

# THE STUDY OF ALIBABA E-COMMERCE

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**Abstract:** The development of economy and the progress of science and technology for electronic commerce has opened up a very broad prospects, under the influence of the global trend of informatization drive, electronic commerce of all countries continuously improve and perfect, e-commerce has become one of the symbols of advanced productivity of the 21st century. As an internationally accepted information age business mode, e-commerce concept is continuously thorough popular feeling. In our country the development and popularization of computer and network technology electronic commerce rapid rise, online trading development also into a new step. Alibaba is the emerging e-commerce enterprises in our country, the speed of its development is one of the fastest in the domestic enterprises, through Alibaba's culture, history, business and scale, more highlights the necessity of the development of e-commerce. The further development of e-commerce has sparked a widespread and profound business change. E-commerce as one of the important business activities of online transactions, Its existence in the huge economic potential, many companies are tempted into making Alibaba e-commerce development in a favorable environment, though the new economic condition of business form has a bright future, but it also faces many problems. The dotcom bubble of China electronic commerce, at present already entered the stage of steady development, future is very promising, but the development of e-commerce in the future road, is still a lot of the problem. Alibaba's e-commerce is a use of modern scientific means such as computer and network technology in business activities, in the new economy and promote economic showed enormous energy, but the defects and deficiencies in the process of development. Through the analysis of Alibaba e-commerce environment, put forward the Alibaba e-commerce development strategy. Now, therefore, should be the development trend of electronic commerce, sorting out the existing problems and put forward the corresponding countermeasure, thus more conducive to Alibaba e-commerce under the new situation of the continuous, rapid and healthy development.

**Keywords:** e-commerce, development strategy, state-of-the-art, e-commerce and logistics, e-commerce law.

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## 1. INTRODUCTION

By discussing the alibaba e-commerce development environment development status and prospects of e-commerce the advantages and disadvantages of electronic commerce development Can bold prediction, China's e-commerce and enterprise informatization will gradually integration, regional e-commerce will gradually prosperous, the combination of e-commerce and e-government will bring new business opportunities, Mobile e-commerce will become the market hot spots, the external environment of electronic commerce will be improved. With the further development of informatization, network, is bound to promote the combination of e-commerce and logistics in our country. A with characteristic of our country electronic commerce logistics industry will bring to our country economy more brilliant spring.

## 2. OBJECTIVES

Can bold prediction, China's e-commerce and enterprise informatization will gradually integration, regional e-commerce will gradually prosperous, the combination of e-commerce and e-government will bring new business opportunities, mobile e-commerce will become the market hot spots, the external environment of electronic commerce will be improved. Along with the further development of informatization, network, is bound to promote the combination of e-commerce and logistics in our country.A with characteristic of our country electronic commerce logistics industry will bring to our country economy more brilliant spring.

### 3. HYPOTHESIS

Alibaba's e-commerce and enterprise informatization will gradually integrate, prosperous gradually, the combination of e-commerce and e-government will bring new business opportunities, mobile e-commerce will become the market hot spots, the external environment of electronic commerce will be improved. With the further development of informatization, network, is bound to promote the combination of e-commerce and logistics in our country. Is Alibaba necessary to strengthen the e-commerce development strategy ?

### 4. THEORY AND LITERARY REVIEWS

#### *4.1 The basic concept of electronic commerce:*

Electronic Commerce, usually refers to is the commercial trade activity widely around the world, in the Internet open network environment, based on browser/server applications, buyers and sellers not met for various business activities, realize consumer online shopping, online transactions between merchants and online Electronic payment and various business activities, trading activities, financial activities and related comprehensive service activities of a new type of commercial operation mode. "China network marketing network" article points out, e-commerce covers a wide range of, generally can be divided into the enterprises to the enterprise or two for the consumer. In addition to consumers for this big step growth mode.

#### *4.2 The basic types of e-commerce:*

Electronic business mainly covers three aspects of content: one is the electronic government trade management, namely data is realized by using network technology and data processing, transfer and storage;2 it is enterprise electronic commerce, that is, between enterprises and suppliers, by using computer technology and network technology, the business activities between users; Three is electronic shopping, namely enterprise through the network to provide personal services, and business practices. E-commerce can be roughly divided into the following types:

- (1) Business to consumer (B to C)
- (2) Electronic commerce between enterprise (hereinafter referred to as B - B mode).
- (3) The consumer to consumer (C to C)

#### *4.3 The function of alibaba e-commerce:*

In the modern information society, alibaba e-commerce can make the master of information technology and business rules of enterprises and individuals, systematically using various electronic tools and network, high efficiency and low cost to engage in a variety of electronically to realize commercial trade activities. Electronic commerce provides online trading and management of the whole process of service, so it has advertising, consultation discussion, online ordering, online payment, electronic account, service delivery, consultation, transaction management and other functions. (1) Advertising (2) Consultation discussion (3) The order online (4) Online payment(5) Electronic account (6) Service delivery (7) Consultation (8) Transaction management.

#### *4.4 The characteristics of the alibaba e-commerce:*

E-commerce compared with the traditional commercial mode has the following features:

- (1). Reduced circulation. Don't need to wholesalers, e-commerce stores and malls, customers through the network to order products directly from the manufacturer.
- (2). Save shopping time, increase customer choice. E-commerce provide a wide range of options for various consumers through the network, can satisfy customer never leave home can be bought.
- (3). Accelerate cash flow. E-commerce in the capital turnover don't have to in between such as customers, wholesalers, department stores, and directly through the network inside the bank account, greatly accelerate the capital turnover rate, reduce the business disputes at the same time.
- (4) strengthen customer and vendor communication. Customers show their needs, through the network to order their favorite products, manufacturers can quickly understand the user requirements, avoid the waste in the production.
- (5) stimulate joint and competition among enterprises. Enterprise can through the network understanding between rival products performance and price and sales information, so as to promote the transformation technology into the enterprise, enhance the competitiveness of their products.

**4.5 Alibaba e-commerce development level**

From the point of application and functional aspects, can be divided into three levels to the electronic commerce (or 3 s), namely, SHOW, SALE, SERVE.

SHOW (SHOW) : is to provide electronic business. Alibaba web way release goods and other information on the Internet, and online advertising, etc., through the SHOW, you can set up their own image, expand enterprise visibility, promote their own products and services, looking for new trading partners.

Transaction (SALE) : the whole process of the traditional forms of trading activities electronically on the Internet, such as online shopping, etc. Enterprises through the SALE can complete the whole process of trading, expand the scope of trade, improve the work efficiency, reduce the cost of trading, so as to obtain the economic and social benefits.

Service (SERVE) : refers to the enterprise through the network to carry out the related to business activities of all sorts of pre-sale and after-sale service. Through this online service, alibaba can improve their own electronic commerce system, consolidate old customers, attract new customers, to expand business and gain greater economic benefits and social benefits.

**5. RESEARCH PLANING**

**5.1 Research Methods:** Through the questionnaire, the analysis of the domestic e-commerce environment, reveals the Alibaba e-commerce whether there is a need to further development strategy.

**5.1.1 Questionnaire:** Statistical methods to induction, finishing the results of the survey, the final draw on alibaba e-commerce environment evaluation.

**Table.1: People to the understanding of the e-commerce platform**

Question	A	B	C	20Person
1. How old are you?	18-24age (3)	25-30age (17)	30-70age (0)	20
2.Are you single?	Yes (19)	No (1)		20
3.How much is your salary?	0-2000Yun(0)	2000-4000Yun(15)	4000-20000Yun(5)	20
4.Do you often surf the Internet?	Often (19)	Common (0)	No (0)	20
5.Do you have the bank on the net?	Yes (14)	No (6)		20
6.Do you have experience in online shopping?	Yes (14)	No (6)		20
7.Do you think China more people on the net?	Very much(20)	Common (0)	Few (0)	20
8.Do you like shopping online?	Very like(16)	Common (4)	No (0)	20
9.Are you online shopping at ease?	Worry (4)	At ease(16)		20
10.Do you think what is the fastest, the most effective advertising platform ?	Television(0)	Advertising board(0)	Network (20)	20
11.Online shopping is popular among Chinese Internet users?	Yes (20)	No (0)		20
12.Online shopping and logistics can separate?	Yes (0)	No (20)		20
13.Do you know about Alibaba?	More (6)	A little(12)	No (2)	20
14.Do you think alibaba enterprise risk?	Yes (13)	No (7)		20
15.Do you think alibaba is to improve the marketing	Yes (13)	No (7)		20

strategy?				
16.Do you think China is a economic powers?	Yes (20)	No (0)		20
17.Do you think China's e-commerce is on the peak?	Yes (20)	No (0)		20
18.What do you think of the importance of e-commerce in the Internet.	Importance(20)	Common (0)	Unimportance(0)	20
19.China's e-commerce development prospects?	Yes (20)	No (0)		20
20.China has a perfect electronic commerce law now?	Have (13)	No (0)	Don't know(7)	20

**5.1.2 Observation:** The world there are a lot of e-commerce platform :

China C2C: taobao, dangdang, clap, yeah, etc.

China B2C: jingdong, new egg, amazon, etc

Foreign C2C, Ebay, Yahoo Auctions, and so on Foreign B2C: Amazon, TheWatchery, Ebags, etc

**5.1.3 E-commerce development tendency:**

Through the Fig.1 survey of 20, it is easy to draw people now have entered the Internet, the Internet already thorough popular feeling. With rapid evolution of computer information technology and Internet, 1.0 to 2.0 in depth, based on the virtual economic history of e-commerce is gradually took to the stage, and become a force in the middle of the emerging industry in China. Information economy era, the electronic commerce to the influence of economic development has a distinct "multiplier effect", drive the second take-off in the field of traditional economy in our country, for the vast number of new graduate from youth to create a large number of employment opportunities, in order to achieve the fast and stable growth of GDP in China played a role. It can be said that e-commerce is playing an increasingly important role in infrastructure platform, has brought together mass production information, transaction information and consumer information, profoundly changing consumer behavior, business form and social value creation way, far-reaching significance to our country economy far more than the industrial age.

**5.2 The analysis of the domestic e-commerce environment:**

**5.2.1 Alibaba development status and prospects of e-commerce:**

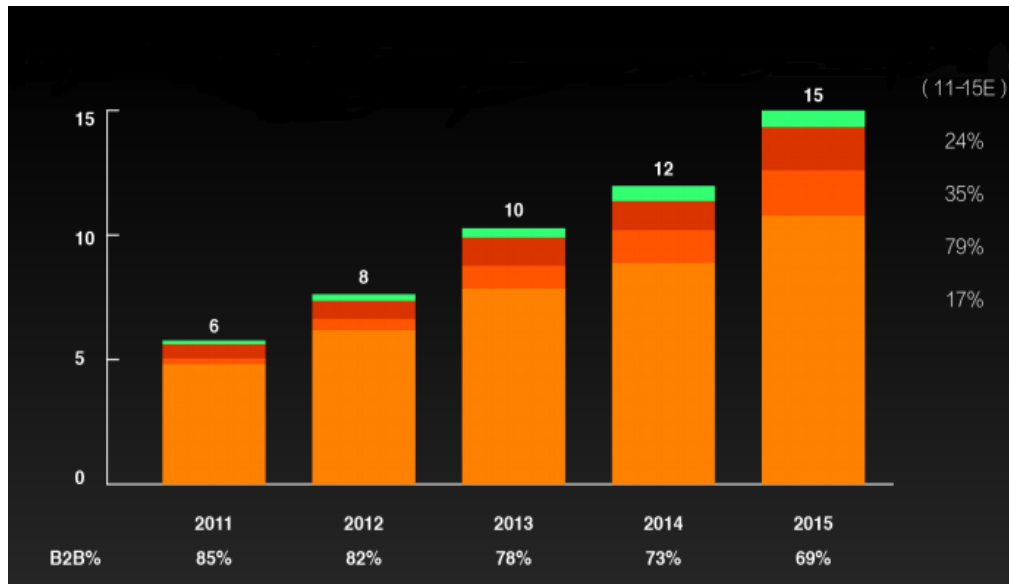


Fig.1: China's e-commerce market scale (Trillions of yuan)

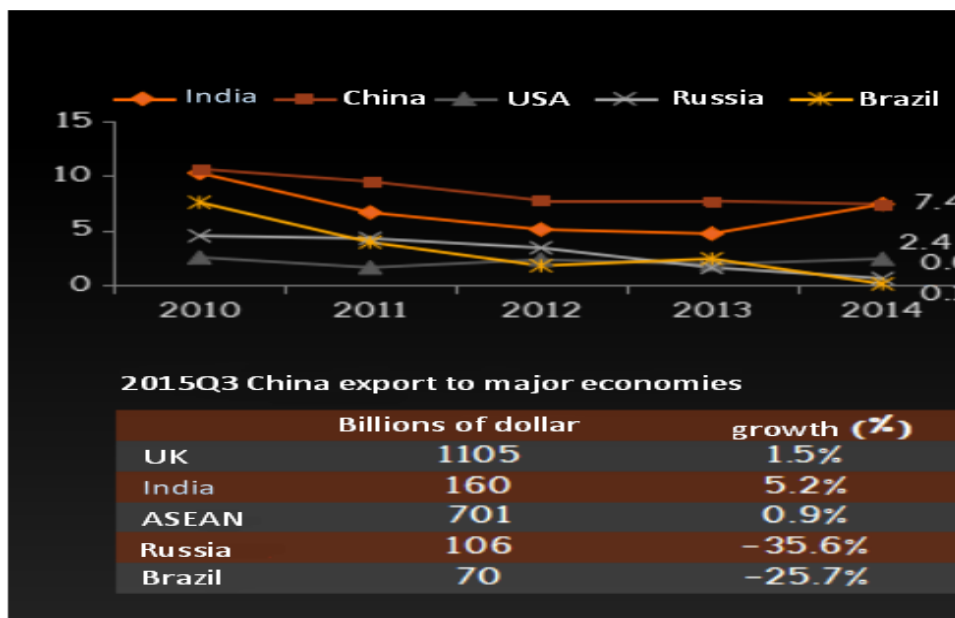


Fig.2: GDP growth in major economies

The essence of the B2B: From Fig.1 Is alibaba B2B supply chain extension, between enterprise and enterprise products, services, and the exchange of information through the Internet. B2B industry giant, has about 70% of China's e-commerce market share, and still maintained rapid growth. But at the same time B2B electric business platform in different stages of development, now has entered into the phase of trading service platform, service to the depth development, faced with new development trend.

**5.2.2 Traditional enterprises to develop e-commerce:**

- 1) with the wrong direction
- 2) the lack of overall planning
- 3) the vested interests of self-bondage
- 4) The wrong understanding of talent
- 5) The enterprise internal departments lack of co-ordination
- 6) Product distributors in resistance

**5.2.3 Alibaba the present situation of the development of electronic commerce:**

From Fig.2 The external demand slump bring challenge to China's exports. The U.S. economic recovery But manufacturing, domestic consumption remains weak, 2015 the first two quarters of decline in imports and growth synchronization; Russia has fallen sharply in the first three quarters of GDP contraction in a row, 2015 in the first half of the imports fell 39.5%; Brazil five months before the recession of 2015 china-pakistan trade fell 19.5%, the second quarter GDP shrank by 1.9% month-on-month and August inflation of record for 2003 years; India rising in August 1 to keep more than 7% of the GDP growth, manufacturing production index also to positive growth, the future may become a powerful competitor of made in China.

- 1) Alibaba e-commerce development environment analysis
- 2) Small and medium-sized enterprises to develop e-commerce
- 3) E-commerce application value

A third party in the process of trade have played an important role in a neutral platform, can solve the problem of small and medium-sized enterprises now face critical, provides valuable information to sellers and buyers, but also can provide some information service, for small and medium-sized enterprises has brought considerable application value.

**5.2.4 Alibaba e-commerce development prospects:**

B2B e-commerce development trend should be to the innovative development of products and services, provided by the traditional B2B release supply-demand information, and online transactions, already cannot satisfy the requirement now, changing the client need to B2B platform more developed new products with innovation and humanization.

**5.2.5 Alibaba implementation should pay attention to the problem of electronic commerce:**

- 1) realize the development of e-commerce to improve the enterprise economic benefit and efficiency, saving transaction costs.
- 2) small and medium-sized enterprises lack of e-commerce talent

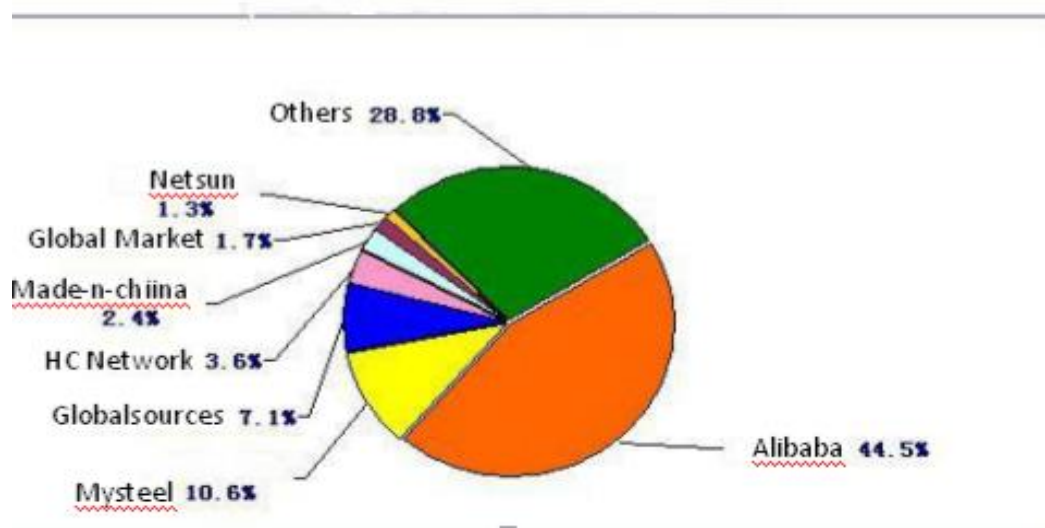
Every year a large number of professional graduates walk out of the campus e-commerce, but enterprise electronic commerce talented person Where you feel the need to can any one place to start from the enterprise system of electronic business process, can use the enterprise original commercial or technical, also can undertake system level from electronic business planning and design. Thought in dealing with how to deal with excess inventory to start using the electronic commerce, and the other is an enterprise may choose to implement the strategy of e-commerce to improve the level of customer service. This is a flexible advantage of alibaba, if you want to have to e-commerce for overall planning of the system level. For alibaba, system-level programs can also start at different stages during the implementation of e-commerce. Even if the company has implemented a part of the e-commerce system, also can be modified quickly.

**5.2.6 The advantage of alibaba e-commerce development:**

- 1) The advantage of alibaba e-commerce development
- 2) the operating costs of e-commerce makes alibaba has fallen dramatically

Electronic commerce reduces the production enterprise's inventory cost. Due to the use of the network information technology, manufacturing enterprises for receiving customer orders, can be directly through the network. Lack of funds is an important factor of restricting the development of small and medium-sized enterprises, however, if the small and medium-sized enterprises make full use of Internet communication tools, can effectively reduce the cost, improve the utilization rate of capital.

**5.2.7 Electronic commerce of alibaba business environment change:**



**Fig.3: china B2B service provider market share accounted**

The widespread application of electronic commerce, will lead to economic directly by the indirect economy to economic transition. Traditional commercial presence is all the foundation of producers and consumers in time and space distance, the role of the mall is ACTS as a bridge among them. E-commerce on the impact of industry structure is mainly manifested in two aspects, one is give priority to in order to service the new industry.

From Fig.3 At present, although alibaba B2B market occupy the leading position, but share declined. To accelerate the transformation, ali internal organization structure adjustment, the original ali B2B be broken up into small business enterprise group with alibaba alibaba international business enterprise group, the new organization structure refinement of B2B business. Alibaba China account with taobao account, accelerate B2B2C fusion. On March 16, 2014, ali group announced the launch of a us listings, according to "initial public offering (IPO) location for America", but not yet revealed as the New York stock exchange or nasdaq.

***(1) e-commerce change the competitive landscape alibaba:***

Internet, with its large capacity, high speed of information transmission way rapidly penetrated into all aspects of social economy, gradually become the foundation of the information economy and knowledge economy, it is the social economic structure, industrial structure and the interaction between many aspects of has had a profound effect, on small businesses, the Internet has created a completely new pattern of market competition.

***(2) Alibaba e-commerce development obstacles:***

- 1) Small and medium-sized enterprise electronic commerce consciousness is not strong.
- 2) Participation is not enough electricity in the business of enterprises in our country, there is no set up the business concept, more didn demand is often interdisciplinary talents has the industry background and marketing experience.
- 3) Enterprise informatization level lag behind
- 4) The laws and regulations is not sound
- 5) Consumer concept and lack of understanding
- 6) Credit system lag behind
- 7) Logistics distribution system is not perfect.

***5.2.8 Alibaba how to develop the electronic commerce strategy:***

In our country, a big gap between enterprises actual situation the electronic commerce implementation capacity difference. Although some enterprises, great effort invested heavily to develop e-commerce, but because of the scale, the restriction of traditional habits, earn less, the actual effect is not obvious and even cause other firms to conduct electronic commerce scruples. In fact, there was no need for companies to build your own website in order to develop electronic commerce, ideally has several large e-commerce enterprises to run public e-commerce platform. For a region, a city, it is better to have one or several regional public e-commerce platform; For an industry, it is better to have one or several industry electronic commerce public platform, especially those with large or high frequency trading industries such as electronics, medicine. In this regard, both need government guidance, also need some vision, good business to participate in. In the face of the Internet and electronic commerce bring to small and medium-sized enterprises: 1.To speed up the electronic commerce talent training. 2.Alibaba shift in the direction of personalized production. 3.To speed up the electronic commerce facilities construction.4.Alibaba should pay attention to prevent electronic risks.5.optimization of resource allocation.

***5.2.9 Observation:*** Through the analysis on alibaba e-commerce environment, should see China has been gradually out of the shadow of "bubble" network economy, the electronic commerce enterprise timely lessons had been learned by work more and more practical. Many traditional enterprise also has realized "if not to carry out the electronic commerce, then I have no business to business".

## **6. RESULTS**

Through questionnaire, alibaba e-commerce environment analysis, as well as the development trend of Chinese Internet companies, and familiar with electronic commerce is more and more people, more hot loyal to bring the convenience of electronic commerce. It is not difficult to see the development of electronic commerce become a hot topic of the Internet. Alibaba as the biggest e-commerce platform for enterprises, more should lead the development of small and medium-sized enterprises electronic commerce.

## 7. CONCLUSION

Alibaba e-commerce based on modern information technology and services to support business activities, it brings a as driven by Internet technology, across time and space boundaries of a profound revolution in the field of business. Should see China has been gradually out of the shadow of "bubble" network economy, The electronic commerce enterprise timely lessons had been learned by work more and more practical. Much traditional enterprise also has realized "if not to carry out the electronic commerce, then I have no business to business". Our country government to promote work also attaches great importance to e-commerce, a series of new measures. These are all welcome. So it is necessary for alibaba to further development of e-commerce.

Can bold prediction, e-commerce and enterprise informatization will gradually integration, regional e-commerce will gradually prosperous, the combination of e-commerce and e-government will bring new business opportunities, mobile e-commerce will become the market hot spots, the external environment of electronic commerce will be improved. Along with the further development of informatization, network, is bound to promote the combination of e-commerce and logistics. A with characteristic of our country electronic commerce logistics industry will bring to our country economy more brilliant spring.

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