

Research on the Interactive Development Relationship between Enterprises and Consumers under the New Retail Concept

Bingxi Li

Graduate School of International Cooperation Studies, Takushoku University, Tokyo, Japan, 112-8585

ABSTRACT. *The development of the world economy has increased consumer spending power, and a variety of business models have emerged. Under the era of science and technology, internet technology has brought earth-shaking changes to people's work and life, as has the retail. The positioning of the relationship between retail enterprises and consumers determines the success and failure of an enterprise business model. The concept of the new retail industry is generated, and the interactive developing relationship between enterprises and consumers must be emphasized from an innovative perspective. This article studies and analyzes the relationship between enterprises and consumers under the new retail concept, exploring issues such as cost, consumer services, and information security and related factors in the new retail industry, which is to recommend the use of reasonable investment strategies to strengthen consumer services management laws, consumer information, and other measures to deal with these issues.*

KEYWORDS: *New retailing, Enterprises and consumers, Interactive relationship*

1. Introduction

New retail is a new format shaped by the interactive development of enterprise merchandise sales and consumers with the advancement of technology. The new retail industry adopts online and offline sales methods, therefore, the company's service model and consumer experience are constantly changing, which likewise has influence on consumers' purchasing behavior and lifestyle. The new retail model focuses on data, intelligence and modern logistics, which takes the change of the traditional customer service model. New retail cannot provide face-to-face service with consumers, but online services still adhere to the customer-first service attitude. In fact, the predicament of many new retail companies is that they cannot remove the screen separation from consumers, which arises along with some consuming pain points. Enterprises must integrate consumer and their services in orders to better create additional added value and enhance consumers' goodwill and trust in the enterprises.

2. The Interaction between New Retail Companies and Consumers

The relationship between the buying and selling of retail enterprises and consumers is an interactive development relationship based on the development of productive forces. Restricted by many factors such as the economic basis, it presents a very complex social phenomenon. From the perspective of the history of the development of the interaction between corporate sales and consumers in the economic market, the first change in the face of a new business format is the marketing concept, and then the timely adjustment of consumer strategies is to be adopted. Compared with the traditional sales model, more attention has been paid to the experience of consumers, but the shortcoming is lack of a sense of face-to-face communication. In fact, the concept of consumption concept changes with the increase of productivity. The enrichment of material enhances the desire for consumption. Some spiritual consumption, such as culture, entertainment, tourism, film and sports consumption, is in line with the argument that the material foundation determines the superstructure. Material abundance has been brought by rapid industrialization and also caused many environmental pollution problems, which lead to the air smog, water quality deterioration, and soil metal content exceeding of the standard, and global warming, etc. Many people's consumption concepts are also changing. Regarding low-carbon consumption and the minimalist consumption concept have been respected by people, the practical consumption concept has also become the mainstream consumption of mature people, but like the younger consumer groups, they pay more attention to style, loan consumption, singular or luxury consumption patterns. The marketing concept under the new retail model is also based on the changing needs of goods and consumers, using cloud

computing big data, artificial intelligence technology and modern logistics to integrate the Internet and offline physical store resources. The purpose of this is to maximize the display of the company's process advantages, so as to obtain the largest market share. Enterprises use high-tech means to improve the circulation efficiency of enterprise products, and get close to the psychological distance of services to consumers, and the word-of-mouth benefits of consumers, so that enterprises, goods and services can be organically integrated.

3. The Analysis of the Relationship between Enterprise and Consumer Development under the New Retail Concept

Under the new retail concept, enterprises divide the interactive development into three different stages, which are the early stage, middle stage, and late stage through consumers, goods and services, and consumption scenarios. In the early stage, it is mainly about understanding consumer preferences, in the middle stage, the integration of consumer and enterprise marketing, and in the later stage, it is the integration of consumers and various technologies.

3.1 Early stage of interaction

In the early stage, there is no essential contact between the enterprise and the consumer. The enterprise is analyzing consumer data and determining the product sales model and service method based on the data to complete. From the consumer's point of view, the enterprise's understanding of them is to use the previous data analysis to deeply mine and analyze the consumer's consumption orientation. Enterprises formulate targeted marketing strategies based on consumer consumption characteristics and needs, so the results of big data analysis can be more fully and accurately use to depict consumers' shopping portraits. From the perspective of goods and services, consumer consumption data is dynamic, so companies are constantly updating data, adjusting marketing strategies based on dynamic data, and also to improve service models and quality. From the enterprise's perspective, the consumer's shopping needs and big data are used to optimize the daily workflow of the enterprise, and to master the number of sales stores, the number of consumers, and the amount of inventory. Intelligent, timely and accurate big data can help companies accurately allocate the circulation and services of commodities. The ultimate goal is to improve the company's revenue. From the perspective of consumption scenarios, sales under the new retail concept should shorten the distance between goods and services and consumers, while logistics efficiency should be improved, companies must invest more in other aspects, especially the offline cost can achieve close contact between goods and services and consumers.

3.2 Mid-term interaction

The consumers are the key role in the mid-term interaction phase under the new retail mode adopted, and divide the consumers, the marketing, and management into layers. Consumer hierarchical management means that enterprises divide consumers according to their needs, characteristics and behaviors.

In the mid-term interaction phase of new retail, it is very critical for the consumer integration . Enterprises develop personalized products for individual consumers. Sales under the new retail concept will save the cost of production lines and materials, although technical costs have been neglected. Technological innovation has accelerated the change of production mode, simplifying the production process, shortening the production cycle, the time between products and consumers is also shortened, and various production modes are constantly being updated, such as C2B mode and pull production mode. Technology brings consumers a quick consumer experience, and the relationship between companies and consumers is no longer a pure buying and selling relationship. Consumers learn more about products and services through technology and marketing channels, and the experience that offline stores bring to consumers better promotes their consumer desire, and the influence of corporate products has increased. For example, Alibaba 's Hema Fresh is one of the new retail formats of offline supermarkets, which is to analyse the consumers' experience from their point of view. It is starting from fresh goods, the integration of online and offline, flat price, unified inventory, unified membership system, to build a one-stop shopping platform around the user as the core. At the same time, Hema Fresh combined with Ali big data analysis to define the business scope of the store for different user classes. In a sense, the business behavior of Hema Fresh represents the development direction of the new retail industry, and it is worth learning and promoting.

3.3 Late interaction

The stage of interaction between consumers and enterprises is actually the stage of consumers combining science and technology, which is based on the interaction between the early and middle stages. Consumers, goods and services are an indispensable part of the consumption scenario. The data information obtained in the early and mid-terms is essentially the basis for later decisions. Later technology-oriented product development was carried out in accordance with the needs of consumers and enterprises. Under the new retail concept, the application of science and technology is the guarantee of later products and services, so that goods and services are digitized. For example, whether the code scanning of the cashier processing during settlement is smooth and fast or not, which is all escorted by the science and technology. Science and technology realizes the free conversion of virtual and reality, and enhances the consumer experience of consumption. Alibaba's AliCloud has proposed new retail concepts and problem-solving solutions to provide different types of users with services such as perception, IOT location, big data mining, image, video, and voice.

4. Issues and Suggestions for Consumer Services of Goods under the New Retail Concept

The opportunities and challenges brought to enterprises under the new retail concept are coexisting, and the ways for enterprises to obtain consumers, brand breadth and revenue are more convenient and fast. However, in practice, companies also have to face many other problems, such as operating costs, consumer maintenance and loss, corporate information security and technology. Goods and services under the new retail concept need better and faster contact with consumers, and achieving this goal requires cost investment. Such as publicizing the company's popularity, maintaining consumers, and increasing the consumer experience all require investment costs to complete, and the cost increase will inevitably affect the company's capital turnover, so companies need to calculate the appropriate cost to win the maximum profit. As far as consumers are concerned, the value of core consumers is huge. Enterprises need to be aware of core consumers and super consumers and carry out effective maintenance to bring greater value to the company. The efficiency of the enterprise will be affected by the poor or lower repurchase rate inevitably. The construction and maintenance of the information network is a problem that products and consumers cannot avoid under the new retail concept. Enterprises use big data and artificial intelligence in the new retail to collect consumer information, using consumer information to form online services and experience during the production, distribution and sales of commodities. Issues such as leakage of consumer information must attract enough attention, otherwise they will face many serious legal problems.

Faced with the above problems, enterprises must formulate a reasonable investment strategy in order to better avoid risks, and the investment planning must be clear. It is to calculate the relevant input cost, investment period, rate of return and other indicators, and all investments must be in line with the needs of the enterprise and can serve consumers to create value. For the maintenance and development of core customers, it is necessary to maintain close dynamic monitoring and timely adjust the response strategy according to the changes of dynamic data. It is to use community dividends to maintain and develop consumers, attaching importance to consumers who are directly accessible, and retaining customers with high-quality products and services. At the same time, it strengthens the maintenance of consumer information security, giving consumers a sense of peace of mind, with the help of laws and regulations to protect information security. It can be said that the goods and consumer services under the new retail concept are bringing convenience to people's work and life. Consumers' needs are constantly changing. Companies must create goods and services as consumer needs change, so that they can be better to benefit the enterprise.

References

- [1] Research (2018). Insight report on consumption upgrade and content upgrade of Chinese netizens in 2018 [R].
- [2] Alibaba Business Review (2019). The concept and operation process of new retail, Alibaba's first systematic interpretation [OL].
- [3] Li Wentao (2019). Research on the design of a new retail service model for large commercial supermarkets based on scenario shopping needs [D]. East China University of Science and Technology.
- [4] Wang Kun, Xiang Feng (2018). The theoretical framework and research paradigm of "new retail" [J]. China's circulation economy.