Comparison between Community Shopping Mode and Traditional Cross-border E-commerce Modes

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Abstract— *This article analyzes the B2B,B2C,C2C mode in traditional cross-border e-commerce and the new community shopping modes, and compares them from the aspects of positioning mode, shopping sequence and operation mode to help people can understand the differences between the traditional operation modes and the new community shopping mode better.*

Keywords— *Cross-border, traditional e-commerce modes, community shopping mode.*

I. INTRODUCTION

The rapid development of cross-border electronic commerce cannot be separated from the upsurge of economic globalization and the government's strong support for cross-border e-commerce, while the vigorous development of cross-border electronic commerce makes e-commerce gradually shift to "overseas outsourcing" and "global purchasing". As a large country with a large population, China's continuous economic prosperity and development in recent years as well as the gradual increase in the level of national income have enabled cross-border e-commerce to spread and develop rapidly among China's consumer groups.

However, compared with the e-commerce purchase behavior of domestic goods, consumers' requirements for platforms in the choice and purchase of overseas products are gradually increasing. Especially in the choice of overseas products, consumers will often affect their purchasing intention due to lack of understanding of commodities. Moreover, the general environment of cross-border transactions tends to cause psychological panic among consumers, especially in the field of cross-border e-commerce. Users are often extremely sensitive to the authenticity, quality and after-sales service of products provided by e-commerce platforms.

Cross-border e-commerce refers to the process in which both parties of transactions in different countries complete the selection, purchase, payment and cross-border logistics and distribution of commodities through digital and network methods, which are different from traditional trade. At present, China's cross-border electronic commerce operation mode is mainly divided into three forms,B2B, B2C and C2C.

In B2B mode, both parties conducting e-commerce transactions are enterprises, and in the process of both parties' transactions, platforms such as digitalization and network technology are used as the medium to complete their transactions, thus realizing the process of commercial exchange of products, services and information between both parties.B2B mode is the earliest and the most perfect business mode in the development of e-commerce, and the transaction subjects of B2B mode are all enterprises.

B2C's transaction subject is enterprise and consumer, B2C mode is enterprise facing consumer, so the amount of single transaction is usually small. In B2C mode, an enterprise as a seller will provide an online store for consumers to select and purchase through the Internet platform. After receiving the transaction order, the seller will deliver the goods to the consumers through logistics. The whole transaction process uses the Internet as a bridge.

C2C mode refers to an online commodity or service exchange between individual sellers and individual buyers through a professional third-party e-commerce platform. Different from B2B and B2C, sellers in C2C mode are still individual users. When C2C mode is applied in cross-border electronic commerce, since both parties of the transaction are individual users. Therefore, C2C cross-border e-commerce mode is actually a new type of small-scale international trade mode generated under the information age of traditional international trade electronic network.

The essence of the new model of "community shopping" is to establish a mobile vertical community of overseas shoppers in the platform, which is used to support users to share their shopping experiences. In the recommendations, users can see the product usage experiences, purchase channels and prices marked by other buyers, and one interface completely solves the problem of what, how and how much consumers buy. The community shopping platform can use the massive data in the community word-of-mouth sharing mode to calculate the "hot products" among the user groups in the current period through a certain algorithm, the "C2B" data transfer is reversed through the community platform, and overseas commodities are selected to be put on the platform through analyzing the preferences of consumers. Compared with other traditional cross-border e-commerce modes, the community shopping mode has stronger pertinence in providing commodity purchase choices.

Next, we will compare and analyze the traditional cross-border e-commerce mode and the new community shopping mode.

II. DIFFERENT POSITIONING MODES

As a cross-border e-commerce platform of traditional B2C mode, Jingdong mall's global purchase business adopts the

most common high-standard positioning mode among cross-border e-commerce platforms. in this positioning mode, the initiative of mall's commodity selection and shelves is only in the seller's platform, i.e. merchants directly select the products they support to sell, while consumers can only passively accept the products sold by the platform. in other words, in the global purchase business adopting the high-standard positioning mode, the overseas products consumers choose to buy can only be passively limited to the products supported by the merchant platform, i.e. "what I can buy depends first on what the platform sells"; This mode is more active for merchants, which can reduce some time and labor costs. However, under the high positioning mode, merchants have certain limitations in understanding the real shopping needs of consumers.

The new model of "community shopping" came into being under the background of great limitations of this traditional model. Different from Jingdong Mall's high-positioning model of "global shopping" business, the new model of "community shopping" takes consumer demand as the starting point, puts the initiative of putting goods on shelves and choosing into the hands of consumers, and selects the corresponding products on shelves by understanding the needs of consumers, so as to solve the problem of "what consumers really want to buy" from the source. Therefore, compared with the traditional e-commerce platform, which is dominated by the seller and has a high moral character, the new model of "community shopping" opens up its own unique truth in this respect.

The "community shopping" mode gives the consumer the dominant power of commodity selection. The "community" establishes a user-generated content (UGC) link. Taking the first "community shopping" platform in China, "Little Red Riding Book" as an example, the UGC platform of "Little Red Riding Book" is essentially a mobile vertical community of overseas shoppers, which is used to support users to share shopping experiences and so on. In this process, The platform can use the massive data obtained in the sharing mode to calculate the "online red products" of the user group in the current period through a certain algorithm while generating the community word-of-mouth notes, that is, the "C2B" data transfer is reversed through the community platform, and overseas commodities are selected to be put on its own "welfare club" platform by analyzing the preferences of consumers.

Compared with the high positioning mode in other traditional platforms, this positioning mode has stronger pertinence in the choice of providing goods for purchase. At the same time, targeted goods can also enhance consumers' purchasing willingness. Keeping up with the trend and grasping the update speed of goods for consumers' shopping needs can also increase consumers' brand loyalty to the platform, which can lay a solid foundation for realizing the long-term profits of cross-border e-commerce platforms.

III. DIFFERENT SHOPPING ORDERS

In the traditional e-commerce shopping platform mode, the cross-border e-commerce platform adopts a high-standard positioning mode, which holds the initiative for platform

merchants to choose products in their own hands. The cross-border market positioning of the seller's dominant position enables consumers to choose and buy only the products supported by the platform for sale on shelves. The evaluation stage of platform commodities will only invite users who have purchased the commodities on the platform to fill in the experience evaluation of users using the commodities. That is, in the cross-border shopping mode with the seller as the dominant position, consumers usually use the e-commerce platform to purchase cross-border commodities according to the shopping sequence of "selection-purchase-evaluation". This shopping sequence not only limits consumers' commodity selection by the e-commerce platform, but also hinders consumers' understanding and selection of cross-border commodities due to the lack of effective evaluation on the platform, thus affecting the sales of cross-border commodities.

The emergence of the new model of "community shopping" is precisely to break the original shopping sequence and to give the consumers the dominant power to choose goods on shelves. In the "community shopping" mode, in order to enable consumers to fully understand the desired overseas goods, the shopping sequence of "selection-purchase-evaluation" in the original e-commerce platform has been broken, and a module focusing on platform content sharing has been added to provide a "community" for users to communicate with each other. In the "community", users who have known and used a commodity can issue word-of-mouth notes of related commodities as an "authority" with the right to speak, so as to provide other users with a channel to know the commodity in all aspects. In this process, the word-of-mouth note generator can not only meet the users' needs for understanding the commodity, but also enhance their experience on the platform during the process of experience communication and mutual exchange with other users. At the same time, other users can fully understand the product through word-of-mouth notes before purchasing, which forms a "evaluation-selection-purchase" shopping sequence.

IV. DIFFERENT OPERATING MODES

Traditional cross-border e-commerce operation modes are generally divided into three types, namely B2B, B2C and C2C. Cross-border e-commerce often choose their own operation modes according to the positioning of both parties to the transaction. Among these three operation modes, B2C is known as the most common mode in cross-border e-commerce platforms. In B2C mode, an enterprise, as a seller, will provide an online store for consumers to select and purchase through the Internet platform. After receiving the transaction order, the seller will deliver the goods to the consumers through logistics. The whole transaction process uses the Internet as a bridge. This mode not only reduces the time cost for consumers, but also enhances the inherent practicability of the platform. However, with the arrival of the "new normal" of economic development and the continuous release of B2C market potential, more and more merchants have begun to enter the e-commerce platform, which brings continuous competitive pressure to the development of B2C e-commerce

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mode. In addition, the profit model of enterprises under B2C mode is often greatly influenced by the development of B2C e-commerce business model itself and market competition. Therefore, the continuous increase of competitive pressure makes the profit of platform merchants more and more difficult.

The new model of "community shopping" is to break the limitations of the traditional B2C operation mode by adjusting the platform positioning mode and the shopping order of consumers in the process of adopting proprietary B2C. Taking "Little Red Book", the first "community shopping" model in China, as an example, the community-based operation model adopted by "Little Red Book" can calculate the "online red goods" most desired by the users in this period through a series of back-office algorithms based on the user's pre-purchase data, such as browsing data, wish list collection, word-of-mouth notes sharing and comments, and use it as the data support for the selection and shelving of goods by welfare agencies, thus forming a new C2B model with content generated by users and from bottom to top. Secondly, users can click directly to enter the purchase interface after searching for the desired goods on the community platform, and users who see that the goods are itching can realize the purchase of the goods without spending extra time and cost for the steps of searching for and purchasing the goods. At the same time, according to the content data of the "Little Red Book" platform, users can get access to more high-quality

products with high cost performance and can avoid buying inferior products that are not worthy of the name. "Little Red Riding Book" is the combination of this B2C operation mode of cross-border commodities and the C2B "community shopping" new mode of bottom-up user-generated content. In the process of changing from community to community e-commerce, it realizes the flow change and at the same time reaps a considerable number of loyal customer groups for itself. This dual-mode combination mode not only greatly promotes the public praise advantage of "Little Red Book" in the user group, but also helps brand companies to obtain new business opportunities and commodity development directions by quantifying the user demand data.

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