small and medium-sized businesses are quite short of the skilled personnel in these fields because of their own reasons such as insufficient funds, near-sighted personnel use concept, etc. In the times of the e-commerce, the enterprise must change its personnel use idea, actively employ and retain the skilled personnel with trans-disciplines, increase the training of the existent staff in e-commerce and marketing, etc. by combining the training effectiveness with the staff's appraisal, encouragements and promotion so that the staff has the enthusiasm to join in.

V. CONCLUSION

The Internet Plus has provided the possibility and feasibility of developing the e-commerce in the economy and society. The application of the e-commerce in all the sectors like agriculture and industry, etc. has a vast prospect both in increasing the benefits and in strengthening the competitiveness. The small and medium-sized businesses should recognize the importance of the e-commerce and actively use the e-commerce in its operation. Only in this way can it survive in the fierce competition in the global market.

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