Clothing Enterprise O2O Operation Mode

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Abstract: E-commerce has experienced more and more mature development over the past 10 years. From the simple B2B, B2C, C2C model to the current C2B, O2O model, social e-commerce and small programs, the most important thing for apparel companies is O2O mode, the integration of online and offline resources, especially in important festivals such as double eleven, the major clothing brand stores have achieved the same price online and offline with the same inventory, offline trials online orders, so that consumers really understand the charm of online.

1. O2O Related Concept

O2O is a concept put forward by Alex Rampell in 2010，which is called Online to Offline. It combines online and offline business opportunities of the Internet to realize the business model of combining virtual economy with real economy. Merchants provide commodity information through the Internet or wireless network. Consumers purchase and settle accounts online and consume or enjoy services offline (physically). Typical representative has Lashou groupon, 58.com, Ctrip. For example, if you buy a movie ticket on Lashou, the website will send the order number to your mobile phone by SMS. Consumers can exchange their mobile phone text messages for paper tickets at the cinema to see equivalent films.

The understanding and positioning of O2O should be more accurate. First of all, the O2O mode of e-commerce should serve all entity enterprises, not only limited to catering, entertainment and other daily necessities enterprises. Secondly, the object of O2O should be all the goods of the merchant, not an off-price merchandise. Finally, the O2O mode is based on physical stores, combined with online, to complete the entire transaction process. An online Internet or wireless communication device is just a marketing tool. In order to share and interact information resources online and offline, it is not a simple "online to offline" or "offline to online" mode. The specific contents of O2O mode of clothing include: online marketing, brand combination, member sharing, fitting experience, logistics distribution, quick payment, etc.

O2O mode is mainly to form economies of scale, which differs from other modes in that the whole transaction is conducted online, the consumption service is conducted offline, and the marketing effect can be monitored (every transaction can be tracked). O2O mode is not as simple as opening an online store like C2C mode. It is necessary to unify online and offline service chains, update information timely and innovate personalized services. With the enhancement of terminal services and the improvement of terminal payment system, the mobile innovation mode of O2O mode can be expected soon.

2. The Background of O2O Operation Mode

In the past two years, the O2O model has become a hot topic in academic and business circle. O2O is actually a supplement to B2C offline products. With the popularization of the Internet and the great development of e-commerce, people have more demands on life. The service industry has attracted more and more attention in the real economy, while the traditional e-commerce model can no longer meet the needs of the service industry. They are more concerned with selling physical goods over the Internet or wireless mobile devices. These are all tangible goods, and it cannot satisfy intangible goods and services. Therefore, the O2O model is generated, which lays more emphasis on offline enjoyment. In his microblog, Dr. Li Kaifu once said: "group purchase has taught Offline merchants to get local users Online, and taught users to find local services through the Internet, paving the way for O2O(that is, Online To Offline) with undeniable contribution. This remark points out the essence of the O2O model. It started with group purchase, but unlike group purchase, it mainly serves local consumers. The services here are intangible services, paying more attention to the consumer's consumption experience.

On December 21, 2016, the "research report on the development of China's O2O market from 2016 to 2017" was released.

The report shows that the size of China's O2O market reached 665.94 billion yuan in 2016, up 42.7 percent from 2015. As the market just needs to be driven, the scale of China's O2O market will continue to grow slowly in 2017, reaching 834.32 billion yuan, even in the context of capital cooling. This research report shows that O2O mode will have a good development potential, and more and more enterprises will apply this mode, which will provide better services for more consumers. The application of O2O mode in the clothing industry will improve the shopping fun of consumers and enable them to buy more fitting and satisfactory clothes.

In the clothing industry, this dress can only be purchased online through C2C or B2C mode. The fitting of this dress can only be determined by its size, but it does not mean that consumers will like it just because it is suitable. They can only decide whether they like it by trying it on. The O2O mode satisfies the consumers' experience. Trying on different styles of clothes in the store through virtual fitting rooms, consumers select the clothes they are satisfied with and choose the store nearest to them. The "fitting room" imports the clothes selected by consumers into the database, the company processes the orders, and the consumers go to the physical store to try on and retrieve the clothes they ordered. At this point, consumers buy the same clothes as they try them on.

3. The Current Situation of O2O Operation Mode of Clothing Enterprise

The financial crisis has affected the whole world. The international economy is in decline. China's economy is also showing a trend of slow growth. Clothing export shows a downward trend. How to counter the market growth in this weak economic environment, how to stimulate domestic demand, promote the survival and development of small and medium-sized enterprises, the hope is placed in the modern marketing tools of the Internet. The three modes of e-commerce mentioned above, B2B, B2C and C2C, are mainly based on physical commodities, while O2O is mainly reflected in service. O2O will lead the great development of e-commerce, mainly reflected in:

3.1. The Management Confusion of Traditional Enterprise

Domestic economic grows, shop rent and charge rises ceaselessly, and business operation cost increases. They are market goods, profit are not added, and competition between enterprises is intense. Customers come and go outside the door, few people in the store, and consumers have more choices. Bargain and transaction dividend is small, the goods are attractive in price and quality.

Purchase and display, are all decided by feeling, lack of professionalism. Net goods have a great impact, small shop is hard to endure, and channel is diversified How to have a place in the fierce market and consumer's pursuit of diversification has become a problem for traditional enterprises to solve. According to the data released by the statistics bureau, the transaction scale of China's online retail market reached 7.2 trillion yuan in 2017, up 32.2% year on year, and the growth rate was 6 percentage points higher than that of the previous year. With the increasing scale of online shopping, people begin to be dissatisfied with the existing product display and need more consumption experience.

3.2. Confusion of Consumers

People's living standard is improved, the pace of life is accelerated, work and social activities are full, with less shopping time. How can we buy what we need with limited time? New product is virtually high in price, and rubbish products are low in price, how do we pick up economic goods? Online shopping is very convenient, receiving and return goods, and satisfaction with the goods are more important. If you don't try it on, who dare to choose at a high price, they are afraid of being cheated. Little shop have less goods, and we don't have the intention of going from store to store. Everyone loves beauty, but who knows the hardship. How to spend the shortest time to buy the most affordable and satisfactory goods has become the primary concern of consumers.

3.3. Confusion of E-Commerce

E-commerce is a hot topic recently, but it is not as easy as you think, it needs professional team to build and publicize. The advertising world explodes, the cost cannot resist, and the propaganda cost is high. The picture is taken good, refund is not accepted, and the picture has chromatic aberration. The new product is not fast to sell, and the electronic commerce product cycle is short. Door-to-door for trying on, the company can not enter, and personal experience is difficult to meet. Customers change the time, and express air return the goods. Clothing network sales is difficult for profitability.

The web page display of clothing in e-commerce is divided into three stages. The first stage is plane display, and the second stage is "changeable" plane pictures. At present, China's clothing display is in this stage, the mouse on the local, local will become larger. The third stage has not been fully realized at present, only a few enterprises in Hangzhou have cited the "3D interactive virtual fitting room" technology. It is believed that with the innovation of technology, the 3D experiential virtual fitting system customized will be selected by more enterprises. (figure 2.15)

Figure 1: Static plane picture.

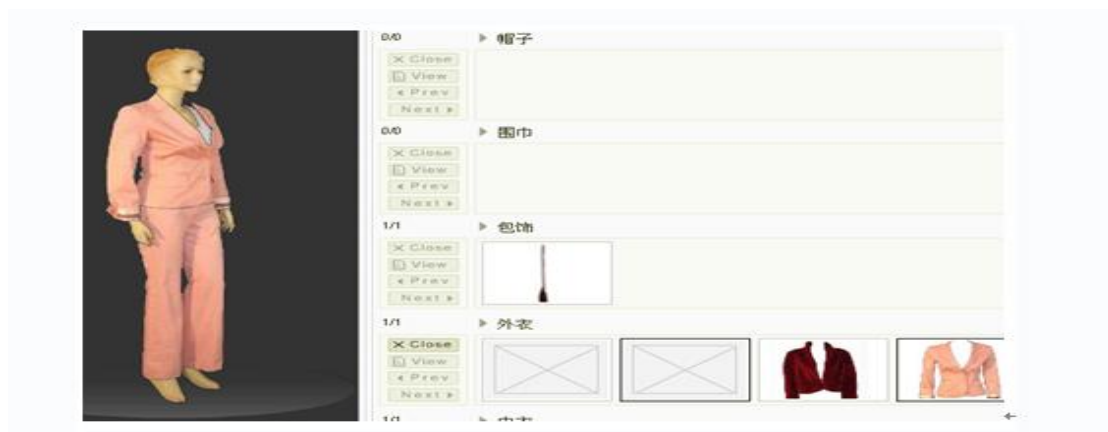Figure 2: "changeable" planae picture".

Figure 3: Preliminary 3D product display (web version).

In 2011, the O2O mode of clothing enterprises made a new breakthrough in technology. "Asia's first 3D interactive virtual fitting room" was launched in Hangzhou, which ushered in the 3D era of clothing. "3D interactive virtual fitting room" is a virtual fitting system equipment tailored for the clothing market. The user stands in front of a specially designed large screen, and through Sendong recognition synthesis technology, the virtual 3D clothes can be naturally and closely worn on the body. Consumers can easily replace different clothing styles with simple gestures.

O2O mode solves the above problems of enterprises, consumers and e-commerce in the near future. It upgraded small shops to 24-hour convenience stores (experience stores). Market competition is ultimately the competition of services, and excellent services not only need professional knowledge, but also need a professional team and strong strength. Sand may build a tower, and a single spark can start a prairie fire. Unified brand, unified image, unified standard, unified management, and chain operation mode can best help a single store learn from each other, improve competitiveness. Internet, 3G smart, network payment, and express delivery station have entered ordinary people's lives. Of course, these need the cooperation between various industries to form the clothing industry chain. The specific operations are as follows:

1. The clothing store is set up close to the customers' work and life, mainly to solve problems for customers and e-commerce. For example, it collects parcels for customers, informs customers of the arrival of goods, irons clothes for free, helps customers try them on in the store, works as an image consultant, shares happiness with customers, handles return and refunds for customers, and delivers goods to their home.

2. It authorizes the agent of e-commodity brand to display and sell products with better cost

performance in the experience store. Customers do not know how to buy online goods can buy products in the store.

3. The store is equipped with Lacarra POS machine, and the store can also use the card to settle accounts, and help customers recharge their mobile phones, pay credit card repayment, transfer and remit money, pay water and gas fees, and recharge their Alipay accounts to form a convenient business hall.

4. The official website of the clothing brand provides an independent online publicity platform for each store. Customers can accurately grasp the sales information of products in the store by clicking the web page of the adjacent store, so that customers can come with goals.

From the above specific operations, it can be seen that the O2O mode of clothing enterprises is mainly reflected in taking customer convenience as their own responsibility and focusing on allowing consumers to experience the fun of shopping. More and more clothing brands are combining online and offline on Double Eleven. Many clothing enterprises, such as M.G.B(Magibao), have bravely explored the O2O business model and achieved good results under the pressure of e-commerce in China's clothing industry.

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