

Analysis of Consumer Decision in the Clothing E-commerce Mode from the Perspective of Invisible Cost

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Abstract—Clothing industry plays an important role in our national economy. This paper uses economic theory to analyze consumer decision-making under clothing e-commerce mode and studies the influence of hidden cost on consumer decision-making in clothing e-commerce mode. Then, aiming at the application of big data technology in clothing network marketing, this paper explores the influencing factors and development trend of consumer decision-making under the mode of clothing e-commerce in China.

Keywords—clothing e-commerce; implicit cost; consumer decision; big data

I. INTRODUCTION

Clothing industry is one of the traditional industries in our country. China is a big country of clothing production. Clothing industry occupies an important position in our national economy. The development of clothing e-commerce plays a vital role in the survival and development of small and medium-sized clothing enterprises in our country. This paper analyses the recessive factors influencing consumers' decision-making under the mode of clothing e-commerce. This can help clothing e-commerce enterprises to better understand the costs of consumers under this mode, so as to find ways to reduce hidden costs, effectively improve customer relations, win more online customers, and promote the survival and development of clothing e-commerce enterprises.

II. THE DEVELOPMENT OF CLOTHING E-COMMERCE IN CHINA

A. The Number of Internet Users Is Increasing Rapidly

The development of information technology and the popularization of network have promoted the development of e-commerce. A high number of netizens are the premise and guarantee of the realization of e-commerce. They are entering the era of mobile e-commerce App and WeChat applet. On August 20, 2018, the China Internet Information Center (CNNIC) issued its 42nd Statistical Report on the Development of Internet in China. As of June 30, 2018, the number of Internet users in China reached 802 million, with

the Internet penetration rate of 57.7%. In the first half of 2018, 29.68 million netizens were added, an increase of 3.8% compared with the end of 2017; the scale of mobile netizens in China reached 788 million, and the proportion of netizens accessing the Internet through mobile phones reached 98.3%.

B. The Scale of Clothing E-commerce Transactions Continues to Expand

2018 is the tenth year of Tmall's "Double Eleventh" celebration. As seen on the real-time data display screen of Tmall's "Double Eleventh" global carnival, the turnover has exceeded 213.5 billion Yuan. In 2009, the "double eleven" transcript was 52 million Yuan, an increase of more than 4100 times.

China's apparel industry is the earliest, largest and most mature online industry. According to the survey data of Erie Consulting, China's online shopping market in 2015 has a transaction scale of 3.8 trillion Yuan, and the market scale of online apparel shopping is 8.18 billion Yuan, accounting for 21.1% of the total online shopping scale. From 2011 to 2016, the scale of online apparel purchase in China has been growing steadily. It is estimated that the scale of online apparel purchase in China will reach 3.7 trillion Yuan this year, accounting for 18.7% of the whole online shopping market. The network scale and growth rate of our country in 2011-2018 years are shown in "Fig. 1".

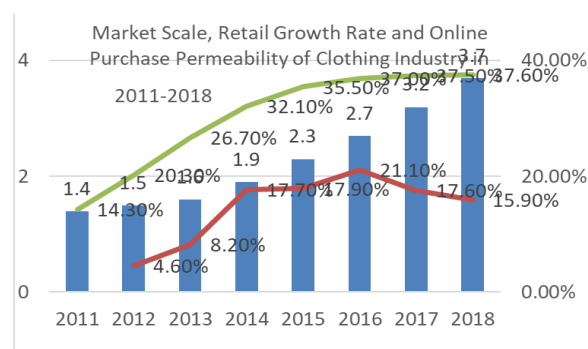


Fig. 1. Market scale, retail growth rate and online purchase purchase permeability of clothing industry.

C. *E-commerce Information Service Channels Continue to Improve*

Competition in textile and apparel industry has been very fierce, which has increased the demand for timely information for apparel enterprises. A large number of websites serving apparel enterprises mainly with information consultation have emerged. Famous websites include China Garment Network, China Textile and Garment Information Network, E-commerce Research Center and China Garment Network. The emergence of these websites provides a rich public information platform for apparel enterprises, and plays an important role in the expansion of information channels and resource construction of apparel enterprises.

D. *The Trend of Consumption Upgrading Is Obvious*

From the perspective of consumption, this year's tenth Tmall "Double Eleventh" intuitively demonstrates the huge explosive power and extraordinary creativity hidden in the current consumer market. In the "Troika" of stimulating the national economy, the leading role of consumption has been highlighted, and the trend of high-end, personalized and diversified consumption has been fully reflected. From the perspective of China's economy, Tmall's "Double Eleventh" reflects the increasing domestic consumption and global purchasing power, which together constitute the consumption support for China's high-quality economic development. China's economy is expected to become a stronger engine of world economy through further reform and opening up. According to rookie network data, in 2018, Tmall's "Double Eleventh" all-day logistics orders set a world record again, with 1.042 billion orders. National Intelligent Logistics Backbone Network has entered a billion single era. Ma Yun, chairman of Alibaba Board of Directors, believes that the "Double Eleventh" is no longer just a discount day, but also a Thanksgiving Day, that is, manufacturers can thank consumers with the best goods and the best price. "Double Eleventh" is not only a promotional activity, but also a cultural and happy exchange and sharing. It is a festival created by the Chinese people and recognized by the whole world.

E. *Online and Offline Consumer Convergence*

From 2009 to 2018, after ten years of development, China's e-commerce platform consumers have covered the world at home and abroad, domestic cities and countryside. Highly integrated online and offline, 200,000 new retail smart stores, 100 key business circles in 12 new retail ideal cities, 62 Yintai Department stores, 41 natural homes, nearly 100 boxes of Ma Xiansheng, 470 new retailers, 1 million hungry and word-of-mouth merchants all participated in Tmall Shuangxi in 2018. Its influence extends to the whole line. With the advent of the digital economy era, the development and application of big data, the deep integration of online and offline consumption, and the more accurate and timely consumer response of personalized customization, the online shopping model may produce new changes. As the largest apparel industry in the online shopping market, its online and offline consumption integration e-commerce

mode will inevitably promote the development of the entire e-commerce industry.

III. CONSUMER BEHAVIOR CHARACTERISTICS IN THE ELECTRICITY SUPPLIER MODE

China's e-commerce development is in the rising stage, e-commerce sales are increasing year by year, reaching 975 billion US dollars in 2017, ranking first in the world. At the same time, the number of online shoppers is increasing year by year. According to statistics, up to now, the number of online shopping users in China is about 450 million, and the utilization rate of online shopping has reached 63.1%. E-commerce is based on advanced information technology platform. Its activity space is not the traditional physical product exchange space, but the electronic space (Cyberplace). In the mode of e-commerce, compared with the traditional business model, consumer behavior shows the following characteristics.

A. *The Scope of Consumer Choice Is Large*

In the traditional marketing environment, consumers can only choose limited goods in limited space (such as a city) and limited time when buying clothes. In the e-commerce environment, consumers can choose all kinds of goods and services according to their actual needs without time and space constraints.

B. *Consumers Choose Convenience*

Consumers in e-commerce environment are not limited by time and space, and can choose specific goods and services at any time and anywhere. Men's clothing is the largest online consumer category of all consumers. The clothing business mode enables consumers to buy products that are satisfactory when they spend their spare time at home.

C. *Directly Involved in Production and Circulation*

Under the mode of clothing e-commerce, consumers and producers can directly constitute the circulation cycle of business. Consumers can directly participate in the design of products according to their own requirements for clothing. For example, the design of new CDBC e-commerce platform for apparel industry meets the more and more individualized needs of consumers, and puts forward higher requirements for the networking of production and sales of apparel industry, so that designers and manufacturers can communicate more conveniently and quickly.

D. *More Concerned About Corporate Image*

In the fashion e-commerce mode, corporate image also has a great impact on consumers' behavior decisions. Because consumers can not judge the quality of products and services through perception, they prefer to buy traditional enterprises or products with high praise rate and sales volume. In addition, the authenticity of information, the establishment of credit system, the legal environment and the improvement of logistics distribution system have an impact on consumers' online shopping behavior.

IV. CONSUMER IMPLICIT COST CLASSIFICATION IN THE ELECTRICITY SUPPLIER MODE

The biggest attraction of e-commerce to consumers lies in 24 hours' easy access to virtual stores, and the ability to compare shopping with the lowest cost and sufficient energy. E-commerce has greater benefits for producers. It can significantly reduce the completion of sales and access to investment, transform supply chain and logistics system, and redefine customers. Relationship management and other costs: consumers have to pay explicit costs and implicit costs to buy products and services. The implicit costs discussed in this paper are compared with traditional business activities, and consumers have to pay additional implicit costs. The relationship between explicit cost and implicit cost of consumers: To facilitate discussion, the following variables are defined: CT represents total cost of consumers, CE represents explicit cost of consumers, CI represents implicit cost of consumers. The three variables have the following relationship: $CT = CE + CI$ (see "Fig. 2").

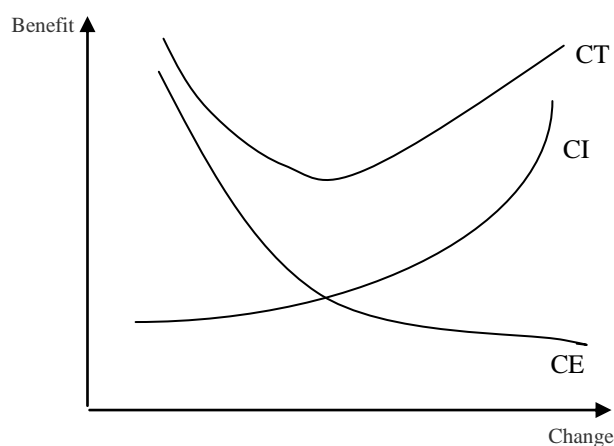


Fig. 2. The relationship between explicit cost and implicit cost of consumers.

A. Conceptual Switching Costs

Under the traditional business model, consumers and suppliers usually trade at the same time and in the same specific physical trading place. Rational consumers choose to buy or give up the following principle: goods are three. Under the clothing e-commerce mode, consumers and suppliers are free from time and space constraints, and conduct goods and services transactions in virtual space. Therefore, clothing consumers from the traditional consumption mode to e-commerce mode, first of all, need to change the concept.

B. Information Search Cost

Under the environment of clothing e-commerce, there is more information about clothing products online. Consumers must spend more time and energy to choose what they need from the information of numerous products and services. Under the traditional consumption mode, consumers can obtain clothing goods or services that meet their needs in a limited space, such as a city or town mall.

C. Learning Cost

Online shopping consumers should not only have the ability to wander online, but also have the experience of buying online. Both of these abilities require continuous learning from consumers, while consumers in the traditional consumption mode can completely get rid of the limitations of these two aspects and purchase directly to a certain location. With the arrival of the era of big data and the popularity of rural online, more and more middle-aged and elderly people are beginning to join the ranks of online consumption.

D. Safety Cost

The biggest concern of consumers is the security problem. Consumers are faced with the risks of stolen accounts and passwords, lack of corresponding certificates for payment, and whether the safety performance of products meets the prescribed standards. The biggest obstacle to consumers' online shopping in the mode of clothing e-commerce is the inappropriate style or size of clothes they receive. Therefore, it is an important way to reduce the hidden cost of clothing e-commerce to effectively reduce the safety cost of consumers and protect the vital interests of consumers.

E. Leisure Cost

When consumers think shopping on the street is a kind of leisure, it is not a waste of time and energy. We call the implicit cost of consumer payment the leisure cost. For online apparel enterprises, leisure costs account for a larger proportion than those who engaged in other industries. For male consumers, women pay more leisure hidden costs.

V. REDUCING THE IMPLICIT COST OF CONSUMERS

In the view of consumer economics, consumers' choice is based on the utility they get. If they are willing to pay high costs, they must want to get more benefits. Or if the benefits remain unchanged, they pay less cost. Here we mainly discuss ways to reduce the implicit cost of consumers. So that consumers can make better decisions.

A. Improving Web Design and Enhancing Identity

Web pages are the threshold for consumers to choose online clothing. Excellent clothing design web pages can attract the favor and attention of online browsers. Increasing consumers' online browsing time can promote the turnover rate. When consumers choose to shop online, they often roam many websites and decide whether to buy after a comparison. The unique humanized webpage design can increase customer's identity and turn webpage visitors into buyers.

B. Strengthening Brand and Quality Management

Under the mode of clothing e-commerce, consumers can not use their senses to help judge the quality of goods and services. They decide to buy the goods and services they need by relying on their previous purchase experience and the high-quality image established by famous brand products. Therefore, the establishment and maintenance of brands can

not be ignored in the era of e-commerce. The quality of goods and services is a special concern of consumers under the traditional business model. Therefore, enterprises should strengthen brand and quality management, so as to reduce the hidden costs of information search and safety costs of consumers.

C. Using Big Data to Push Products Reasonably

Although the powerful information supply ability of network system gives consumers a space to choose goods adequately, consumers also face the difficulty of how to choose the information of goods and services they need. In view of the high cost of information search, enterprises can use big data to push the products needed by consumers. To provide them with the possible demand product mix, this greatly reduces the information search cost of consumers. At the same time, the learning cost is also reduced for consumers who lack the purchasing experience and low online roaming ability.

In addition, there are sound legal environment, the establishment and improvement of social credit system and the protection and maintenance of consumers' rights and interests, which can reduce the hidden cost of consumers from a macro perspective. This is not only suitable for consumers under EB mode, but also for consumers under traditional mode.

D. Improving Logistics and After-sales Service

The enormous economic potential of e-commerce in China has made many enterprises and employees eager to try. China's e-commerce, which has experienced the Internet bubble, has entered a stage of steady development. At the same time, the garment e-commerce industry is becoming more and more mature, garment e-commerce enterprises are constantly enriching product categories, improving logistics and after-sales service quality, but also actively developing cross-border online shopping, sinking channels to develop rural e-commerce. In some areas, rural e-commerce has also become an important way to get rid of poverty and become rich, and has been vigorously supported and promoted, so as to reduce the safety costs of consumers.

enterprises. Effective reduction of consumers' network search costs, security costs, learning costs and other hidden information can promote the development of clothing e-commerce.

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VI. CONCLUSION

Based on the analysis of consumers' decision-making under the mode of clothing e-commerce in China, this paper explores the influencing factors and development trend of consumers' decision-making under the mode of clothing e-commerce in China from the perspective of reducing the hidden cost of consumers. With the application of network big data technology in clothing network marketing, clothing e-commerce consumers will pay more attention to hidden cost in decision-making, which directly affects consumer decision-making and future development of clothing e-commerce. To help clothing e-commerce enterprises better understand the costs of consumers under this mode, so as to find ways to reduce hidden costs, effectively improve customer relations, win more online customers, and promote the survival and development of clothing e-commerce