The Value Creation of B2B2C E-Business Mode based on SaaS

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ABSTRACT

Due to the disadvantage of enterprise information construction in B2B and B2C business models, companies cannot keep up with immediate information in developing customer service, inventory management, and customer web front-end experience. Based on the SaaS information service concept, this paper solves business problems in information technology for introducing the integrated B2B2C E-business mode. To achieve participants’ utility optimization, the business processes based on value chain has been restructured, which reduces the transaction cost by information sharing. SaaS operators provide the professional value added services, including core services, forms services and extensive services.

Keywords: Business to Business to Customer Model (B2B2C Model), Business Process, Information Sharing, Software-as-a-Service (SaaS Service), Value Chain

INTRODUCTION

Since Hitt (2000) and McGrath (2000) began systematic study of e-commerce, more and more scholars devote to this field, especially focusing on the value creation of e-commerce (Li & Xie, 2011). Amit and Zott (2001) found and identified the sources of value creation, while some other scholars paid attention to the features and environments of e-commerce (Oxley & Yeung, 2001; Delone & Mclean, 2004). The whole process e-commerce, which extends from the concept of electronic commerce, refers to one stop service that introduces every process of business activities in enterprises into e-commerce. Since e-commerce appeared in China, the operators have been attempting to build up a proper mode for better value creation.

B2B2C is a net platform for sellers to display goods and for buyers to choose goods, providing sales platforms with payment function for a large number of small and medium-sized enterprises (Zhou, 2006). It is a direct link from supplier, vendors and customers, more open and worldwide, without time and space limitations. And it has less intermediate links and lower business costs compared with traditional modes like B2B, B2C.

B2B2C connects the suppliers, manufacturers, distributors and consumers together. The first B is a manufacturer who is supplier of raw materials, the second B is the agent who is the seller on the platform, C is a customer that is, ordinary consumers. B2B2C is the core of bro-

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kers, links businesses with consumers, combines upstream sellers and downstream consumers, to achieve the goal of effective integration. In some extent, B2B2C E-commerce mode is a network of supply chains. In various industries, the vertical chains coming from manufactures to agents and to customers are integrated together in one platform. Full B2B2C e-business model is the result of e-commerce mode innovation, which is the essence of value creation. Specific process is shown in Figure 1.

However, due to lack of information construction of SMEs in the B2B or B2C model, it results in some short boards. For lack of communication with the customer, SMEs cannot understand customer needs and loyalty effectively, and cannot be a better understanding of the customer experience in the shopping process, as well as the web side of the user experience. However, the application of SaaS, software as a service, offers online solutions on this problem. It is very convenient and fluent, making global trade participants break time limitation and geographical restrictions to achieve coordination in B2B2C e-business mode.

In the construction and maintenance of information systems, SMEs will inevitably lead to the loss of enterprise funds and manpower. Owing to the shortage of B2B2C mode development, the introduction of Software-as-a-Service (SaaS) model can solve the problems of enterprises in information technology. This paper proposes restructing business process of B2B and B2C business model, the new business process is that SaaS operators to provide professional logistics services to the SMEs to the rapid development of the e-commerce business, so that all parties can get the maximum value.

LITERATURE REVIEW AND THEORY

Literature Review


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![Figure 1. B2B2C business model](image-url)
Corporate Social Responsibility in the Dynamic Information Age of Inter-Systems Connectivity


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