

COMP2121 Assignment 1

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Background:

In recent years, the rapid development of e-commerce platforms provides new channels for farmers in Chinese rural areas to sell their agricultural products and handicrafts. At the same time, people from urban cities become more interested in natural products that grow in unpolluted rural environments. My hometown Jiujiang in Jiangxi Province enjoys superior natural resources and there are a number of agricultural products of high quality there. Therefore, this report deals with how to choose and set up an e-business platform to distribute the agricultural products and handicrafts in my hometown to people in urban cities in China.

Assumptions:

The mission of the company is to sell the products affiliated with agriculture in my hometown to urban customers and help the rural farmers make extra money. The company's target market is Chinese mainland customers, but it may expand the overseas market in the future. It is a small-scale company with a limited budget, so it can only find service providers to develop and operate the website instead of relying on an IT team of its own.



Requirement:

1. The website needs to display goods for customers to view
2. The website needs to provide product information that includes specific details
3. The website needs to personalize products according to the customer's preferences

4. The website needs to engage customers in communication by setting a “customer service” button
5. The website needs to execute a transaction for the customers to pay online
6. The website needs to accumulate customer information for customer behavior or market analysis
7. The website needs to provide after-sale support if the customer has any inquiries
8. The website needs to coordinate marketing or advertising to make effective promotions on the products
9. The website needs to understand marketing effectiveness so that marketing strategies can be adjusted or improved from time to time if needed
10. The website needs to provide production and supplier links as transparent information for customers to access

Alternatives:

From the internet, we may find that there is a huge amount of e-commerce platforms. According to my research, they can be roughly divided into three categories:

- Multi-usage Website Builder
- E-commerce Website Builder
- Online shopping platform

Multi-usage Website Builder:

For the e-commerce providers in this category, they all provide many kinds of website templates. The possible topics include education, content sharing, advertising, company introduction, and also e-commerce. ***For example, Wix, WordPress, Strikingly, Weebly, Squarespace, Yola, and so on.*** On these website builders, it only takes a short time to start setting up a personal or company website, and users can try the free plan before paying for the upgrade.

Under this type, after comparing most of them, I preliminarily choose the Wix and WordPress for the next step because of their popularity and good comments.



Wix is a very famous website builder in the world. Users can drag and drop to set up a website. Wix is most often used by entrepreneurs and other small business creatives. It has a very good user interface. For

commercial use, users need to pay to remove the advertisement and unlock the advanced function. However, some functions of e-commerce are not very completed.



WordPress claims that over 38% of websites are built based on WP. It also has a lot of useful templates. It also supports many useful plugins which can give more possibilities for the website. However, it is a little bit difficult for people who are not familiar with it to start. It also has some templates especially for e-business use, for example, WooCommerce. From the WordPress official announcement, around 30% of the online shopping websites are based on “WordPress + WooCommerce”.

E-commerce Website Builder:

There are also many providers that only focus on e-commerce used websites. For example, ***BigCommerce, Magento, Volusion, Demandware, WooCommerce, Shopify, Prestashop, EasyStore, and OpenCart.***



BigCommerce is an E-commerce Website Builder with a low total cost and offers highly flexible APIs. BigCommerce offers many useful templates and supports most of the e-payment methods. The platform offers small business and start-up plans as well.



Shopify is also a very well-known website builder, especially for e-commerce usage. Shopify advantages include that it only takes a very short time to build an online shopping website and people do not need to worry about technical issues. Users can build a simple online shopping website easily. Shopify's disadvantages are mainly focusing on its flexibility.

Online shopping platform:

Examples of this platform include ***Amazon, Taobao, eBay, PayPay Mall, and Walmart.*** The feature is by registering directly and paying a low fee, the user can enjoy platform traffic, complete backend, and complete payment methods, without worrying about website design issues.



Amazon: Amazon is the most popular online shopping website in the world. It has millions of customers and people trust the platform very much. It has very good backends and supports almost all the payment methods.



Taobao: Similar to Amazon, Taobao Marketplace (simplified Chinese: 淘宝网) is the biggest website in the Chinese Mainland for online shopping. As a rough estimate, it has over 10 million shops and over 800 million users. It is easy to open an account on Taobao to sell goods with a 1,000 RMB returnable deposit. Taobao also has completed backends and supports almost all the payment methods.

Criteria:

1. Functionality: the provider must support all the essential functions for an e-commerce start-up
2. User-friendly: the website and the platform should be easy to build and user-friendly. Whether it supports the Chinese version is also considered in this part.
3. Appearance: the appearance of the website should be nice and clean in order to attract customers.
4. Price: the price should be acceptable for a start-up.
5. Sustainability: the platform is better to provide maintenance and after-sales support.
6. Flexibility and scalability: the website or the platform would be better if it is easy to update and modify.

Our choice:

For the selected 6 providers, according to the above criteria, I made the following table in order to compare them clearly. Noted that in each aspect a score of 5 means that the provider offers almost all the functions, is very user-friendly, good looking and at a very low price and its sustainability and flexibility are also very good.

	Functionality	User-friendly	Appearance	Price	Sustainability	Flexi. and scal.
Wix	3	4	5	3	3	2
WordPress	4	1	2	5	4	5
BigCommerce	4	4	3	4	2	3
Shopify	3	3	3	3	3	3
Amazon	3	4	3	4	5	1
Taobao	4	5	4	5	5	2

According to our startup's characteristics and our requirements for the website, we are more likely to choose Taobao to sell our products. The reasons are as followed:

From the aspect of the business nature, it focuses on selling the products which are simple and limited. If we create a website, the costs are very high. Under this situation, Taobao is more suitable for my retail business.

From the current development status of the business, this is a startup company that has limited resources, so it cannot put great efforts in operating the website and developing new functions by the platforms like WordPress and Wix.

From the functions of the provider, we are actually using all the existing mature functions provided by Taobao. It has very useful analysis tools, payment systems, and security services. Moreover, customers can directly communicate with us through Taobao's online communication tools.

From the aspect of the budget, Taobao only needs users to pay a returnable deposit at the beginning, and no need for the maintenance fee. However, other providers like Wix, BigCommerce, and Shopify, all need monthly or yearly subscription.

From the aspect of the target market, Taobao is more well-known in Chinese mainland than Amazon, customers buy from this platform more and trust it.

Conclusion:

In this report, I first introduce the background and the assumptions of my startup. After that, I list all the requirements of the website. Then, I divide all service providers into three main categories and select the best two from each of them. By the criteria defined according to the website's requirements, I make a vertical and horizontal comparison of the six service providers. Finally, I chose Taobao to sell my products and give five main reasons.

References:

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