



## Problems of SNS E-Commerce Development in China and Countermeasures

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### Abstract

With the development of electronic commerce, the economic development gradually depends on it. In recent years, a new way of electronic commerce known as SNS (Social Network Service) emerging network applications, has become the most popular in the current Internet industry of China's ,SNS sites have mushroomed emerged, which are widely welcomed and sought after by users.

In this article, first, we show the conception of the SNS and its classification. Second we analyze the status quo of the SNS in China and find what happened in the area. Third, we make the analysis of the problems which we offered previously. Finally, we put forward some of the suggestions and countermeasures which are suitable for the development of SNS which are based on the analysis of the problems.

**Key words:** Social network service; E-commerce; The Internet environment

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### INTRODUCTION

As is known, with the rapid development of internet communication, the electronic commerce has changed

the traditional transaction way and the trade shape and brought much more convenience to our lives, and the new way of electronic commerce gradually changes the way materials management and finance areas conduce business. That's an important research field and big theory significance and the practical significance.

The goal of the paper is to make the analysis of the problems in the development of the SNS E-commerce in China and we put forward some countermeasures and suggestions to settle them so that we can create a clear environment for the community and transaction of the e-commerce.

In the past research work of the e-business, they always just made the judgments and show their perspective in the base of cases and comments without any focus, but in this paper, we compare differences between some of the common way of e-business and focused on of SNS obviously and we draw some tables and use figures to support our opinion.

The scientific contributions of this paper are:

a. We identify the problems of SNS and offer some suggestions to the formation of the e-commerce community; b. we offer materials for the further scientific research; c. People who prefer to run a business in the SNS or the regulation of government can make use of the indirect experiences if necessary.

In this article, first, we show the conception of the SNS and its classification. Second, we analyze the status quo of the SNS in China and find what happened in the area. Third, we make the analysis of the problems which we offered previously. Finally, we put forward some of the suggestions and countermeasures which are suitable for the development of SNS which are based on the analysis of the problems.

## 1. CONCEPTION AND CHARACTERISTICS OF SNS E-COMMERCE

### 1.1 Conception of Social Networks Service

In the area of the Internet, there are several meanings respectively with the abbreviation of SNS, social networks service is the most common explanation. We always define SNS as the Support and help with which people establish a social network of Internet application services, including the information carrier of social existing mature popularity such as short message services, P2P Technology, etc.

### 1.2 Characteristics of Social Networks Service

#### 1.2.1 Real User Information

With the different from the traditional website user virtual registration mode, the real name system of SNS website has become a trend. SNS users can obtain the real, social networking platform can be trusted, which to subvert the traditional popular virtual reality, social relations. Among communication of the users, the efficiency improved and quality, benefit communication become the goals of the site. At present, most of the domestic SNS sites to encourage users to use their real names and photos of the anonymous user registration, the limitation of the partial functions use right way to guide.

#### 1.2.2 Diversification of the Communication Forms

SNS network have integrated with the traditional Blog, BBS, E-mail, instant messaging and other forms, which become a variety of applications, not only inherits the advantages of traditional network, but also has formed the network cultural ecological system has its own characteristics. Modern network communication technologies promote the development of diversified forms of communication and fusion technology, and it also creates multiple interactive platform SNS communication, stimulate the network energy increment.

## 2. THE PRESENT SITUATION OF SNS E-COMMERCE IN CHINA

### 2.1 The Market of SNS E-Commerce Company Has Kept on Booming

The China Electronic Commerce Research Center data shows that Chinese Internet venture in 2012, the most popular fields are mobile Internet and social media SNS e-business, which accounted for the total business number of 65%, compared to 60% in 2011. The SNS e-business has kept pace with the mobile Internet, accounting for more than 27% in the top. Mobile Internet Venture Company has increased to 1672 with the comparison of SNS e-business Company 1322, which accounted for more than 25%.

**Table 1**  
**Ccomparison of Mobile Internet Venture Company and SNS E-Business Company (2012)**

Name	Concentration rate of the market	Number of the company
Mobile Internet Venture Company	55%	1672
SNS e-business Company	27%	1332

Customers will also use social networking platform in different areas, such as spending more time on music, video and chat, and more willing to buy high priced products, at the same time, they can also book a meal in restaurant and arrange schedule to travel through internet. During the online activities, large quantities of business opportunities contain in the commerce and consumers' psychology will be effective in the consumption behavior.

### 2.2 Small Enterprises Has Dominated in the SNS E-Business of China, but Services Become Diversified

In China, there is no clear leader in mobile SNS field, and many enterprises still learn from the successful experience of advanced enterprises, the need for the target user group to focus on key cultivation, and gradually explore the development mode of China's national conditions and the users' habits.

According to the different services, mobile SNS can be divided into the following four categories: The first is the mobile SNS mobile operators launch, China Mobile launched the "Mobe", "139 community", "Lemu community", China Telecom launched the "Tianyi community", "ChinaQ community", China Unicom launched the "u-powerbook community", "new paradise community"; The second is the traditional mobile phone version of the SNS, happy net, Renren launched the mobile phone version of SNS; third is the mobile SNS mobile Internet companies launched, location services Bedouin community and by your community, with friends the world net based on mobile SNS; the fourth is communication equipment manufacturers to launch or the corresponding application software, the current major brands of mobile phone at the launch of the new mobile phone, mostly built in SNS.

## 3. PROBLEMS OF SNS E-COMMERCE IN CHINA AND ITS ANALYSIS

### 3.1 Website Design the Homogenization of Serious

Chinese Internet environment has been in hot blundering state, when a new concept or application appears, there will always be the emergence of a large number of copycats. The rise of China SNS began on the FaceBook

foreign SNS website follow in its footsteps imitation, then the concept of SNS is the investment community a fiery, which causes a much larger copy at home, in addition to the professional SNS site, portal, online games, e-commerce, countless personal SNS site also follow up, the domestic SNS intensified into the trend. Services homogeneity phenomenon casual dating sites are most outstanding, games and entertainment as the main application.

In addition, more than four home website provides the sale of friends; rob parking, small game, friend impression, pets and other entertainment application. As we known, the entertainment application is the main method for casual dating sites at the present stage and the rapid accumulation of users, but the main reason is that the site is part of the demonstration effect of copycat imitation and mechanical reproduction.

### **3.2 SNS Social Value Has Not Really Released**

In SNS, six degrees of separation theory has been celebrated. But careful analysis, it is flawed, because the real social graph is far more complex than online social graph. Six degrees of separation theory emphasizes the establishment of the possibility of person and person, but ignore the relationship between depth and value. But SNS apparently is not only to provide a way of understanding and pipeline another person's existence, but to provide a common interest in the circle, condensed one have the same needs groups, and obtain the identity and a sense of belonging, and in addition to this service, looking for the possibility of commercial value transformation and combination point the release of SNS, to achieve the greatest social value. It will be an asymmetric chain interaction between two or more persons. While the weight problem is the interpersonal relationship many current SNS site without effective segmentation, no personal settings and effective segmentation, while human damping because of technical force is decomposed, the interpersonal relationships has tend to flatten, difficult to fully release the SNS social value.

### **3.3 The Lack of Security Authentication System in SNS**

First, because of the special Internet cultural environment in China, people on the network application service has formed a "stereotyped virtual dominant" impression, the network behavior is often associated with real life behavior, network culture environment in this "anonymity" led, network behavior control force, self-discipline is poor, which causes low credit users of network communities. At the same time, the general lack of Internet credit, so that people on the social network has certain psychological distance, in this case, China's network of community formed a unique "vest" culture, even in emphasizing the real SNS site, there are also a large number of "false registration" or "re register" the phenomenon, especially in low cost and high return register value of SNS site, the

effect is more obvious. Furthermore, because the network privacy system in our country is not perfect, security situation of China's Internet users of personal privacy is not clear. User personal information submitted to verify the authenticity of the user information, to protect user information management, the real name system may bring some unnecessary social burden.

## **4. COUNTERMEASURES AND SUGGESTIONS OF SNS E-COMMERCE IN CHINA**

### **4.1 Keep Innovative Services of the SNS Market in China**

If you want to give the user a perfect experience, you must be from the technology, progress in pursuit of all technical functions of the website. Now the Internet users are very value speed and stability, a SNS site if the rate is too slow, will allow users to lose patience, if the poor stability, it may also lead to the user's information, records and integral suddenly disappear, so the user can't have good experience, gradually they are also not willing to use. In addition, some Internet convenience also draw the attention of the user, so now most SNS sites are very focused on the development of webpage client and mobile phone client software, gradually began to model the transition from simple websites to "webpage + instant messaging software" and "PC+ mobile phone". As the net inside school "school" and "mobile phone school" this client can be SNS site tentacles users to more easily into place.

### **4.2 Make Further Market Segmentation of the Target Users**

First, we should determine the target audience. SNS website according to the age, geographic location, education level, occupation, income and other demographic factors, or according to the interest, motivation, behavior and habits of audience behavior factors, on the target user to description and definition. For example, Moore Park located in children under the age of 13 groups of users, happy net is located in the white-collar crowd, 51 community located in the two or three line of the city's Internet users; the five season of SG network positioning in the IT practitioner; Jiayuan, Lily nets to clear the marriage needs age population etc.

Second, we should analyze of audience's demands. The SNS site through the related research, on the demand of consumers to the analysis, such as users hope that through the SNS website, what kind of service see what content, hope website has which function etc. Maslow's hierarchy of needs of people will demand is divided into five levels, which are the physiological needs, security needs, emotional needs, social needs and the needs of self realization. Of course, in general, the SNS website is a network service to return to the "social", Internet

application network spread regression “interpersonal” process, users hope that the SNS service can directly boost the real life or the individual development; specifically, each SNS site user demand will differ, such as white-collar class SNS users need to adjust work pressure, for recreation or the use of SNS service management of human resources, the campus SNS users need to contact students, share, self display, the vertical category SNS users share common interests.

### 4.3 Built a Security Authentication System in SNS

We should Built a security authentication system in SNS in China, Including personal information, photo album, blog, micro blog application service; communication area for users of online communication and relationship management, including friends, institutions, groups, messages, instant messaging application service; service area to provide users with games, music, video, interactive entertainment service or search, news and other auxiliary information service.

Chinese 3G network construction has become the basic scale, it covers the whole country. Mobile operators to complete the reorganization, years of accumulated input bandwidth, network construction, service platform and other rigid index has certain conditions, capable of carrying the worthy of wireless business applications and Internet services as. In the background of network construction and user habit two conditions are already with the integration, social networking sites and mobile communications can be said to be a go. In China, mobile SNS are still in the layout of the stage, but mobile social networking platform is representing the general trend of migration.

### CONCLUSION

In summary, ideas of e-business model based on SNS are the focus of this study. This paper analyzes the concept

of SNS and electronic commerce, the function of SNS and the electronic commerce application, these theories have certain guiding significance to the construction of the network mode of electronic commerce, and combined with SNS in the case of learning community the presence of SNS and electronic commerce issues from a technical level and application level, these are to be solved at the present stage of the development of SNS e-commerce issues in the process of. According to these problems, corresponding suggestions are put forward. We can't just change, want to continue to try new methods and new models, sum up experience from the failure, and gradually promote the development of e-commerce SNS.

Finally, we can make the conclusions that the SNS social value has not really released in China but the market for SNS e-commerce is large and the trend of SNS e-business Company is obviously. So we should build the security authentication system and keep innovative services of the SNS. We should develop several other ways to be the substitutions of the SNS, not only for the building of the community but also for the further transformation of the economy and industry development.

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