Operation And Management Development of E-Commerce Enterprises Under Digital Marketing Taking EASTBUY As an Example

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Abstract. In the face of the technical impact of Internet 4.0, enterprises in the e-commerce industry also need to change and develop with the changes of The Times, including the update of express management technology, the change of market drainage mode and the improvement of brand effect. Based on this social background, this paper makes an in-depth analysis of the challenges and opportunities faced by the operation and management of e-commerce platforms under the digital marketing means and finds that under the current situation of digital operation and management, the e-commerce industry has problems such as monopoly, quality deviation of online and offline products, and excessive marketing. Taking EASTBUY as the object of empirical analysis, through analyzing its digital operation management and digital marketing elements, the key points of its project management and user positioning are clarified, and it is found that enterprises in the e-commerce industry can optimize industrial upgrading by improving quality and cooperating with physical stores.

Keywords: Operation management; Digital Marketing; Enterprise Management; E-commerce Platform; EASTBUY.

1. Introduction

With the rapid development of information technology and the popularization of the Internet, e-commerce has become a new business model in modern society. Merchants do not need to pay high rent in offline stores but can sell goods directly to buyers through online platforms, such as EASTBUY, Taobao, etc., which expands the sales model and market operation scope of merchants. Consumers can also directly use mobile devices for commodity transactions, providing consumers with a more convenient shopping experience. Therefore, the operation and management of e-commerce platforms have a huge impact on the intuitive experience of consumers [2]. Through research, it is found that e-commerce generally has problems such as information security and logistics distribution between consumers and merchants. In this regard, Hou Zhenxing and Ma Yujie said that modern information technologies such as big data and cloud computing can be organically integrated, so that all aspects of the entire platform from customer search to sales can be effectively coordinated [1]. Logistics and distribution problems can also be solved through self-built logistics and warehouse methods [1]. Although many current methods can optimize the solution of the problem, the solidification of the operation management model is still a serious problem in the current operation of the e-commerce platform, and there is no proper way to deal with it. Therefore, this paper will focus on how to improve the operation and management of e-commerce platforms and enterprises through digital means. It aims to help more e-commerce platforms improve customer demand and logistics quality and provide a high-quality business environment for consumers and the e-commerce platform market.

2. Digital Transformation in Operation and Management Status

2.1. Operation Management and Digital Marketing

Operations management is a comprehensive management approach whose goal is to effectively plan, implement, and monitor an organization's business processes to ensure that the organization can efficiently achieve its objectives and deliver value [1]. The main elements in operation management include production management, quality management, supply chain management, inventory management, project management and human resource management (see Fig 1.) [2,7]. Among them, good enterprise project management ensures that projects can be completed on time and on budget to achieve business objectives, which plays an important role in the profit growth of enterprises [6,10].

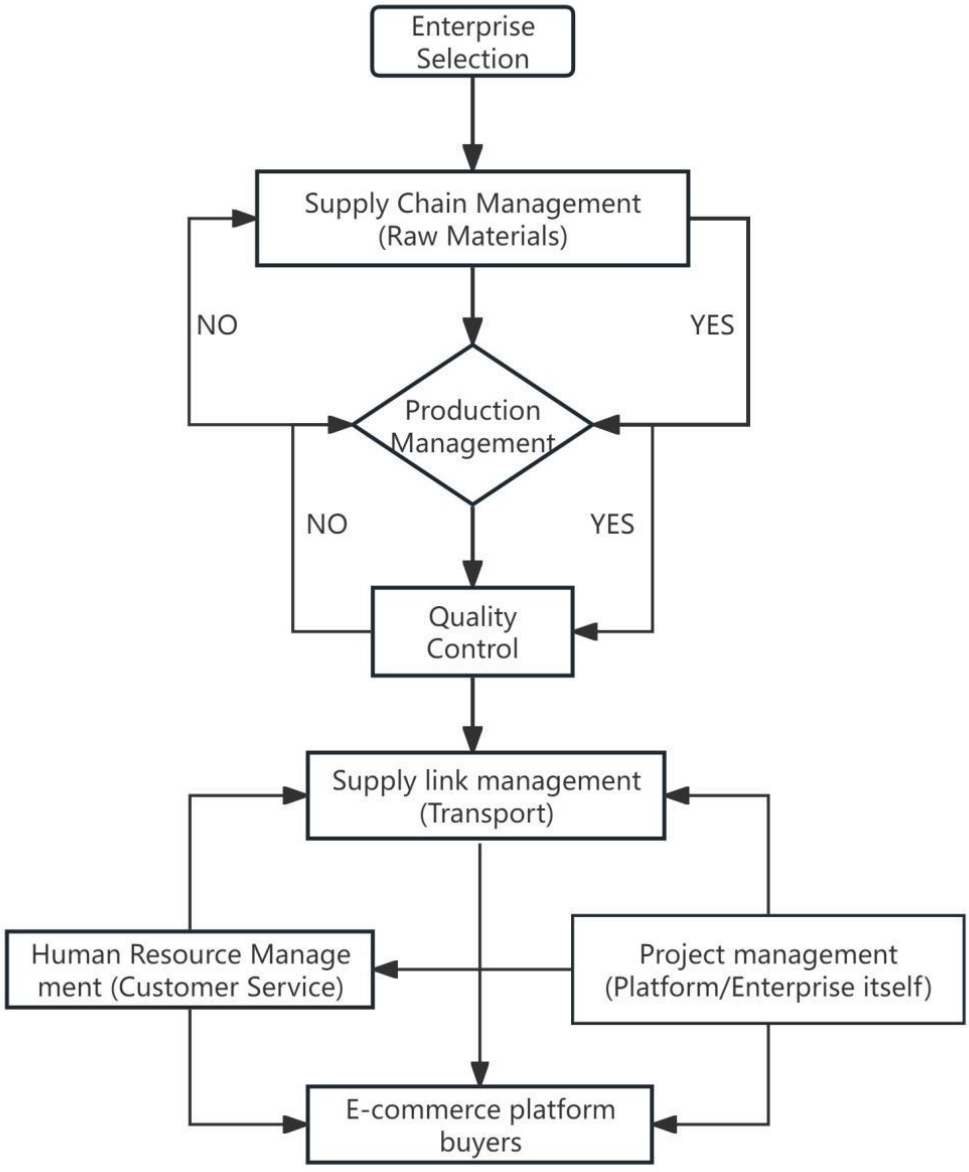


Fig 1. Flow chart of E-commerce Operation Management

As an important model in the era of streaming media, digital marketing has provided great help for the operation and management of online merchants on e-commerce platforms [1]. Among them, social media marketing (SMM), content marketing and affiliate marketing provide direct expenditures for platform enterprises to increase social influence and increase online product sales in the era of digitization and streaming media (see Fig 2.) [8].

Model / Influence	SMM	Content Marketing	Affiliate Marketing
Consumer Psychology Influence	1. Intuitive user experience 2. Emotional value 3. Visual stimulation 4. Psychological satisfaction 5. Instant gratification 6. Social identity 7. The conformity effect	1. Increased sense of substitution 2. Increased emotional value 3. Empathy 4. Bandwagon effect 5. Social identity	1. Intuitive user experience 2. Emotional value 3. Visual stimulation 4. Social identity 5. The conformity effect
Marketing Feedback	1. Intuitive sales increase data in the broadcast room 2. Expanding product market influence	1. Increased active buying behaviour 2. Enhanced social publicity effect 3, product reputation	1. Overall sales increase under the fan effect of each platform 2. Expanding product market influence

Fig 2. Digital Marketing Model Analysis

2.2. The Current Situation of Digital Operation Management

In the development of the past decade, the monopoly phenomenon of e-commerce has intensified, and the monopoly profits of the head anchors and platforms have had an impact on upstream and downstream production enterprises and physical stores. However, it is also accompanied by a series of problems, such as the unqualified quality of goods on the e-commerce platform, improper speech and exaggerated content marketing gimmicks, which are now common situations in e-commerce marketing [7,8]. Recently, the government launched a series of new consumption strategies aimed at regulating the e-commerce industry and promoting consumption to return to offline physical stores, which sounded the alarm for the overall bad development momentum of the e-commerce industry. Although it has led to the rise of express delivery costs, it has increased the management costs of platform merchants. However, at present, some enterprises and platforms have begun to attract more consumers by improving product quality and services and cooperating with physical stores to achieve the integration of online and offline development [4,10].

3. EASTBUY's Operation and Management Mode Analysis

3.1. Company Introduction

EASTBUY is the e-commerce platform of the New Oriental Education Group in China. The company's "bilingual" and "cultured" approach to live streaming makes EASTBUY a unique platform focused on selecting quality products for customers. The company has established its supply chain, delivery channels and after-sales service, positioning itself as an excellent product and technology company that provides EASTBUY self-owned agricultural products as the core [5,7].

3.2. Development history of EASTBUY

At the beginning of its entry into the e-commerce industry, EASTBUY did not fully define its brand positioning. Still, through comparative analysis with other two companies of the same type, it identified its market main path. Among them, TVB e-commerce imitated the initial operation mode of EASTBUY and grabbed the market share of EASTBUY through a price war. Three Sheep, on the other hand, had a richer variety of products than EASTBUY to compete for more market share (see Fig 3.) [7].

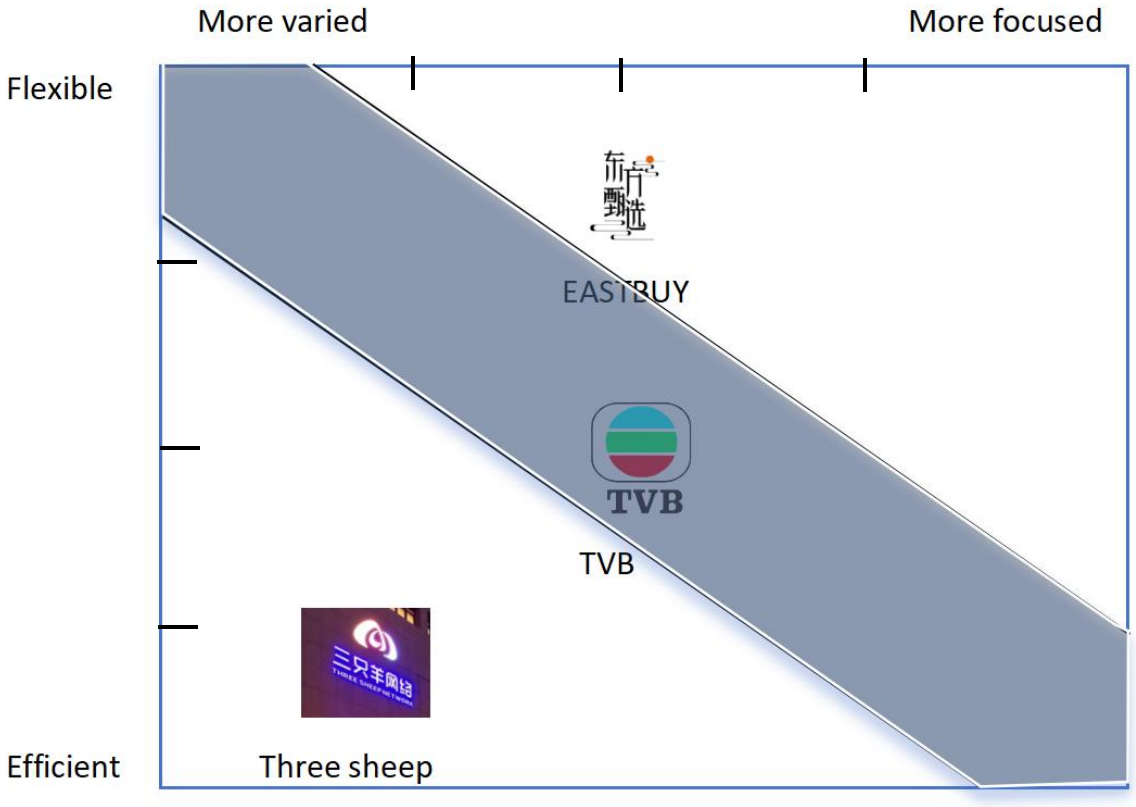


Fig 3. Brand Positioning of EASTBUY

Through comparison, EASTBUY found that its goods were not rich, which made it difficult to expand its market effect. Therefore, EASTBUY chose another way to expand its market influence by increasing daily necessities such as agricultural products and gradually expanded its business scope after success (see Fig 4.) [5,7].

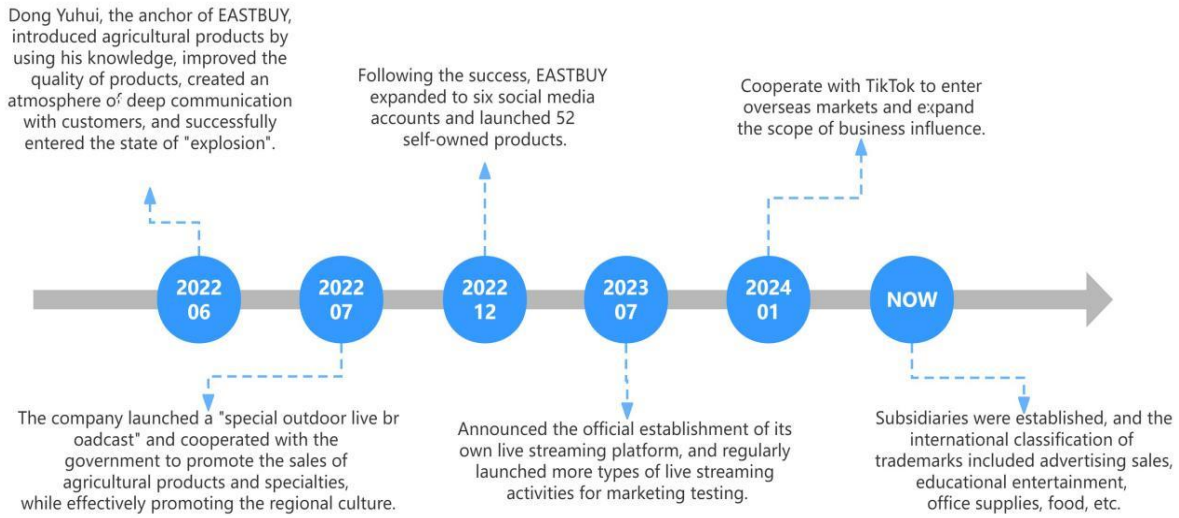


Fig 4. EASTBUY Development Path

3.3. EASTBUY Operation Management Analysis

EASTBUY accurately determined its market development positioning and business operation model aftermarket analysis (see Table 1.) [5]. Most of its target people are students, parents, teachers, senior intellectuals, etc., who are eager for knowledge and have strong empathy. Therefore, the brand publicity direction of EASTBUY is to provide high-quality agricultural products for the middle class

who pursue quality life and help the country's agricultural development. Public opinion is highly influential, such as increasing employment opportunities for teachers who have lost their jobs due to national policies [7].

However, the selection of the digital marketing model of live streaming with goods also presents problems and challenges in its operation management, such as low anchor retention rate and fierce price competition (see Table 2.) [7,10]. So, it is also necessary for EASTBUY to actively use its advantages and strive to prevent possible market risks to ensure the sustainability of the platform's operation.

Table 1. EASTBUY's Business Model Canvas

<table>
<tr><td rowspan="2">Key Partners:
-Vendors
-Anchor
-
Logistics Company
-Other sales platforms</td><td rowspan="2">Key activities:
-Education for sale live
-Knowledge-based talk show
-Field selection and quality control
-Hot single product manufacturing
-University Education Programme</td><td rowspan="2">Value propositions:
-Product Value: Knowledge and High-Quality Products (purpose)
-Emotional value: Helping farmers, helping unemployed teachers, the Fulfilment of active learning (and helping people at the same time).</td><td rowspan="2">Customer Relationship:
-commercial relation</td><td rowspan="2">Customer segments:
Consumers: middle class people who pursue quality life, hate hawking and want to listen to stories and learn knowledge.
e.g.white-collar workers, mums, students, parents, teachers.</td></tr>
<tr></tr>
<tr><td colspan="3">Key resources:
-Highly knowledgeable teacher anchors
-High-quality agricultural products
Digitalised supply chain</td><td colspan="2">Channels:
-Products: Good Quality control
-News: Social Responsibility&Social Contribution</td></tr>
<tr><td colspan="3">Cost:
Total cost of self-employment & outreach: $1.6bn
Total cost of university education: $0.08bn
-Cost of sales: $560 million; Employee costs: $230 million</td><td colspan="2">Revenue:
Total revenue from self-employment & Outreach: $2.41bn
Total revenue from university education: 370 million</td></tr>
</table>

Table 2. EASTBUY SWOT Analysis

Strengths	1. Precise positioning and high conversion rate 2. Knowledge conveyor & Dual Language conveyor 3. Have their e-commerce Live App 4. Have their independent warehouse logistics
Weaknesses	1. Product authenticity: It is necessary to solve the problem of product authenticity and enhance consumers' trust in the product. 2. Pr mishandling: Improve PR strategies, respond more proactively and transparently to negative public opinion, and maintain reputation and customer trust. 3. Unstable talent (anchor retention rate): Faced with the problem of an unstable anchor retention rate, internal management and incentive mechanisms need to be improved.
Opportunities	1. Product market expansion: Expand the product market, introduce new agricultural products and categories, and promote sales growth. 2. Strengthen quality control: improve quality control, establish reliable brand sound answers, and enhance competitive advantage. 3. Diversified product portfolio: Expand product lines, reduce the risk of market fluctuations, and improve users' shopping experience. 4. Open offline stores: Explore offline markets, expand brand influence, and achieve online and offline integration. 5. Anticipatory Shipping: Use predictive logistics to improve customer experience and enhance customer loyalty.
Threats	1. Government policy: The government began to reduce e-commerce sales channels and increase sales in offline stores. 2. Competition live broadcast is more interesting: Competitors' live broadcast attractiveness is strong, to enhance their live content attractiveness. 3. Large number of fans of competitive streamers: A large number of fans of competitors' streamers may affect user retention and attract new users. 4. Lower prices of competitive products (customer diversion): Lower prices of competitors' products may lead to customer diversion, affecting market share and revenue.

4. Opportunities and challenges

Through the analysis of EASTBUY, it can be found that at present, there are widespread problems in the e-commerce industry, such as live broadcasting and public opinion broadcast by owners, inconsistent quality of online and offline products, and content marketing failing to meet expectations. This can be improved in the following ways [9,10].

4.1. Anchors' speech and behaviour

Through the formulation of clear codes of conduct, the provision of professional training, the establishment of regulatory mechanisms and other means, it is possible to stipulate the words and

deeds that anchors should follow in live broadcasting, timely correct the improper behaviours of anchors, and maintain the public image of enterprises [1]. However, the training needs to take into account individual differences and ensure that different anchors can adapt to the code of conduct. At the same time, correcting the behaviour of anchors may trigger public reactions and needs to be handled flexibly to avoid negative effects [10].

4.2. Product Quality

Through mechanization of quality control, transparent communication of product characteristics and quality before sale, and the establishment of customer feedback channels, users' opinions on product quality can be collected and processed promptly [7,9]. However, the improvement of quality may be accompanied by an improvement in costs, and it is necessary to maintain the rationality of product prices while improving quality. At the same time, maintain differentiation with competitors to ensure market share [6,8].

4.3. Content marketing positioning

It is possible to understand the interest and comfort boundaries of target users through clearly targeted market research. And take the initiative to collect user feedback, adjust the live content according to user opinions, and ensure that it is in line with the comfort zone of users [4]. At the same time, provides diversified live content in line with users' interests to meet the needs of different users [6]. However, the changing nature of the market also requires platform enterprises to flexibly adjust the live content to ensure that it meets the needs of the market and there will be no "stunt publicity" phenomenon.

5. Conclusion

In summary, through the analysis of the operation and management mode of the e-commerce platform, it is found that there are challenges such as a low retention rate of anchors and fierce price competition under the means of digital marketing. At the same time, although the e-commerce industry faces problems such as anchors and platform monopoly, enterprises can actively respond by improving quality and cooperating with physical stores. This paper focuses on the analysis of digital marketing means for operation management and mainly explores content operation, project product quality control, streaming media anchor operation and other aspects. In addition to the above factors, digital marketing strategy also includes technology application, user management and other elements. Therefore, in future research, further exploration will be carried out in terms of user experience, scientific and technological innovation, etc., to promote the comprehensive development of the operation and management of the e-commerce platform under the digital marketing strategy and provide a better business environment for the market.

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