

Research on the Innovation of Business Model of Enterprises

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Abstract: Nowadays, information technology is expanding rapidly, the market environment is changing correspondingly, and consumers' demand preferences will change continuously according to social development, which poses a great challenge to the sustainable and long-term operation and development of enterprises. The original business model of enterprises will be destroyed with the change of market environment. Therefore, enterprises need to effectively innovate their business models to better adapt to market changes. This paper mainly studies the innovation of business model of enterprises.

1. Introduction

At present, business model has become an important part of enterprise management practice. A good business model is beneficial for enterprises to gain competitive advantages in the fierce market. Whether the enterprise is a traditional industry or a high-tech industry, the competition between enterprises will be reflected in the overall competition of business model. Therefore, enterprises need to innovate their own business model scientifically and reasonably.

2. Overview of business model

There are various transaction relationships and connection modes between enterprises, departments, customers and channels, which is called business model. In fact, business model is the core logic that enterprises follow in the process of creating value, and all internal work of enterprises will follow this logic. The business model is a solution, which needs to fully meet the needs of target customers, and needs to specify the way to obtain resources and capabilities, how to provide products and services for customers, and how to obtain long-term profits. The three key elements of business model are ability, value and method. The element of ability can reflect the ability that enterprises need to master to create value, the element of value can reflect the value that can meet the needs of target customers, and the element of method can reflect the way that enterprises need to use to realize value.

Business model affects the success or failure of enterprise development to a large extent. However, the fundamental way for enterprises to maintain competitive advantage is the innovation of business model ^[1]. The innovation of business model mainly refers to that enterprises actively explore other needs that are different from those of competitors and can meet customer' needs on the premise of clearly knowing customer needs, and then enterprises can reasonably optimize internal and external resources and capabilities to achieve value improvement. The main content of innovation of business model is value identification and value realization. Value identification is a

dynamic process of enterprises' scientific and reasonable analysis of needs and capabilities, and an appropriate selection of innovation entry points. Value realization mainly refers to the process of selecting innovation path according to the innovation point.

The innovation of business model in an enterprise should follow the principle of operability. Only when the strategic objectives of the enterprise is truly implemented, and the resources and capabilities is fully utilized, can the business model be successful innovated. And it also needs to follow the principle of uniqueness. Innovation needs to reflect the unique advantages of the enterprise itself. Only when the innovation content is significantly different from competitors, can it be not easy to be imitated. In addition, the innovation of business model should follow the principle of profitability. The ultimate goal of business model innovation is to obtain greater business value. First of all, it is necessary to ensure that the business model can bring considerable economic value to the enterprise, and then it is necessary to provide customers with greater value of products and services. Finally, the innovation of business model needs to follow the principle of sustainability. The enterprise life cycle will change due to the impact of product characteristics, product life cycle, and market structure. The market environment and consumers' demand are constantly changing, and the business model also needs to be adjusted reasonably with the changes of the market and customers. The innovation of business model can not only focus on its success in the short term, managers need to pay more attention to whether the innovation of business model can meet the long-term sustainable development of enterprises ^[2].

3. Innovation of business model

3.1 Innovation of customer value

Innovation of customer value, in fact, is to fully search for new customer value, formulate and clarify a new market orientation in combination with the adjustment of its own mission in the social environment, so as to further expand the focus radius of the value space and enable enterprises to obtain new profits. First of all, enterprises redefine customers and consumers' needs. Enterprises can mine potential customers and potential needs of customers. At present, the economy is developing rapidly, the consumers' demand is gradually developing in the direction of experiential and personalized service. In order to develop in the market with fierce homogenization competition, the enterprise needs to observe and analyze the changes of consumers' demand, dig up the potential demand of customers in time, and redefine the consumers' demand, so that the enterprise can take the lead in the market ^[3]. At the same time, enterprises need to redefine customers, subdivide customers, and explore new customer value propositions according to the changes in customer needs, so that enterprises can grasp the changes in consumers' needs faster and better. In this process, enterprises need to conduct in-depth research and analysis of consumers' needs in the market, and establish effective communication mechanisms between enterprises and customers to ensure that the business model of enterprises can be fundamentally innovated. Secondly, enterprises can redefine the function of products or services and the way of value realization, which is mainly to effectively innovate products or services according to market demand ^[4]. The innovation of product or service function does not mean to improve the original product or service of the enterprise, nor the simple change the form of the product or service locally. It is to rethink how to realize the function and value of the product or service based on the new consumers' demand generated by the market, and further innovate the product function, form and structure to further enhance the customer value. Finally, enterprises can innovate service methods and ways to reduce the added value added in the distribution process of products or services, and promote the improvement of customer value. The products and services of enterprises are mainly delivered to customers through multiple distribution channels, and the circulation in the distribution process will increase the added value of products, so that customers will spend more money to purchase products and the value of products is reduced. Therefore, enterprises can reasonably compress

distribution links, or negotiate more scientific cooperation methods with distributors, or even create new distribution channels. Enterprises can directly build new information communication channels with customers, which can control the cost, further improve the efficiency of distribution channels, and enables customers to obtain products and services faster and more conveniently. In addition, it can also maintain the value of the relationship between enterprises and customers, so that enterprises can timely and directly grasp consumers' needs ^[5].

3.2 Innovation of value chain

The essence of innovation of value chain is to effectively optimize the internal resource allocation of the enterprise according to consumers' needs, so that resources can be fully utilized and cost advantages can be fully exploited. Enterprises can scientifically combine and adjust the value chain. The core idea is to define the important part as the center according to consumers' needs, and make reasonable combination and adjustment of the non-important part, so that the non-important part can adapt to the center of the important part, that is, to strengthen the central leading role of the important part, and the non-important part can play an auxiliary role, so as to make reasonable combination and adjustment of the allocation of resources on the value chain. For example, when formulating the development strategy, enterprises can take one or several points in the development strategy as the center of the value chain, and adjust the resources of other auxiliary links in the value chain. In addition, enterprises can optimize and integrate the value chain. The core idea is to develop advantages and discard disadvantages to enhance efficiency, optimize resources and reduce total costs. Generally, enterprises have only one or several advantages in a value chain, but enterprises need to use many resources to create value, which will significantly increase costs. Although some weak links can ultimately create less value, they will also use many resources in the process ^[6]. In order to make full and reasonable use of resources in the advantageous links, enterprises can outsource the weak links to concentrate more resources in the advantageous links, effectively reduce their own costs, and optimize and integrate an enterprise value chain with higher efficiency and quality.

3.3 Innovation of value network

The essence of innovation of value network is to take customer value as the work center, and then effectively optimize the allocation of internal and external resources of the enterprise, so as to innovate the entire industrial chain in a coordinated way, so that enterprises can realize dynamic development in the market. First of all, enterprises can scientifically reconstruct the structure of supply chain, so as to optimize the supply chain resources, further strengthen the collaborative relationship, and enable the supply chain to flexibly respond to changes in the market. Such innovation needs to simplify the supply chain links according to consumers' needs, so that the relationship between enterprises and all members of the supply chain can be effectively improved. Then the enterprise creates alliance and cooperation relationship in key links to further enhance the flexibility of work and resources in other links, so that the stability of the supply chain can be fully guaranteed, and the flexibility of the supply chain can be enhanced, so as to ensure that the enterprise supply chain can quickly identify market changes, and timely take corresponding adjustments according to the changes to ensure that the enterprise can quickly adapt to the market ^[7]. Secondly, enterprises can build a value network centered on customer value. From the perspective of consumers' value, enterprises should carefully select suitable suppliers, partners and distributors in combination with their own strength and profit generation links. At the same time, enterprises can establish a reasonable isolation mechanism and partnership between enterprises and suppliers, partners and distributors, so as to effectively optimize the internal and external resources of enterprises, and create more value for customers.

3.4 Broaden business model

Combined with the actual situation, it can be found that in the case of sustainable market economy, the pressure of commercial competition is continuously increasing. In the process of its own development, companies need to continue to innovate their business models of their own enterprises. In the process of actual development, enterprises need to analyze and summarize their own situations in a timely manner to understand their own advantages in the business development process or with competitive links. At the same time, we need to fully understand the distribution of their customer groups and make a clear understanding of its own business development positioning. To ensure that on the basis of its own business development characteristics, we can continuously innovate the business development model and promote its own advantages areas to further expand. At the same time, we need to maintain a keen market analysis ability, and timely understand the needs of the target customers in the process of business development, and the potential customer group, combined with its own actual situation, and innovate the business development model, thereby achieving the business of business business. The purpose of expanding the development model, thereby achieving the purpose of innovating the business development of enterprises. At the same time, it is necessary to summarize and analyze it in a timely manner in the process of development, the lack of development measures or models in the development measures or models, and improve and improve development measures in the subsequent business development process. In addition, you can fully rely on the development experience of advanced enterprises at home and abroad, learn its effective measures in the development of business expansion, and combine the characteristics of its own enterprises to gradually integrate various innovative measures The development model and approach of its own enterprises are more suitable for market demand to achieve the purpose of improving the core competitiveness of the enterprise.

4. Conclusion

The innovation of business model helps enterprises quickly adapt to market changes and help enterprises understand consumers' needs. Enterprises can innovate from the aspect of customer value, value chain and value network, and provide better services for customers through effective innovation, so as to strengthen the market competitive advantage of enterprises and provide certain guarantee for the sustainable development of enterprises.

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