

# China's E-business Model Innovation Analysis

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**Abstract**—Global economic integration and the rapid development of the Internet economy, the world's economy, culture, science and technology have had a structural impact, and its impact on e-commerce is the fastest one among the areas hardest hit. Today, the United States by the time the economy crisis triggered by surging loan from a financial tsunami spread to the real economy has been slowly emerging signs that this is not just an e-commerce challenges, but also an opportunity, and represents a coming of age in this era of electronic Business and technology innovation system is imperative.

**Index Terms**—e-commerce model; model of innovation; innovative e-commerce; e-commerce issues; e-commerce trends; business e-commerce; e-commerce for SMEs

## I. INTRODUCTION

E-commerce on a global scale with the rapid development is rapidly changing the economic structure of the original, as well as traditional economic growth model and operation mode. E-commerce in the birth of the new economy and economic globalization has shown great energy, it has become an evaluation of national and regional levels of economic development and sustainable development an important indicator. To be translated into digital and network-based e-commerce because of its beyond the boundaries of time and space, two-way communication of information, transactions and flexible means of delivery quick way, and other features, will change the traditional patterns of trade, economic development provide the impetus to become a national economic development An important point of growth. Practice has proved that played a leading e-commerce revolution in the way, bring innovation and enterprise management, and other new role in enhancing the management level of enterprises, accelerate technological progress, and enhance market competitiveness, enhance economic efficiency and so on are realistic and far-reaching Significance. As a result, many countries will develop e-commerce in the new century as an important national policy. The development of e-commerce must be the concept of innovation, technological innovation, system innovation and simultaneously focus on cultivating high creative innovation. To strengthen the innovation capacity of enterprises to strengthen the staff's sense of innovation, initiative and innovation in quality and innovation

## II. E-COMMERCE ENTERPRISE DEVELOPMENT STATUS QUO

### A. *At present, e-commerce system is the biggest obstacle to the environment*

Such obstacles manifested in two aspects: On the one hand, the establishment of the industrial age in many of the systems has greatly hindering the development of e-commerce. For human society, a lot of the existing systems are based on the requirements of the industrial age, and characteristics of the establishment of e-commerce are based on network-based and knowledge-based economy era, the difference is obvious. It is this fundamental difference, constitutes a system of e-commerce with existing Rules of the conflict. On the other hand, it is not for the development of e-commerce to create a new system of rules. E-commerce is the Internet's explosive development of the direct product with which human beings to create their own e-commerce lack the necessary understanding of the theory. This, as Federal Reserve Chairman Alan Greenspan said "a latest inventions we call information technology ----- we are in an unexpected way to start changing our trade Manner, and to create value in this way five years ago was unimaginable. "In other words, due to the rapid development of e-commerce, causing governments and economists say the lack of understanding can not be for the development of e-commerce to provide appropriate institutional environment. [1]

### B. *The existing management system and management still does not meet the requirements of the development of e-commerce*

At present, part of the enterprise reform has not yet been completed, is still the establishment of modern enterprise system, lack of modern business management ideas, methods and techniques of thirst to improve their access to information and competitive market forces is an urgent requirement is not enough, there is no Enterprise business model changes, there is still a lot of market economic system suited the requirements of the difficulties, for example, many companies still wholly state-owned or state-controlled, to some extent constrained market-oriented process. Enterprise organizational structure and management capacity in such

areas as there are less obvious, such as a number of companies in the emphasis on "customer-centric," but on how to better carry out and implement the important thinking of the lack of effective measures, Some companies conduct e-commerce business, even in the end I do not know which department should be responsible for specific, so obviously it is difficult to ensure that the desired results. This situation not only impeded our business as a whole to promote the information technology, but also not conducive to the conduct of e-commerce.

### C. *The lack of innovation*

The implementation of e-commerce business, there must be a number of e-commerce expertise to understand and master the skills of people who not only have to master the computer network, marketing, network marketing expertise, but also with business-related finance, law, foreign trade, finance, enterprise management also requires knowledge of the master, at the same time to have a stronger ability to operate. Now, understand the application of modern information technology, and has a high level of management capacity and be able to adapt to e-commerce and e-business system development management, talent or very scarce. As a result, e-commerce talent should be comprehensive, interdisciplinary talents of the compound. Now, even advocates of e-commerce of the United States in this regard are the lack of qualified personnel, our expertise in this area is even scarcer, now with the accession to the WTO, e-commerce personnel to provide high-paying jobs tend to drain the country will be more obvious and Drain more easily. In particular, as a large number of foreign IT companies to enter, an e-commerce for Chinese and foreign personnel will soon battle broke out. As a result, as e-commerce enterprises should pay attention to human resources management, human resources will be considered in this business, to do with the treatment of people with feelings of cohesion, with the cause of incentives, so as to effectively prevent the risk of brain drain

### D. *Enterprise informatization level is insufficient*

Enterprise Information is the foundation for e-business, business to achieve not business deal with the number of e-commerce cannot be achieved. At present, a considerable number of enterprises with a lower level of information technology, information technology is still in its stand-alone applications, such as local area networks at various levels and enterprises to conduct business using the computer processing, information management or on-line business has not reached the required size of the enterprise Internal management of a serious shortage of information technology, prevented the launching of e-commerce [2]. At the same time, due to lack of business investment attraction, together with their technical and economic conditions such as inadequate, the majority of enterprise network infrastructure, network management, technical standards, the speed of communications, security and so on all there is a big gap, so that E-lost

carrier, e-commerce is more like a castle in the air, and not expected.

### E. *Behind the concept of e-commerce*

At present, most of the network business-to-own understanding, acceptance and application of general ability is not high on the use of the Internet to do business concept is not clear, combined with the building of e-commerce investment, a long, complex maintenance, resulting in e-commerce business-to - Brought about by the tremendous business opportunities and interests of the skepticism on the lack of interest in the building of e-commerce or hold wait-and-see attitude, that they are relatively far away from e-commerce.

### F. *E-commerce awareness weak*

Information technology is at the heart of information technology, not the same, the core of e-commerce is not the e-commerce. Internet business is only to expand a new business channels. As a result, the implementation of e-commerce companies should not be too much focus on the development of the technology itself, and should focus on integration and optimization of enterprise and external information resources, so that the business activities of the various aspects of the business to achieve high-quality, efficient and cost-effective operation So as to bring greater enterprise market, better service and more profits. Some enterprises in the implementation of e-commerce in the process of "blindly ahead," the pursuit of over-the-art hardware and immature high-tech equipment will only lead to more waste.

### G. *E-commerce environment is not healthy*

At present, the network is still very limited number of consumers, the majority of consumers of digital virtual lack of basic life experiences and understanding of the network and consumer confidence in online transactions and the lack of interest, plus e-business involved in banking, information industry, tax, Customs, financial, legal and other related industry standards and norms have not yet perfect, seriously hindered the healthy development of e-commerce. In addition, the enterprise funds, lack of technology, logistics constraints, e-commerce security and other issues is also constrained the rapid development of e-commerce and an important factor in popularity.

## III. INNOVATION IN E-COMMERCE INTO THE "GOLDEN AGE"

E-commerce is divided into two levels. Confined to the lower level of e-commerce e-business advertising, e-commerce, electronic contracts; high-level e-commerce is the use of the network INTERNET all trading activities, which will be on-line information flow, business flow, capital flow and logistics part of the To achieve complete. In other words, you can start looking for customers, until the negotiations, ordering, online payment (closed), open, according to electronic invoices as well as to the electronic declaration, electronic tax and so on through the INTERNET at one go. E-commerce has been

developing of low-level to senior-level through continuous exploration of innovation, continuous improvement and development of the rich. In the past few years, the development of e-commerce has entered a "golden age."

E-commerce development is based on the popular Internet-based applications. Ten years ago, most of us on the Internet are also very strange. Up to day, the Internet has come into the office as well as thousands of families into the life of every corner. Networks developed the first generation of browser when only 50 sites worldwide and today have more than 1,000,000. E-commerce's sales in 1998, is only 3.9 billion, but now the unit has not calculated million to 10 but, to calculate a billion trillion.

Compared with developed countries in the West of the Chinese e-commerce is relatively backward, but China is the world's largest commodity markets is a potential of the Kingdom of the largest e-commerce. Great efforts to develop e-logistics and distribution chain in China's economic development this is an important direction. February 29, 2008 National Development and Reform Commission in Beijing held a press conference that small and medium enterprises raise awareness of information technology services and public services for small and medium enterprises to increase the level of information-based funding and financing support for the policy. In April 2005 hosted by Xinhua, "the eighth China International E-Commerce Conference" to disclose statistics on e-commerce in China is developing rapidly at an average annual growth rate of 40%. According to the authority of the consulting firm ID issued by the Chinese e-commerce data in 2005 reached RMB 680,000,000,000 yuan year-on-year 41.7 percent growth in 2004[3].

China has more than 3,000 large enterprises and more than 40,000 small and medium-sized enterprises, Internet companies are not only the reality of today is the future trend. According to the survey, many companies try to use post-marketing network have been more satisfied with the results. 2007 gross domestic commercial vehicle market, the engine crankshaft in Shandong-day run, 75% OEM auto group become a B2B Web site K-car network member of the gold medal. When the group in the traditional channels of contact with the United States did after the Renault through the K-Swiss network has successfully received from Renault large pile of heavy industrial machinery production and sales of heavy machinery enterprises on March 1 in 2007 to establish a network with piles of mechanical work on the network has become Tens of millions of dollars of orders for the country's largest manufacturer of laser equipment, laser, one of the Chinese laborers have begun to register in large B2B platform for high-level membership toll to further open markets at home and abroad. These enterprises in the network marketing has changed in the past to outsource network services practice chose from the formation of a new enterprise department to carry out the operation at any time based on changes in market strategy for the network orders a favorable condition. Guangxi Sugar Network is a typical success. In recent years, Guangxi Sugar Network bold breakthrough in the

traditional business of the old idea for a web platform has created a unique pattern of sugar marketing. They pioneered the "Week of the contract" and the way the transaction, "a nine regional centers," the system of customer service, customer groups close to 2000, covering more than 20 provinces and municipalities, autonomous regions and major areas of sugar production and sales. All enterprises in the region of Guangxi sugar and 60% of the domestic large and medium-sized enterprises are the sugar distribution network in Guangxi Sugar customers. Guangxi's sugar production and sales network in the main area of more than 100 different places to set up a distribution warehouse, storage integrated use of social resources 1,000,000 square meters, weaving across the country in a huge, and worthy of the name "Sugar Network", the realization of the "on-line trading", The nearest delivery "of the transaction model, shortening the trading cycle, reducing transaction costs, Nianjiaoyiliang in 2003 by the rapid growth of 11,570,000 tons in 2007 to 54,520,000 tons, the average annual growth rate of more than 51%-spot transactions for many years in a row Similar market top in the nation.

In 2007, many traditional companies turned to enter the field of e-commerce. Guangzhou's largest department store retail giant is good, Bai Guang, friendship are opened on-line sales platform. The Guangdong-long communication, electronics benefits letter and the digital mobile phone dealer, 18 Square, ladies apparel brand distribution chain, Yijun wine, and so on, are the traditional B2C e-commerce companies to expand a rising star. This year on April 18, e-commerce (South China) senior Sharon convened in Guangzhou, set up a special preparatory committee will be set up in southern China in the near future the organization B2C e-commerce industry, and its deep meaning is to force the South China B2C together to form a unified Coalition operations in storage Shared, the signing of procurement, logistics and so on reunification of the shared resource. This is China's B2C operation of a breakthrough. It can be anticipated that the South send the outbreak of the B2C e-commerce in the future even more fierce, more organized and more size.

#### IV. E-BUSINESS MODEL INNOVATION

Today, e-business model has not completely confined to the B2B, B2C and C2C three models, from the way they have led to a number of innovative and more efficient model.

##### A. Home e-commerce model

In the cost of e-commerce channels and on the absolute superiority is obvious, however, a mature e-business models birth at home, the delay smooth birth of their fundamental research, in addition to faith, to pay, these e-logistics models to solve their own way of On the pain, more importantly, it is home industries lie at the threshold of 3 before: 1) single-product from the point of view, the low level of standardization of materials at home, the network simply cannot be displayed on the Elimination of consumer goods on board no doubt, and thus Consumers

can call the desire to buy; 2) household products, the unique nature of the two complement each other: functional and decorative, and consumer products in the home space with the overall effect of the experience requirements, it is difficult to be met through the Internet; 3) Including delivery and installation of home products, such as localization services, its professionalism by the network operators can not be asked to complete unity. In the home of the characteristics of the industry under the constraints of traditional e-commerce "B2C" (business-to-consumer) business model - from network providers to sell their products directly to consumers, because of their inherent only in the home outside the industry model not before.

This is not the complex e-commerce. Its core businesses are integrated and designers, new home network platform and unique network of virtual reality technology to provide customers with personalized scenarios furniture purchase program. In this mode, only the business need to provide 3-D model of the product, and the designers of these products will be designed in a model portfolio of a variety of styles, a variety of price points suitable for a variety of chamber of the space program, through virtual reality technology Customers will be able to type in the Web scene in the exhibition hall according to their own preferences, free to choose their own home space program, easy to complete "one-stop" home purchase as a whole.

#### B. B2F model 1

B2F (Business to Family) is the e-commerce transactions according to the classification of an object, as opposed to B2C model of a model upgrade. They belong to a sales model, but for different groups of customers.

B2F business operators on the basis of trading in a classified said that household consumption of commercial marketing business. This form of marketing model is to the general directory + network-based sales, mainly through the use of DM and Internet sales activities.

B2F model DM growth in China is a natural product of B2C combined with the provision of the new shopping patterns. Commercial organizations through the DM and the Internet provide consumers with a new shopping environment, this business model in China in a gradual growth.

B2C in the process of growth, in order to expand sales and reduce logistics costs. DM must learn from the sale of one-stop shopping model, this is the maximum raise competitive edge.

#### C. Jinkou innovative e-service delivery model

Increase standardization of domestic e-commerce model. The country's largest e-commerce service provider, one of Beijing Co., Ltd. Jinkou integrated e-commerce, marketing of its new models in business administration and the Chinese e-commerce association.

This innovative model makes up for the e-commerce transactions in the past, some of the congenitally deficient. If consumers cannot see in advance the physical samples and the quality of goods and after-sales service can not

worry about security. Jinkou network is integrated with traditional e-commerce sales are advantages to consumers in their first signing of the many in-kind show that the shop to buy goods and then return to order online and physical stores through the completion of distribution.

China E-Commerce Association society Deputy Secretary-General Wang Ping said Beijing Jinkou e-marketing model, not only played a facilitating network technology, and traditional business to achieve integration of liquidity. The core of the embodied in the two areas, one with many well-known brands at home and abroad to carry out different industry alliance, set up to display merchandise on-line platform; Second, by the distribution throughout the country in advance of the completion of the physical display chains, specific transactions, such as after-sales service process, In order to provide more convenience for the customer to buy and improve the speed of delivery.

Experts pointed out that Beijing Jinkou similar to the type of e-commerce and traditional commerce to achieve integrated to form the pattern of sales, in line with China's national conditions represents the development trend of e-commerce. Compared with traditional direct marketing, e-commerce to provide a new type of traders from the direct-to-consumer model is more convenient to exchange.

### V. COMPLEX E-COMMERCE - THE FUTURE TREND

E-commerce is in a period of rapid development, but goes without saying that the development of the environment, there are still many problems, such as by the quality of our people, the level of socio-economic development, telecommunications infrastructure and services and many other factors. How to find a way is suitable both e-commerce with China's national conditions and characteristics of the development of the road? E dual mode (on-line shopping services under the net) would be a way out of the Chinese e-commerce[4].

However, the U.S. global health we should learn from successful experiences. However, global health, the predecessor of the United States NHTC Lexxus International Group, a subsidiary of NHT was founded in 2001 in Dallas, Texas. The combined company for e-marketing model is turning to the global marketing ALURA (Ruth Hall), and other physiological sexual health products. The company has just set up within 48 hours the amount of marketing will be as high as 500,000 U.S. dollars. 5 months, but global health will visit Canada, Australia, New Zealand and Puerto Rico. At the end of the first year, the company has won more than 2,000 of the 10,000 U.S. dollars outstanding performance. In 2005 reached 350,000,000 U.S. dollars, the market expanded to include mainland China, including 29 countries and regions. Unique product combined with complex e-commerce business model so that the NHT's performance on the rise, to promote its parent company's stock soared, from the start of the U.S. dollar shot up 0.16 dollars to 128.58. NHT by the U.S. company which Time magazine named the nation's fastest-growing businesses.

The so-called "e-business complex", also known as marketing space, in fact through the Internet, there is no region, no national boundaries marketing model, not only in line with the characteristics of e-commerce at the same time to create a flow of consumers to share sales generated by the process of wealth, That is introducing an incentive for customers. NHT's mode of operation is to achieve the "six-in-one network" that is: net funds to Bank of America and HSBC in Hong Kong as its Chief Financial Officer, and the company save the cost of financial management; production network, product by the second party On behalf of the processing plant, the company save the plant, raising the cost of the plant; Logistics Network, the world's three major logistics companies UPS, one of the agency; net sales, the company did not spend money to build their own sales networks, but the implementation of Member Sales, By the members to do marketing work, saving a great deal of the cost of sales; Information Network, all of the information from the global natural health website, accurate, timely, efficient, essentially no cost; the Internet, the Internet company and To display their products to consumers worldwide, saving a great deal of advertising. Six-in-one through the net, but the cost of global health spending very little of the anti-risk ability of a relatively strong and, more importantly, may be constrained and influenced the development of enterprises of all factors to resolve, "traveling light" to protect the stability of enterprises and fast[5].

## VI. E-COMMERCE BUSINESS DEVELOPMENT OF INNOVATIVE IDEAS

In the era of e-commerce, enterprise management model has changed, by the bureaucratic mechanisms for the management of change management. In such a socio-economic environment, have only simple skills can no longer meet the demands of society, there must be a corresponding creativity, technical innovation, product innovation to make its own business development. At the same time, changes in the system of property rights, making the entire socio-economic incentives are more innovative mechanisms, there is innovation return. As a result, we have to constantly update the concept of continuous innovation-oriented culture of innovation and creative talents to adapt to the era of e-commerce.

### *A. To update the concept, have a strong sense of innovation and creative thinking of the multi-dimensional*

The concept of enterprise development constraints often is an important factor. Concepts behind, do not understand the business impact of e-commerce is in place an important reason. As a result, both the government departments or enterprises should have their own business growth and social development of information technology to a high degree of awareness of e-commerce business development, should seize the favorable opportunity to actively promote e-commerce enterprises in the promotion and application of So that the promotion of e-commerce to enhance the competitiveness of

enterprises, optimizing and upgrading traditional industries and an important force. Second, e-commerce is the use of information technology to engage in commercial activities, the business is a fundamental sense, innovation is the key, is to ensure that information technology. The spirit of innovation and innovation is a sense of pioneers and progressive, innovative state of mind and the difference of ideology, which is a prerequisite for innovation activities. With the spirit of innovation and innovation in order to take the initiative to study new situations and solve new problems; in a timely manner in order to grasp and seize the opportunity to size up the situation to promote innovation; the use of new ideas to consider, innovation; to be consciously and national policies and business Concrete reality, "combined with" innovation. To innovation, we must also use innovative thinking. Innovative thinking is a certain knowledge, experience and intelligence on the basis of flexibility in the use of a variety of ways of thinking and creating a new way of thinking of the outcome of thinking. Innovative thinking is the thinking of Lenovo. Lenovo, through horizontal and vertical Lenovo, Lenovo reverse, Super dimension in various forms, such as Lenovo to be extended or transplanted, new ideas and find new ways to solve the problem.

China's enterprises, the development of e-commerce is also a corresponding lack of experience and ideas, on the one hand should be strengthened to study and do research, learn consciously developed and advanced domestic enterprises successful practices to enhance the development of e-commerce in the process of digestion and absorption with the introduction of the ability of[6]; On the other hand, should strengthen the innovation, because it is a full of opportunities and challenges of new areas of innovation, only to break the convention and can be found in the development of different ideas in order to win more opportunities to update. To speed up enterprise reform and development pace, firmly tied to abandon the development of enterprise management systems and management practices in the development of e-commerce in the process of upgrading the management level of enterprises in upgrading the level of management at the same time to promote the further development of e-commerce, so that the two complement each other.

### *B. E-commerce efforts to cultivate innovative talents needed to*

E-commerce is a major in the field of socio-economic change, we want to raise awareness of the information society as a whole, through different ways of leading enterprises, business managers and popularization of the broad working knowledge of e-commerce, e-commerce to improve the Awareness and understanding, enhance public confidence in electronic commerce. To make full use of institutions of higher learning, research institutes, information technology training organizations in order to different industries, different needs and different target groups, targeted to train a group of sophisticated management tools and modern information technology, e-commerce talent, focusing on training needed Application of high-level talents for the development of e-commerce

personnel to provide security. Recent studies show that economic theory, economic systems of knowledge and quality has become an intrinsic part of the production function is to improve the productivity and economic growth of one of the internal driving force. The more high grade and economic, scientific and technological level and quality of workers will be affected and the amount is increasing. In the face of the market, in the face of industrial restructuring in the face of economic globalization, we need to train qualified personnel innovation, we must be able to take the initiative to build a strain that can respond to the new trend of "education + training," the network. Only ensure the workers could grasp the new knowledge and skills, create equality of opportunity and improve the environment for the future, we can open just the door of knowledge-based economy. Therefore, enterprises should strengthen the management and employees in the management and training staff to raise awareness of information technology and the level of training and information technology to attract knows understand business processes and business knowledge of the complex human resources for the implementation of e-commerce companies to provide personnel And technical support, training of high innovation and creativity of talented people. To this end, we can complete the following ways:

Firstly, a national innovation system must be established. The so-called national innovation system, including the 4 sub-systems, that is the knowledge innovation system, technology innovation, knowledge dissemination and application of knowledge. The system is not only a good mechanism for the development of knowledge, personnel training and development is also a good mechanism. Because the training is not an isolated problem, with the country's overall scientific and technological development, economic development and political development are closely linked. Only the country in general to rationalize the knowledge in all aspects of the innovation system, education can be reasonable.

Secondly, innovative talent evaluation system should be set up. The evaluation of the innovative talents includes individuals involved in the title of honorary status, academic prestige, economic benefits and other practical problems. Establish a rational evaluation of the innovation system, the most critical issue is to address how to evaluate the system of academic theory, job title, reputation and status of the practical benefits and other aspects of the separate evaluation, namely the establishment of appropriate evaluation methods, duties, Non-interference in each other, breaking the evaluation of the state of chaos.

Thirdly, the development, reform and innovation of education, as well as talent cultivation are very important condition. The age of electronic commerce is the core of knowledge, and the school is an important place for the transfer of knowledge, the school's success is directly related to the ability to train for the future development of e-commerce needs of qualified personnel, Long-term, education-oriented. It is necessary to give priority to

education in the development of the strategic position of teachers, strengthen the building of the ranks of teachers. China must increase investment in education in many ways to raise funds to form a government school and the school community a combination of the new system, in order to achieve the investment as the mainstay of national, multi-channel financing of the education system of multi-investment. Call of the 21st century innovation, this must be the reform of the traditional mode of education, the creation of the implementation of education, from the progressive realization of the exam-oriented education to quality education changes. Colleges and universities are the source of innovation, it is necessary to pay special attention to training students in entrepreneurship and innovation in order to allow innovation at the university received during the exercise, cutting edge here.

### *C. To create e-commerce can promote the development of the new system*

The emergence and development of e-commerce as a distinctive feature is that it is the network as a result of the technological revolution created a new form of commercial, technological revolution is the source and foundation. As a result, the first to engage in e-commerce are those who have knowledge of network technology elite, their main focus is how to network technology and the commercialization of e-commerce technology innovation. However, with in-depth development of e-commerce, technical elites are more and more, major e-commerce or business, no matter how advanced the technology, in the face of the traditional rules of business will get some and not force. As a result, people have to technology from the outside perspective to look at the development of e-commerce issues. Those far-sighted government and economists have come to recognize that e-commerce as a new business model, many issues need to use the system to determine the way down.

To optimize the environment for the development of electronic commerce system, it is necessary to remove a serious impediment to the development of electronic commerce that the old system, at the same time, is the most important thing is to create e-commerce can promote the development of the new system. This is because the Internet age and e-commerce through this virtual market for trading in the form of business, there are many new situations and new problems need to rely on institutional innovation to be addressed. For example, the current widespread concern with the security of transactions linked to the credibility of the business issues, Chinese scholars have pointed out that the issue of e-commerce is not just electronic problem is not just a business issue, as well as a commercial credit, as well as commercial credit Lai To establish the moral issues. There is no doubt that this view is correct. However, If we were to get to the bottom, we find that although the credit on the basis of cultural and moral basis, but the real credit should be based on the system.

The impacts of human selection system through the influence of information, the availability of resources, and the power to shape society, establish the basic rules

and achievable. Innovation is the system by providing a more efficient organization of economic activity and means of contributing to the development, which usually means on the basis of economic adjustment. To create a more efficient organization of economic activity means, first of all, it is necessary to establish the impact of information and resources more efficient organization, it is necessary to build these organizations and the principle of the way, which is to create a systematic and scientific system of rules. In this sense the innovation system for new and represents the future direction of economic development of e-commerce is particularly important.

#### *D. Perfect environment for the development of innovative e-commerce security system*

In the early development of e-commerce has great potential risk, the need for a better business than the traditional legal system, commercial standards, technical specifications, as well as security protection measures such as support to enhance the user of e-business confidence and a sense of security. At the same time, should actively promote and support the business e-commerce, banking, taxation, and other electronic financial systems, networking and online payment systems and logistics and distribution system of information-based process for the implementation of e-commerce companies to create a safe, supportive community of Environmental services[7].

#### *E. To a service-oriented innovation, and cultivate new service concept*

As the government and the public the cause of the functions of the department to continue to promote economic competitiveness, optimizing and improving the civic services, government services to strengthen the quality and efficiency as well as more control over the success of the development expenditure in transition, which is faced with how to make use of advanced IT technologies, to integrate its core Business process, the establishment of safe, reliable, flexible, scalable e-commerce infrastructure[8]. To adhere to the innovation concept of customer-oriented, service-oriented, advanced the idea of the advocate to do with the promoters, and strive to bring some good experience at home and abroad and to provide recommendations to clients.

### VII. PROSPECT THE FUTURE OF E-COMMERCE

At present, the United States by the time the crisis triggered by surging loan from a financial tsunami spread to the real economy has been slowly emerging signs that governments around the world, both companies have launched major initiatives to save the economy. China market is also affected by the inevitable, has seriously affected China's import and export trade, endangering the survival of many small and medium enterprises. The Chinese e-commerce, the global financial crisis is the rapid development of a disaster or major challenge, or the leap-forward development is another major opportunity? Are the entrepreneurs, experts and scholars thinking deeply on major issues in the field of e-commerce?

In the financial turmoil, the international financial market freeze, corporate finance difficulties, the fall in property prices in Europe, the United States and Japan, the world's three major economies into recession almost at the same time. For domestic investment cycle this year, the actual growth rate of fixed asset investment fell rapidly, manufacturing overcapacity, the real estate market callback. Many small and medium enterprises and industry sites, in particular, export processing and international trade-or failure of operational difficulties faced by SMEs. Decline in external demand and domestic investment cycle down the dual pressure of Chinese e-commerce market will be seriously affected. Second, to third-party e-commerce transactions and Web services platform, or for the trades on behalf of the majority of e-commerce services operator, to varying degrees, faced with shrinking market demand, financing difficulties for the operation to move the hard reality of the difficulties. Many e-commerce operators to start one after another "winter" program to reduce operating costs, improve service quality, innovation in the form of services.

However, the global financial crisis for the Chinese e-commerce leap-forward development has brought another major opportunity. First, China's export-processing enterprises and international trade, Europe, the United States, Japan and other economies, market demand and will strengthen the developing countries and to open up the domestic market, and e-commerce features unlimited space-time low Cost-effective way to market. Second, in the context of the global financial crisis, many businesses, especially small and medium enterprises, will seek to further reduce production costs and improve production efficiency. E-commerce is a natural advantage. Third, many enterprises in China's production and management difficulties, the majority of enterprises will seek out new products and services, relying on the Internet, through e-commerce, and the depth of the excavation to make full use of relevant personnel, information resources, technology is an important way to solve the problem one. Fourth, China's economic transformation is at a critical period of development models, vigorously develop the service sector, in particular the development of Internet-based, with third-party transactions and services for the mainstream model of e-commerce services, optimizing the industrial structure, improve the operating efficiency of the national economy and Quality. For a period of time in the future, the Government will finance and taxation, financing, industrial development in areas such as promotion of introduction of a range of services, especially e-commerce services for the modern service industry on behalf of the policies and measures to further promote the development of e-commerce.

In the face of major development of e-commerce opportunities and challenges of reality, the overwhelming majority of e-commerce transaction services and Web site operator or operators of small and medium enterprises and related experts and scholars should work together to develop a common, practical focus on small and medium enterprises to reduce production costs and improve efficiency Effectively open up new markets at home and

abroad, the depth of products and services to support innovation, improve the technological content of products and services, effective integration of industrial chain, support industries and efficient operation of the chain, to improve efforts to deepen the application of e-commerce services, environmental services.

#### ACKNOWLEDGMENT

This paper is only our preliminary attempting and researching for an important and interesting topic about an analysis of China's e-business model innovation. There are many more interesting problems (such as China's e-commerce how to face and suit to the new world after this serious financial crisis) to be further studied deeply. During writing this paper, many papers and materials were consulted by us. Here, we thank and appreciate all the authors of these papers and materials very much.

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