

Good example of the development of e-business in china dissertation introduction

[Business](#), [Company](#)



Introduction

The business developments that have been witnessed in China have been facilitated by a number of factors. In fact, the good number of players has seen China flourish in terms of business. This has made it one of the most vibrant countries in the world, and the country can now be termed as being sustainable in terms of business. E-business, the newly adopted but trendy business, has been one of the trends in the country that has boosted the development of the business. In light to this, several business units have adopted this system in the country, and it has been a common phenomenon in both the public and the private sector. This is substantial evidence to show that e-business has not only been an instrumental, but also efficient in effecting business in China.

Commercial activities in China have been aggravated by the fact that China is a developing country that is developing rapidly after the late 90s especially in the 21st century. More so, the country is well known to be an industrial country specialized in producing massive products. The products produced in the country are so many that the country's population cannot consume and make use of all of them, which makes it very important and crucial for the country to look for another markets outside the country. Since the producers of the commodities do not get enough out of their products, research have been done to ascertain what the potential problems could be facing, and hence the going concern of most entities.

A study revealed that inadequate markets and public awareness has contributed to a larger extent to the fall in profits for the production sector. This is because the local mechanisms are not able to reach wider markets.

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Advertising agencies and marketing firms have identified the need to engage new technologies in solving the major problems experienced in maximizing the profits from their products. It is on the basis of this need that some of the well-informed individuals came up with the concept of marketing their products online, whose response was well.

Online shops in China have contributed to a growth of sales for locally produced products. This has boosted industrialization in the country. A survey revealed that the country's potential was being underutilized, a factor that was preventing it from reaching the extremes of its rivals such as the United States and Britain. However, since the realization of the e-commerce platform, the country's economy has grown tremendously as compared to any others in the world. As a result, China has been a real model in the industry where other countries have copied the example, and the achievements have been significant so far. The year 2013, especially, will be remembered as the one in which China surpassed the US as the world's largest digital retail market.

It is from this development that e-commerce became an established mode of conducting business, which was adopted by various companies in facilitating the working of established businesses. What's more, there are some other entrepreneurs began new businesses on the basis of the E-commerce platform. Due to the success, several companies such as Alibaba joined the industry, in which it not only introduced new business trends, but also stirred business that attracted various companies.

The e-business in China has undergone four stages which include the 1.) start up;

2.) boom; 3.) regulation; and 4.) growth (Chunxiao 74). While in 2008, the domestic online retailing reached 100 million and meant that electronic business has surpassed the stages of widespread growth, application, and operations. Most of the credit can be attributed to the expansion of profound influence in society, business behaviors, organizations, firms and other institutions (Chunxiao 74).

The e-business in China began in 1995, when China Telecom initiated to offer Internet services to the public (Chunxiao 74). The initial target market was in northern China, when the National Planning Committee established the Chinese Goods Order System (CGOS). The CGOS was the very first online commodity trading system that ever set foot in China. The Chinese Yellow Pages began in the southern part of China which also offered the first application of the Internet to the Chinese business community. With the collaboration of IBM during the same year, the concept of e-business was launched and the domestic internet industry and e-business in China kicked-off in the year 1998 until 1999 (Chunxiao 74). The main e-business companies which started to be popular in the market included Alibaba, Dangdang, and Netsun. At the same time, the government-dominated e-business platforms also followed suit including CGOS and the Chinese commodity trading center, as well as the local government and traditional industries (Chunxiao 74). After the establishment of Taobao in 2003, the e-business in China became successful through innovation, market orientation, and domestic dependence for the past decade.

The integration of e-business and traditional industries became the driving force for the development of logistic distribution in financial and information technology (IT) industries (Chunxiao 76). One of the illustrations is the logistic distributions where the broad application of e-business boosted the express delivery services. Based on the reports in 2008, there were approximately 500 million parcels or packages that were delivered in the country using electronic transactions, accounting for one-third of all deliveries in this industry (Chunxiao 76). It can be concluded that e-business had facilitated the development of emerging industries as the businesses, consumers, and governments adapted the e-business culture. Aside from the e-business culture, some of the e-service providers developed other areas including e-transaction services, business processes, IT, and outsourcing (Chunxiao 76). The e-service sector played the major contributory role in being able to provide for the needs of various businesses, companies individuals, and even in the government agencies Chunxiao 76).

It is also through e-business that there had been an advancement and growth to regional industry which carries economic effects for the region (Chunxiao 76). The merging of e-business opened the doors for small and medium-sized businesses to operate online, and with the help of technology, these small enterprises were given opportunities for grow and upgrade their products and services (Chunxiao 76). These advancements had been advantageous for the regional economy. Some governments in Zhe Jiang, Guang Dong, Jiang Su, and Si Chuan considered e-business an effective means to enhance their regional industry and fix their economic structure (Chunxiao 76). E-business not only promotes foreign trade since it can also

boost domestic demand, and causes a positive effect on the country's economic growth. Some of the recent international markets include South America and the Middle East.

However some people might ask what actually is that model and why E-business can be such successful in Chinese market. To better understand this phenomenon, this paper will first present a general analysis on the macro environment of the E-business market in China and then focus particularly on the giant E-business player-Alibaba. At the end, this paper will also talk about the influence of the E-business in the Chinese financial market.

Works Cited:

Chunxiao, Liang. " The Present Situation of and Prospects For E-Business In China." Journal of Interactive Advertising 11. 1 (2010): 74-81.