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The role and response of digital innovation in the transformation of enterprise business management models

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Abstract: *Digital innovation has a positive promoting effect on the transformation of business management models in enterprises. It can not only promote the construction of corporate culture, but also optimize the allocation of enterprise resources, improve operational efficiency, and enhance competitiveness. Based on this, the article elaborates on the role of digital innovation in the transformation of enterprise business management models, analyzes practical cases of digital innovation in the transformation of enterprise business management models, and explores the response strategies of digital innovation in the transformation of enterprise business management models from the aspects of business processes, products and services, organizational structure, risk management, etc., in order to provide reference for the digital transformation of enterprise business management models, improve operational efficiency, and promote better and faster development of enterprises.*

Keywords: *digital innovation; Business management model; Transformation*

1. Introduction

Digital innovation refers to the full application of digital technology by enterprises, integrating it into internal management, technology research and development, product production, and other processes to achieve innovative development. Digital innovation is also an iterative upgrade of enterprise management concepts, reflecting the ability of enterprises to use digital technology to promote management transformation and enterprise value upgrading in the digital era. Faced with the background of digital innovation, the transformation of enterprise business management models is particularly important, which is related to the sustainable operation and innovative development of enterprises. To effectively promote the transformation and upgrading of enterprise business management models, enterprises not only need to optimize business processes and organizational structures, but also need to promote digital culture construction, cultivate employees' digital thinking and innovation awareness, encourage cross departmental cooperation and knowledge sharing, and strengthen risk management and digital innovation. On the basis of clarifying the role of digital innovation in the transformation of enterprise business management models, this article explores targeted response strategies, hoping to provide reference for enterprise business management innovation.

2. The role of digital innovation in the transformation of business management models in enterprises

2.1 Promoting innovation in corporate culture

The role of digital innovation in the transformation of business management models in enterprises is to promote cultural innovation. On the one hand, with the application of digital technology, the updating of knowledge and the speed of technological change are gradually accelerating. Enterprises need to cultivate the learning ability and independent innovation awareness of employees. By providing training and learning opportunities for employees, they can help them continuously improve their work skills and knowledge level, so as to better adapt to the needs of the digital era. This helps to form a corporate learning culture and has a positive effect on the better development of the enterprise[1]. On the other hand, in the digital age, enterprises need to establish communication and collaboration among employees across departments and levels, and create a more open, inclusive, and innovative cultural

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atmosphere to adapt to the new market environment. This requires enterprises to build an open communication platform, encourage employees to communicate and collaborate across departments and levels, and share each other's innovative ideas. This open cultural atmosphere helps to stimulate employee innovation vitality.

2.2 Improve operational efficiency of enterprises and expand business models

Introducing digital technology into business management can not only improve overall operational efficiency, but also effectively expand business models and improve the level of enterprise development. On the one hand, the application of digital technology in enterprises can achieve automation and intelligence of business processes, as well as perform a large amount of repetitive work, reduce manual intervention, lower error rates, and thus improve work efficiency. In addition, enterprises can also upgrade their software systems by adopting an integrated and intelligent management model to accelerate the transmission and processing of information, thereby reducing operational costs, ensuring the overall economic benefits of the enterprise, and improving operational efficiency. On the other hand, enterprises can use the Internet and mobile technology to expand sales channels, carry out online business, reduce transaction costs, grasp market development trends through data analysis, explore new market opportunities, expand new business models, and achieve sustainable development.

2.3 Optimize enterprise resource allocation and enhance core competitiveness

Strengthening the application of digital technology in business management can not only optimize the allocation of enterprise resources, but also enhance the competitiveness of enterprises[2].On the one hand, by applying digital technology, enterprises can obtain and analyze various data in real-time, including market demand, supply chain status, production progress, etc., in order to more accurately grasp market dynamics and internal operational conditions. On this basis, enterprises can allocate existing resources more reasonably and scientifically, ensure the rational utilization of resources, and improve resource utilization efficiency. On the other hand, with the support of digital technology, enterprises can optimize their internal management models, such as updating human resource management tools and methods, optimizing talent training systems, introducing and reserving more talents, promoting talent team construction, and improving the core competitiveness of the enterprise.

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3. Case analysis of digital innovation on the transformation of business management models in enterprises

3.1 Alibaba Group's Digital Transformation

Alibaba Group has restructured key links such as supply chain, logistics, and payment by applying technologies such as big data, cloud computing, and artificial intelligence, achieving a transformation from traditional e-commerce to a digital business ecosystem. In terms of supply chain, Alibaba Group utilizes big data and artificial intelligence technology to make the matching between suppliers, manufacturers, and consumers more precise. This not only meets consumer purchasing needs, but also increases the volume of supplier and production business, improving the efficiency and flexibility of the supply chain. In terms of logistics, Alibaba Group reduces logistics costs and improves order delivery speed through intelligent scheduling and path planning, enabling products to reach consumers

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more quickly and improving logistics delivery service levels. In terms of payment, Alibaba Group has also launched digital payment tools such as Alipay to provide users with a convenient and safe payment experience.

3.2 Meituan's Digital Operation Innovation

As a leading local lifestyle service platform in China, Meituan has achieved deep integration and efficient operation in multiple fields such as catering, food delivery, hotels, and tourism through digital operation innovation. Meituan utilizes big data and artificial intelligence technology to accurately profile and match user needs, providing personalized services for businesses and consumers. Meituan also focuses on the application and innovation of digital technology. By optimizing algorithms and improving system performance, it not only improves the efficiency of platform order processing, but also enhances the accuracy of order delivery and meets customer service needs.

With the continuous transformation and upgrading of consumer structure, Meituan continuously promotes the digital upgrading of the commodity retail and service retail industry through "digital+technology", achieving standardization and intelligence of "consumption, fulfillment, and after-sales", adding vitality to high-quality development, and meeting the growing diversified consumption needs of consumers. For example, to improve order delivery efficiency, Meituan has launched automatic delivery vehicles. Since June 2023, Meituan automatic delivery vehicles have landed in Pingshan, Shenzhen, providing regular delivery services to users around Meituan Maicai Station. They have only been in operation for over a month, with a delivery volume of over 10000 orders. As of the end of June 2023, Meituan's autonomous delivery vehicles accounted for over 99% of their autonomous driving mileage and completed over 3.3 million outdoor full scene deliveries. In short, digital technology has injected new vitality into service retail, not only optimizing retail services, but also meeting the diverse and personalized service needs of consumers, reducing business operating costs, improving overall operational efficiency, which is of great significance for the better development of Meituan.

3.3 JD Group's Intelligent Supply Chain Management

Driven by unbounded retail, the traditional offline retail industry is being transformed by digitization and intelligence. JD Group utilizes technologies such as big data, the Internet of Things, and artificial intelligence to intelligently transform the supply chain, improving its transparency and controllability, ensuring that products can be delivered to consumers at the fastest speed. Taking the cooperation between JD.com and Qingdao Beer as an example. In order to increase the sales of Qingdao Beer, it is necessary to comprehensively consider a series of issues such as inventory, location selection, and replenishment. Through JD's smart supply chain, combined with technologies such as big data and artificial intelligence, the system can have a good understanding of the demand for Qingdao Beer in different regions, and then deploy inventory to the latest warehouses in that region, so that products can reach consumers better and faster. In this way, it can not only improve the logistics and transportation service level of the platform, but also enhance consumer satisfaction with the goods and their services. The smart supply chain connects consumers, supply, and scenarios, forming an end-to-end complete chain. JD Group can timely predict market demand and inventory changes through real-time data analysis, adjust procurement plans and sales strategies, and improve marketing level.

4. Strategies for responding to the transformation of business management models in enterprises through digital innovation

4.1 Optimize business processes and establish data-driven decision-making mechanisms

Digital innovation has a positive promoting effect on the transformation of business management models in enterprises. Enterprises need to closely follow the trend of digital transformation development, leverage the advantages of digital technology, continuously optimize business processes, and establish a digital driven decision-making mechanism to ensure the scientific nature of enterprise management decisions. Firstly, optimize business processes. Enterprises should strengthen the application of digital technologies such as automation, cloud computing, and big data on the existing basis, achieve automation and intelligence of business processes, improve the efficiency of business process execution, and promote better business operation and development[3].At the same time,

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enterprises can use digital tools to comprehensively monitor business processes, identify vulnerabilities and problems, and take timely optimization measures to make business processes more scientific and standardized. It should be noted that when optimizing business processes, enterprises should enhance the flexibility and scalability of business processes to actively adapt to market changes. Secondly, establish a data-driven decision-making mechanism. Enterprises can use big data technology to automatically collect data and information from various aspects such as industry, customers, suppliers, and manufacturers, accurately grasp market demand, and understand industry development trends and trends. On this basis, the enterprise formulates targeted marketing strategies based on its actual situation. At the same time, enterprises can also use digital technology to monitor and evaluate their internal operations. Once it is found that marketing methods lack innovation or do not match consumer needs well, they should make timely adjustments and improvements to ensure the scientific nature of their product management decisions.

4.2 Big data prediction, development of customized and personalized products and services

In the process of digital transformation, enterprises can use big data technology to intelligently collect consumer consumption data, including consumer purchasing behavior, search records, social media activities, etc., and analyze consumer consumption characteristics such as consumption needs, preferences, and habits based on data processing results[4]. Enterprises develop customized and personalized products and services based on the consumption characteristics of consumers. In terms of personalized services, enterprises can provide customers with customized recommendations, personalized service processes, etc., recommend products with high personality traits to customers, meet their purchasing needs, and achieve accurate recommendations. In terms of personalized products, for high-end customers, enterprises can provide one-on-one product customization services to design and develop customized and personalized products. This can not only improve consumer satisfaction and loyalty, but also promote the expansion of enterprise business scale and improve the level of enterprise business operation.

4.3 Optimizing organizational structure and promoting digital cultural construction

The traditional hierarchical organizational structure has certain delays in information transmission and decision execution, while a flattened organizational structure can reduce intermediate levels, allowing information to be transmitted more quickly and accurately. A flattened organizational structure also encourages active communication and collaboration among employees, which helps to break down departmental barriers, create favorable conditions for information openness and sharing, and create a more open and inclusive work atmosphere. Moreover, a flexible organizational structure can adapt to market changes, enabling enterprises to adjust strategies more quickly in the face of uncertainty, and achieve sustainable operation and development. So, enterprises need to continuously optimize their organizational structure and build a flat and flexible organizational structure.

In addition, enterprises should actively promote the construction of digital culture: firstly, enterprises should focus on cultivating employees' digital thinking and innovation awareness, such as collecting, analyzing, and processing data information, providing data basis for better work and improving work quality; Secondly, enterprises can regularly carry out internal activities around the construction of digital culture. By introducing digital tools, technologies, and related knowledge, employees can deepen their understanding of digital technology, enable them to effectively integrate digital technology with practical work, and cultivate their digital thinking. At the same time, enterprises should encourage employees to actively and boldly innovate, involve them in the process of digital innovation, propose innovative ideas and solutions, and provide them with innovative practice opportunities and related resources, cultivate their innovative thinking and ability, stimulate the innovation vitality of the entire organization, and gradually improve the overall level of digital innovation of the enterprise.

Enterprises can also open feedback channels through the WeChat platform to collect employees' positive opinions on the construction of digital culture, and then implement corresponding incentive measures to encourage more employees to actively participate, enrich opinions on the construction of digital culture, accelerate the promotion of digital culture construction, and promote the achievement of digital innovation goals.

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4.4 Strengthen intelligent risk management, improve monitoring and evaluation

To leverage the positive role of digital innovation in the transformation of business management models, enterprises should also organically integrate digital technology with risk management, implement intelligent monitoring and evaluation, and continuously strengthen intelligent risk management[5].Firstly, enterprises should strengthen the construction of a more comprehensive intelligent risk management system, incorporating all aspects of business management into the scope of system management, and optimizing risk assessment standards based on market changes, consumer demand, and other information. At the same time, enterprises also need to optimize the warning function of intelligent risk management systems, support voice warning, so that the system can timely detect potential risk factors, remind staff to report in a timely manner through voice, take targeted solutions, reduce the risk occurrence rate, and ensure the normal operation of the enterprise. Secondly, enterprises should establish intelligent monitoring systems and conduct real-time monitoring and analysis of indicators such as business growth rate, customer satisfaction, and employee satisfaction. By observing the changes in these indicators, they can identify deficiencies in business operations, product sales, human resource management, and develop targeted solutions to promote effective business operations and development. At the same time, enterprises also need to establish a comprehensive evaluation system, considering both economic benefits, social benefits, and the actual feelings of employees. Through evaluation, enterprises can understand the actual effects and shortcomings of the transformation of the business management model, providing reference for subsequent improvement.

5. Conclusions

In summary, digital innovation has a positive promoting effect on the transformation of enterprise business management models. It can not only promote the construction of corporate culture, but also optimize the allocation of enterprise resources, improve operational efficiency, enhance competitiveness, and accelerate the achievement of strategic development goals. In this regard, enterprises should actively learn from the practical experience of large enterprises such as Alibaba Group and JD Group in digital innovation of business management models, and explore business management model transformation strategies suitable for their long-term development from reality: optimize business processes, establish data-driven decision-making mechanisms; Big data prediction, development of customized and personalized products and services; Optimize organizational structure and promote digital cultural construction; Strengthen intelligent risk management, improve monitoring and evaluation. By adopting the above measures, we can promote the transformation and optimization of enterprise business management models. In the future, we should continue to pay attention to relevant research trends and continuously explore strategies for digital innovation to respond to the transformation of enterprise business management models.

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