

**Original Research Article** 

# **Research on the Relationship Between Consumption and Demand of E-commerce in China**

Hongwei Yin

Zibo Vocational Institute Zibo Shandong Province 255000 China

**Abstract:** With the rapid development of Internet technology, the application of e-commerce is changing people's way of life at an amazing speed and strength. More and more people choose the network as the carrier of shopping, through the network consumption to meet their needs. Electronic commerce is a business consumption platform based on information electronic technology. Its online consumer groups are greatly different from the traditional consumer groups. This is because affected by the network environment, consumer's consumption concept and consumption consciousness has undergone significant changes. The influence of e-commerce on the network consumption market has broadened the consumption channels of consumers and made consumers' online behaviors more diversified.

Keywords: E-commerce; Consumer behavior; Supply and demand; The Internet

# **1.Introduction**

With the development of Internet technology, many large B2B service providers are studying user trends to predict the next generation of products and services to guide buyers to the most attractive markets in the near future. Such as industry trends, past performance and industry development forecasts. At the same time, the content of market research often also includes the analysis of competitors in the same industry. Because in most cases, companies need to know how similar products and services are marketed by competitors, at what prices, and to what customers.

commerce usually refers to the wide range of business and trade activities around the world, in the open network environment of the Internet, based on the browser/server application, buyers and sellers do all kinds of business activities without meeting each other. It is a new business operation mode that realizes online shopping of consumers, online transaction between merchants and online electronic payment, as well as various business activities, trading activities, financial activities and related comprehensive service activities. <sup>[2]</sup>The user's behavior on the site often reflects the user's interest and purchase intention. It is important for an e-commerce site to understand and track the community of site visitors. The spatial distance between customers and sellers in traditional e-commerce no longer exists for customers. Customers can switch from an e-commerce site to a competitor with just a few mouse clicks. Therefore, it is critical to identify and retain potential customers from a wide range of visitors. The more potential customers found, the more orders and the higher business efficiency.

# 2. Proposed method

Analysis of characteristics of consumer behavior.Compared with the traditional business model, consumers' consumption on the Internet will not be limited by time and space, and they can choose goods more freely and conveniently. Under the influence of e-commerce, consumers can choose goods and services according to their own needs anytime and anywhere. In the past, consumers' behavior was influenced by the marketing environment, and there were spatial restrictions on the choice of goods. <sup>[1]</sup>E-commerce is based on a powerful network to provide a trading platform for both sides of the transaction, because the ability of the network to process information is very powerful. As a result, consumers have more choices and a wider range of products to choose from. Consumers can choose products online according to their own needs.

Traditional e-commerce activities from the Angle of main types of differences in the electronic commerce activities, to a certain extent, lack of guiding significance to the enterprise development the electronic commerce activity, because although companies can easier to know oneself is belong to the four kinds of patterns for e-business which kind of, but Can't get the enlightenment on how to conduct business operations. The normal circulation of products needs the realization of consumers, producers and intermediaries, and intermediaries are an indispensable link among them. However, with the rapid development of e-commerce, the circulation of goods does not need the existence of intermediaries.

# **3.**The Proposed methodology

Through the statistical analysis of consumer behavior, enterprises can grasp the current e-commerce market situation and trend, and timely implementation or modification of the corresponding marketing strategy. More importantly, through in-depth and effective statistical analysis, enterprises can dig out more user behavior characteristics (including explicit and implicit behavior characteristics),

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so as to use feature analysis tools for further research in the follow-up work.

Customer segmentation divides customer groups into clusters based on their similar characteristics. These similar characteristics include demographic characteristics, such as age and gender, and behavioral characteristics, such as user interests and spending habits. <sup>[3]</sup>Based on customer segmentation, enterprises can develop personalized marketing strategies for different user groups. Traditional segmentation methods usually distinguish customer groups by important characteristics, such as demographics, psychological characteristics, and browsing behavior.

#### 4. Analysis of consumer behavior pattern.<sup>[4]</sup>

The image of a company needs to be created through its own business strength and external characteristics, and a good corporate image needs to be ecognized by the public and consumers. Under the traditional marketing model, enterprises mainly create and maintain reputation, reputation and reputation. At present, in the context of e-commerce, consumers' purchase behavior is also affected by the corporate image. The purchase of goods on the Internet makes it impossible for consumers to make correct judgments on product quality and service quality. Therefore, most consumers Or choose to buy a product with a certain corporate image.

Consumers' desire to purchase and attitude to purchase can have a significant impact on their consumption behavior. Whether it is trading in traditional offline goods or online trading under the influence of e-commerce environment, it will be affected by consumers themselves. The quality and price of the goods will also affect the purchasing attitude of consumers. At the same time, the consumer's buying attitude will affect their purchasing desire, and the desire will change accordingly. In addition, consumers' own shopping experiences and experiences can also affect their purchasing behavior in an e-commerce environment. If consumers do not have a more pleasant mood when purchasing goods, then the selection of goods will be more detailed in many aspects, and the low mood may even lead to consumers not feeling the purchase of goods, it is likely Will cause the transaction to fail. Conversely, if a consumer chooses and purchases a product in a happy mood, it will effectively stimulate the desire to purchase and may purchase more products. It can be seen that the consumer's own factors will affect the purchase behavior under the e-commerce situation.

The customization of personalized consumption forms turns consumers' conventional consumption behavior into dynamic and constantly changing consumer behavior. For example, the e-commerce platform analyzes consumer spending habits through big data, launches applicable products at different stages, and guides consumers' traditional fixed consumption into a series of consumption habits. Data from behavioral science suggests that individualized and innovative consumer perceptions are critical. Consumers can accept product characteristics more quickly, whether they are ideas, goods or services that affect consumer spending decisions. These can be shown in big data, directly guiding consumers' spending habits.

Providing better service to customers is an urgent problem to be solved in the research of e-commerce market. However, in the face of the booming e-commerce, information related to customers, goods, purchases, etc. is exploding, and the behavior of customers on e-commerce websites will generate a lot of information, including not only the transaction information, but also There is also information about using search engines and browsing within the site. These have led to information overload in the field of e-commerce. Facing The amount of complex e-commerce information, whether it is the customer or the market manager, is difficult to quickly and accurately obtain the information needed, thereby affecting the customer's consumption, and even the manager's decision-making. Data mining technology can effectively help enterprises analyze these massive data, optimize the topology of the website, guide managers to adjust their marketing strategies, and provide personalized services to customers.

#### **5.** Conclusion

The rapid development of China's technology and economy has promoted the continuous advancement of e-commerce. The emergence of e-commerce has also caused important changes in people's consumption behavior. At present, it has surpassed the traditional offline channels to become the primary choice channel for people to shop. In order to better develop e-commerce, this paper discusses the factors affecting consumers' behavior.

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