How the e-commerce environment affects the economic development of traditional enterprises: Taking business innovation as an example

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Abstract:
With the proliferation of e-commerce, traditional enterprises have increasingly resorted to it for more business opportunities and market share. However, this environment has presented some challenges and confusion to these enterprises. The present study aims to investigate the impact of the e-commerce environment on the economic development of traditional enterprises. The study highlights the advantages and disadvantages of this novel environment. The study employs empirical research methods, including a series of case analyses and data research, to demonstrate how the e-commerce environment affects the economic development of traditional enterprises. The findings reveal that e-commerce can help traditional enterprises broaden their market, improve their brand influence, achieve diversification, and better adapt to changes in market demand. Nevertheless, these enterprises face challenges in mastering e-commerce technology and channels, brand positioning, and image adjustment during the transformation process. The study’s conclusion is of significant reference value for traditional enterprises seeking economic development in the e-commerce environment.

Keywords: e-commerce environment; traditional enterprise; business innovation; economic development

1. Introduction
With the rapid development of e-commerce, the e-commerce environment has a significant impact on the economic development of traditional enterprises, posing both great challenges and opportunities for their growth. The rise of e-commerce has transformed consumers’ shopping habits, making market competition even more intense. Simultaneously, it has presented an opportunity for traditional enterprises to expand their market share and enhance their sales performance. This article aims to explore the impact of the e-commerce environment on enterprise development by taking business innovation as an example, ultimately assisting traditional enterprises in achieving better economic development outcomes within this environment. E-commerce has traversed decades of development [2]. Progressing from its initial static webpage display stage to the current intelligent, personalized, and socialized iteration, it has profoundly influenced people’s lifestyles and enterprise development models. Enterprise innovation encompasses numerous facets such as product innovation, marketing innovation, and management innovation. The challenge for traditional enterprises lies in consistently innovating their business to adapt to the rapidly changing e-commerce environment. Product innovation entails enterprises continuously optimizing product design and functions, enhancing product competitiveness and added value based on market demand and consumer feedback. In the e-commerce environment, product innovation should prioritize user experience and carry out product design centred around user needs to cater to the personalized aspirations of users. Marketing innovation signifies the utilization of the Internet, mobile social media, and other emerging channels to promote marketing and improve brand awareness and sales within the e-commerce environment. Traditional enterprises also need to master digital marketing skills and be good at using social media, search engine optimization, and other technical means to improve product exposure and click rates. Management innovation refers to the use of information technology and scientific management methods to improve the operating efficiency and management level of enterprises in the e-commerce environment [2]. For example, enterprise resource planning (ERP), supply chain management (SCM), and other information management methods are adopted to achieve the efficient integration of internal resources and the collaborative operation of external supply chains, thus reducing costs and improving efficiency. This study will explore the practice and impact of traditional enterprise business innovation in the e-commerce environment from an empirical perspective, and provide operational suggestions for enterprises.
2. Cost and operating cost brought by the e-commerce environment to the economic development of traditional enterprises

2.1 E-commerce reduces the operating costs of enterprises

In this new technology era, e-commerce is an important part of the development of modern commerce, but also brings obvious advantages and disadvantages to the economic development of traditional enterprises. Among them, under the role of the e-commerce environment, the operating cost of enterprises is also a great advantage in the economic development of traditional enterprises. First of all, the traditional offline sales model into online sales effectively reduces operating costs. Traditional businesses need to hire stores, hire salespeople, and pay high advertising fees to promote their products. Traditional consumer model, consumers can only buy to understand the goods, but now through the network environment of intended goods evaluation or description of comprehensive understanding, can even be compared with the same goods, and information access is more convenient [1], but also can search related bloggers “grass” consumers will be interested in, can accurately find potential customer groups, also greatly reduce the advertising costs.

Secondly, the e-commerce platform also provides an automated system and an intelligent service process, greatly reducing the demand for manpower in traditional enterprises. In these enterprises, a large amount of human resources is required for various labor-intensive tasks such as processing orders, after-sales service, and other aspects. Therefore, traditional enterprises can leverage the functionalities of e-commerce platforms such as warehouse management, logistics, customer service, and other services to achieve efficient after-sales service and automated operation. By capturing consumer data and analyzing other purchase-related information, the e-commerce platform can precisely generate demand, improve the turnover rate of goods, reduce inventory, and ultimately reduce costs and sales expenses. This not only reduces the human resources requirement of traditional enterprises but also enhances the quality and efficiency of services. Additionally, the e-commerce platform provides a range of marketing tools for traditional enterprises to reduce their marketing costs. Traditional enterprises often require substantial capital investment to advertise and promote their products through various forms of marketing activities. On e-commerce platforms, traditional enterprises can attract users and increase sales by distributing preferential numbers and promotional activities in live broadcasts. In this way, through the evaluation and sharing of e-commerce platform users, traditional enterprises can establish a positive reputation, further reducing their marketing costs. In summary, the e-commerce environment provides new sales channels for enterprises, enhances market competitiveness and low-cost operation, and has a positive impact on the economic development of traditional enterprises. Specifically, the e-commerce environment has reduced the operating costs of traditional enterprises. Through the transformation of sales models, coupled with the intelligent service system and diversified marketing methods, these traditional enterprises have created a very efficient operation model. However, in addition to these advantages, e-commerce has also brought some adverse factors to the economic development of traditional enterprises, which requires traditional enterprises to actively face these changes.

2.2 E-commerce provides a new sales platform for traditional enterprises

The emergence of e-commerce platforms has delivered numerous benefits to the economic development of traditional enterprises as a new business marketing avenue. Chief among these advantages is that it provides traditional enterprises with new sales channels. While these enterprises tend to rely on physical stores or commercial sales outlets, the e-commerce environment has broken the constraints of traditional sales methods and fashioned a broader online sales platform for them. E-commerce platforms offer traditional enterprises a broader market for transmitting their products, which means that the sales scope of their products can be extended to nationwide and even global users. This enables companies to extend their sales reach to areas they had not previously accessed, resulting in exponential growth in sales. Additionally, e-commerce provides 24-hour uninterrupted sales services, unlike traditional physical stores. E-commerce platforms can be launched online at any time, allowing users to purchase products anytime and anywhere, which greatly boosts the sales and operation of products. Furthermore, e-commerce platforms also offer consumer targeting and niche markets to traditional enterprises. Through big data analysis and personalized recommendations, e-commerce companies can precisely push relevant products to interested consumers, reducing the cost of enterprise marketing, enhancing the marketing effect, and also improving the performance of enterprise sales. In summary, e-commerce presents a new sales platform for traditional enterprises. Through e-commerce platforms, these enterprises can not only expand their market and increase sales but
also achieve 24-hour continuous operation and targeted marketing. These advantages have a significant impact on the economic development of enterprises and propel their further growth.

2.3 E-commerce platform has enhanced the market competitiveness of traditional enterprises

The rapid development of e-commerce environment has provided a brand-new market competition for traditional enterprises. The e-commerce platform has a close relationship with consumers and products. Traditional enterprises can promote their products faster and more conveniently, and continue to expand the market scope. Since the traditional enterprise network can make use of the power business environment and promote enterprise products to the global market, it has achieved large sales. Compared with offline sales, online sales of power saves a lot of operating costs, so that traditional enterprises can provide products to consumers at a lower price and improve their competitiveness. Most importantly, the e-commerce environment has brought more opportunities for market competition for traditional enterprises. In the global economic environment, power transmission enterprises need to constantly improve and improve their competitiveness in order to stand out in the fierce market. E-commerce platforms accurately push products to users and improve the sales conversion rate. At the same time, the data analysis and marketing performance provided by the e-commerce platform can help the traditional enterprises to better understand the market demand, launch a more complex user product demand, and further improve the market competitiveness. To sum up, the e-commerce platform brings significant advantages to the economic development of traditional enterprises. Through the new sales platform, the operating costs are reduced and the market competitiveness is improved. At the same time, the e-commerce platform also brings huge development space and business opportunities for traditional enterprises.

3. Challenges brought about by the e-commerce environment to the economic development of traditional enterprises

3.1 Influence of e-commerce environment on business model

Electricity as an emerging business model, the traditional enterprise economic development has a profound influence, due to the power environment broke the traditional business model, traditional enterprises in the past mainly through physical store sales, but with the addition of the Internet and rise, power for traditional enterprises provides new sales channels, through the electric power business platform, traditional enterprises to sell products across the country, realize the sales scale. Although power reduces the operating costs of traditional enterprises, but power also brought new competitiveness, further promote the economic development of traditional enterprises, electric power environment of traditional enterprises provides more exposure, through the spread of the network world, traditional enterprises can better promote their brand and products, enhance market competitiveness, can encourage traditional enterprises more efforts to improve the quality of products and services, promote the economic growth of traditional enterprises. Power environment, however, also brought some shortcomings to traditional enterprises, traditional enterprises need to face the influence of its business model, the emergence of electricity makes consumers more inclined to drink shopping (no threshold), traditional enterprises in the era of “survival” change, you need to stand out from the traditional sales model, to provide better quality products and services. If e-commerce enterprises want to carry out personalized production of products, they must have an understanding of customers. The ability of the Internet to communicate with each other increases the opportunities for information providers to study clients. Enterprises should pay more attention to the degree of difference, not for the sake of differentiation, grasp the dynamic development law of the market, and truly understand the individual needs of users for products, so as to produce truly differentiated products. E-commerce environment also brings the influence of fierce competition to traditional enterprises. A large number of enterprises and brands have appeared on the e-commerce platform, and some enterprises compete for market share through price competition, marketing and promotion. For traditional enterprises, in order to survive and stand out in such a competitive environment, they need to constantly innovate and improve their core competitiveness. In fact, for the economic development of traditional enterprises, traditional enterprises can take some strategies. Traditional enterprises should change their business model and improve their competitiveness and innovation ability by introducing Internet technology and e-commerce thinking. Traditional enterprises should cooperate with e-commerce platforms to share markets and resources to achieve a win-win situation. To sum up, the e-commerce environment brings both advantages and disadvantages to the economic development of traditional enterprises. Traditional enterprises should actively face the challenges of e-commerce, and make use of the advantages of the Internet and e-commerce environment to improve the development level of enterprises. Through transformation and upgrading and e-commerce cooperation, traditional enterprises can better adapt to the e-commerce environment and achieve economic development and long-term sustainable development.
3.2 The influence of the competition in e-commerce on the traditional enterprises

E-commerce has brought a series of competitive influences to traditional enterprises. The emergence of e-commerce has broken the advantages of traditional enterprises in the geographical restrictions. Through the online platform, consumers can easily buy goods from all over the country, which makes traditional companies face more intense competition. The development of an e-commerce environment leads to the increase of homogenized goods in the market, which increases the difficulty of differentiated competition among traditional enterprises and thus reduces the market share among traditional enterprises. Many information and comments on the e-commerce platform also provide consumers with more choices and references, making the traditional enterprises need to work harder to improve the product quality and service level. Otherwise, it is easy to be eliminated from the market. Finally, the rapid development of e-commerce makes consumers even more so

To pursue convenience and efficiency, traditional enterprises cannot meet the needs of consumers and put forward higher requirements for the business model and process of traditional enterprises, which need to strengthen innovation and reform to adapt to the fierce competition in the e-commerce environment. Therefore, in the face of fierce competition, traditional enterprises must accelerate the pace of innovation and transformation to improve their market competitiveness and achieve better economic development in the e-commerce environment.

4. Strategies for e-commerce to deal with the economic development of traditional enterprises

4.1 The transformation and upgrading of traditional enterprises

In the face of the advantages and disadvantages of the development of e-commerce environment, enterprises should transform and upgrade their strategies. Traditional companies need to be aware that the impact of the e-commerce environment is inevitable, and that they should also see the opportunities. Through cooperation with e-commerce platform, can realize the transformation and upgrading, traditional enterprises can no longer individual, more enterprises began to use their own advantages with other enterprises to form a “consortium”, companies by focusing on their own advantages, will not good at areas entrusted to more good at enterprise, through the formation of cooperation between enterprises [3]. It can also adapt to the needs of the e-commerce environment. Traditional enterprises can have a deep understanding of the operation mode of e-commerce platform, the experience and methods of learning results. In the process of transformation and upgrading, transmission enterprises can learn from the sales channels and operation mode of e-commerce platform, and use Internet technology to realize the realization of their own e-commerce channels, so as to expand the sales market. In the transformation and upgrading of traditional enterprises, it is also necessary to pay attention to product optimization and innovation. The rise of e-commerce platforms provides consumers with more convenient and diversified shopping methods, and transmission enterprises also need to meet the needs of users through product innovation and provide competitive products. Communications companies can use Internet technology and big data analytics to understand consumers’ needs and preferences, and thus optimize their products. In the process of the transformation and upgrading of traditional enterprises, we also need to pay attention to the establishment and improvement of the supply chain system. In the e-commerce environment, the speed and efficiency of logistics is one of the very important competitive factors. Traditional enterprises can establish efficient logistics systems through cooperation with logistics enterprises, such as (San Francisco Express, YTO, etc.), while ensuring effective timely delivery and after-sales service. In the process of transformation and upgrading, traditional enterprises should also pay attention to talent training and the construction of enterprise culture. In the e-commerce environment, the application of Internet technology and the operation of e-commerce mode also have high requirements on the ability and quality of enterprise employees. Traditional enterprises should pay attention to cultivating employees ‘innovation ability and thinking ability, establish a positive corporate culture, and stimulate employees’ creativity and potential. In the face of the problems of e-commerce environment on economic development, traditional enterprises can get rid of some adverse factors through transformation and upgrading, and make full use of the provision of e-commerce environment, to bring some new opportunities. Traditional enterprises also need to strengthen the cooperation and learning of e-commerce platforms. Only through these measures can traditional enterprises obtain better and more extensive economic resources and development in the e-commerce environment.

4.2 Cooperation between e-commerce platform and traditional enterprises

With the rise of science and technology, traditional
enterprises are facing a new economic development environment. In order to better cope with the impact of e-commerce, traditional enterprises need to actively seek for integration and cooperation strategies. Among them, the cooperation with e-commerce is a feasible way to respond, and the cooperation between traditional enterprises and e-commerce platform can bring more sales opportunities for enterprises. Through the cooperation with e-commerce, traditional enterprises have expanded the scope of product sales with the help of the brand influence and user base of the platform. Through the online channels on the platform, transmission enterprises can reach more potential customers and improve product exposure and market share. In particular, the development of e-commerce brings more opportunities. The cooperation between traditional enterprises and e-commerce platforms can also improve the innovation ability and technical level of enterprises. E-commerce enterprises should continuously increase investment in research and development, achieve leading technology, research and develop in addition to the new products that can replace the old products, complete the timely upgrading of products, and first create new markets and product standards, so as to successfully seize the market[3]. E-commerce platforms advocate innovation and technological upgrading. E-commerce platform advocates the concept of innovation and technology-driven experience, promotes the transformation and upgrading of enterprises and user insight, can improve and optimize the product design and strategy of enterprises, and enhance the market competitiveness of enterprises. The cooperation between e-commerce platform and traditional enterprises can help enterprises to meet the challenges of environmental and economic development to a large extent. Through this platform, traditional enterprises can obtain more sales opportunities, reduce operating costs, enhance market competitiveness, promote enterprises to become active and e-commerce platforms, and jointly promote economic development.

5. Conclusion

This study deeply discusses the influence of the e-commerce environment on traditional enterprises and draws the following conclusions.

In an e-commerce environment, a transmission company can through the combination of electronic commerce environment, expand the market, improve brand awareness, and electricity enterprises to adapt to the trend of the era of network economy development, we must keep an innovation consciousness, realize its product heterogeneous, and constantly optimize the organization, upgrade services, in the economic development survival and development in the future[3]. Who has the first diversified management means? E-commerce provides a new way of sales for communication enterprises, which can cover more global consumer groups, to obtain more business opportunities and market share. In addition, through cooperation with e-commerce platforms, traditional enterprises can better adapt to the changes in the market demand, expand the production scale, greatly improve efficiency, and reduce operating costs. In addition, e-commerce has also improved the competitiveness of traditional enterprises in the market, providing more choices and convenient shopping experience, and also attracting more consumers. However, the e-commerce environment also poses certain adverse challenges to the traditional enterprise economy. While harnessing its power, the enterprise model exerts pressure on traditional enterprises, increasing their competitiveness and the challenges they face. To adapt, traditional enterprises need to adjust their business model and strategy. They must invest substantial resources to enhance their technological capabilities, expand channels, and reposition their brand image. These adjustments greatly enhance their adaptability to the market demands of the e-commerce environment.

To address these problems and challenges, this study proposes certain coping strategies. Firstly, traditional enterprises must be proactive in their transformation and upgrading, introducing new technologies and management methods to enhance their core competitiveness. Secondly, traditional enterprises can collaborate with e-commerce platforms to gain deeper insights and achieve mutual benefits. Through cooperation, traditional enterprises can leverage e-commerce platforms’ technological and resource advantages to enhance their competitiveness and rapidly expand into the market.

This study has certain limitations. In terms of research methods, it employs empirical research techniques, which are constrained by data and case availability. The focus of this paper is on how the e-commerce environment impacts the economic development of traditional enterprises. The factors considered may not comprehensively cover other factors. Future research can further explore the impact of the e-commerce environment on traditional enterprises’ innovation capabilities and competitive strategies, as well as in-depth services and support systems in e-commerce.

In conclusion, this study comprehensively analyzes and discusses the impact of the e-commerce environment on the economic development of traditional enterprises. Therefore, in cooperation with e-commerce, traditional enterprises can expand the market, improve brand influence, and better adapt to market demand changes.
However, the difficulties faced by traditional enterprises in the transformation process can not be ignored. However, through cooperation with e-commerce platforms, traditional enterprises can effectively address these challenges in the process of transformation.

References