

1

UNIT

Overview of E-commerce

START WITH E-COMMERCE

JOURNEY WITH E-COMMERCE



Learning objectives

After studying this unit, you'll be able to:

- know the basic information about Double Eleven and Black Friday
- know the shopping services an online shopping website offers
- have a general idea of DBPs and the development of digital marketing
- distinguish distribution density from distribution length
- understand e-commerce development in China

FORWARD WITH E-COMMERCE

START WITH E-COMMERCE

Read the following statements about Double Eleven and Black Friday and decide whether they are true (T) or false (F).

- 1 Black Friday originated in China and is mainly celebrated by Asian people.
- 2 Double Eleven is a good day for online shopping. On that day, many shops sell their goods at a much lower price.
- 3 Occurring on the fourth Friday in November, Black Friday has routinely been the busiest shopping day of the year in the US.
- 4 Double Eleven is celebrated on the eleventh day of January.
- 5 When Black Friday comes, many people will stay up late to purchase the commodities they want.



Shopping services

— From an online shopping website

As a popular fashion retailer, we have been dedicated to offering customers outstanding online shopping services for more than 10 years. We sincerely hope that every customer can get the best possible shopping experience on our website. The following text details some of the outstanding services we offer.

1 Personal stylists

This will allow you to get personalized style suggestions from professional stylists. They can design a new style that will suit you and help you find the outfits you want. Just spare a few minutes and complete a short survey to let us know your style and needs. You will then meet your stylist online very soon. Don't worry about extra fees because this service is completely free.

2 Personalized wish lists

This will help you list your favorite items in a list and check any sales information about them. Connect your email box to your account and then you will receive messages informing you whether your favorite items are in stock or on sale.

3 Gift cards

A gift card is not only great for personal use but also a perfect present for friends and relatives. After purchasing a gift card online, you will receive it in two ways: through email or by express delivery. When using a gift card, please input the gift card code at checkout. Gift cards can be recharged.

4 Preorder policy

This gives you early access to the most popular items of the next season. When your order is complete, we will make sure that you receive your chosen item as soon as it comes onto the market. Besides, orders can be canceled or returned within two weeks.

5 The member club

Join our member club to get special discounts and gifts! Members of our website will get access to a 15% discount every month and obtain an extra 50% discount with free standard delivery on birthday month. Plus, exclusive birthday presents will be sent to our members. Pay 10 yuan per month to join our member club and you can get all of these benefits. What are you waiting for?

Task 1 Reading comprehension Read the text and complete the dialog.

(Jane asks her friend Lisa about how to purchase a pair of heels on the online shopping website of a fashion retailer.)

J: Hi, Lisa. Can we talk for a minute? I want to buy a pair of heels on the shopping website you recommended yesterday, but I don't know how to do that.

L: Yes, of course. What's your problem?

J: I have found three beautiful pairs of heels on the website, but I don't know which pair would be the best for me to wear at my sister's wedding as a bridesmaid.

L: I think you can ask a personal stylist for help. Look at part one of the website's shopping service introduction. The professional stylist can design

1 *a new style that will suit you* and help you **2** _____.

J: Well, I see. Do I need to pay extra money?

L: No, this service is **3** _____.

J: That's great! It seems that my favorite pair is out of stock. How would I know when it is back in stock?

L: Here, read part two **4** _____.

5 _____ and then you will receive messages informing you whether your favorite items are in stock or on sale.

J: OK! Do I need to pay by credit card?

L: Not exactly. Remember that gift card I gave you? You can pay with that. Refer to part three. You should input the **6** _____ at checkout when using it.

J: Got it. The heels might be a little expensive for me. It would be perfect if I can get a special discount!

L: Let me see. Well, you can join the member club as it is your birthday month right now. Part five says that you can obtain an extra

7 _____ discount with free standard delivery on birthday month!

J: Perfect! Now everything seems clear to me.

Thank you very much for your help!

L: You're welcome.

Words & Phrases

Words

delivery /drɪ'li:vəri/ n. 递送

discount /'dɪskaʊnt/ n. 折扣, 减价

outfit /'aʊtfɪt/ n. 全套服装

retailer /'ri:teɪlə/ n. 零售商

stylist /'staɪlɪst/ n. 造型设计师, 形象设计师

Phrases

express delivery 快递

extra fee 额外费用

gift card 礼品卡

in stock 有货

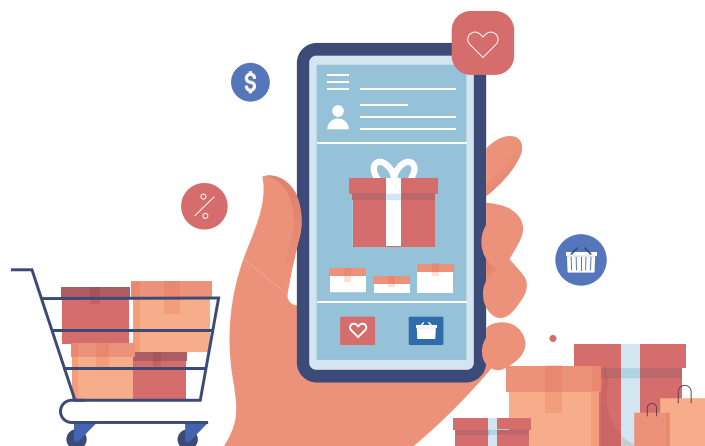
wish list 愿望单

Task 2 Group discussion Read the following questions and share your answers with your group members.

1 How often do you use online shopping websites?

2 What kind of commodities do you usually purchase online?

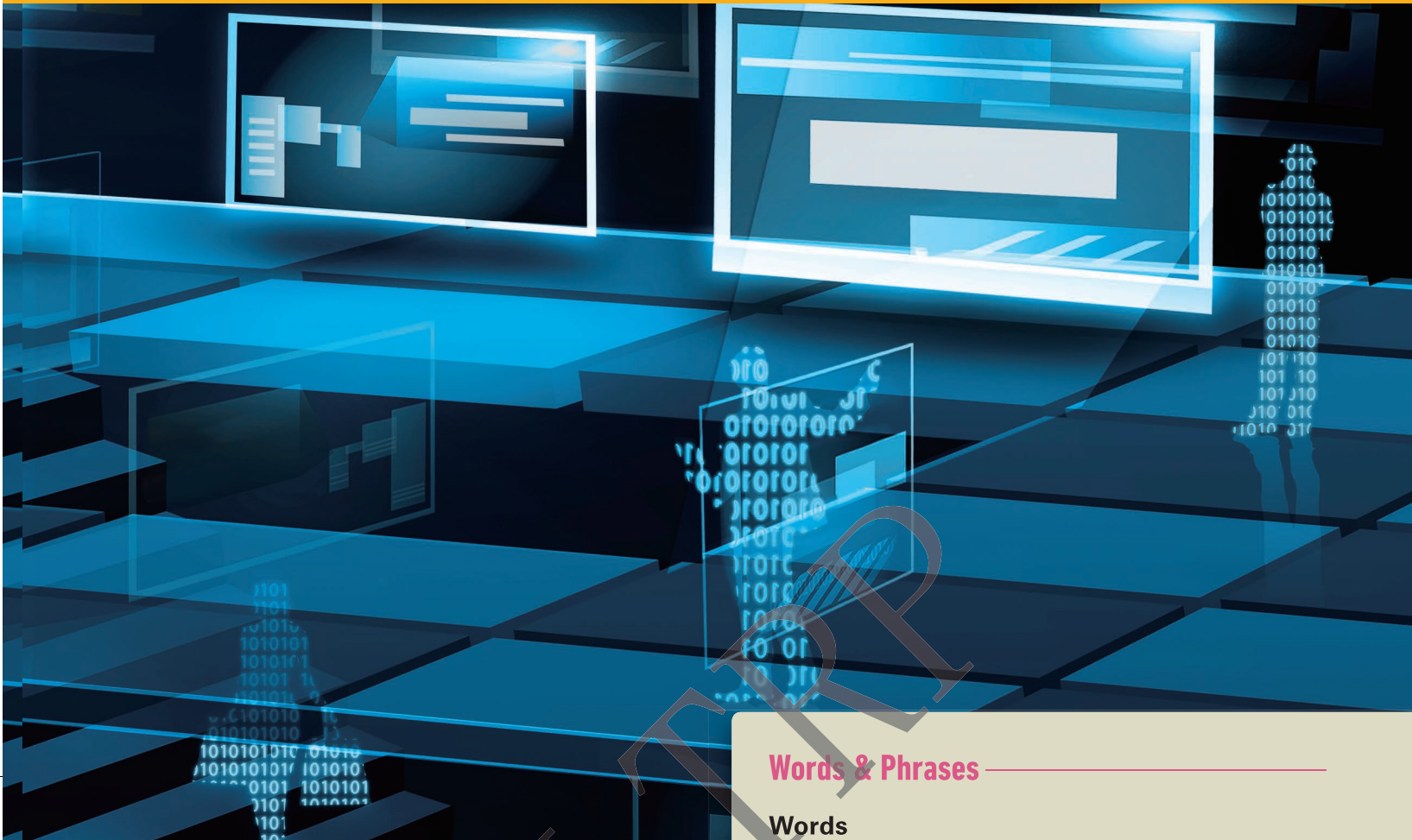
3 Do you think online shopping makes your life more convenient? Why or why not?



Digital business platform

—A salient footstep in digital marketing history

- 1 Ever since online platforms began to replace traditional pipeline businesses, our economy has **witnessed** a variety of major transformations in the business arena.
- 2 The development of digital marketing has kept pace with the development of technology. In the 1990s, the term “digital marketing” was first coined, as the popularity of personal computers continued to grow. In the 21st century, with the increasing number of Internet and smartphone users, customers began to search for products and make purchasing decisions online, instead of consulting a salesperson. Therefore, there was an urgent need for salespeople to find new ways to **integrate** digital technology into their marketing tool kit.
- 3 Traditional pipeline businesses follow a **linear** value chain to promote their goods and achieve success. They purchase inputs from others and **transform** those into value-added goods and services through **manufacturing**, assembly, or branding. In contrast, a digital business platform (DBP) provides an opportunity for individuals and organizations to **innovate** or **interact** in a **brand-new** way with the potential for development in nonlinear chains.
- 4 DBPs use digital technology to enable business interactions among **registered** users. The platform functions as a **virtual** marketplace connecting these parties so they can **interact** and complete **transactions**. For instance, Alibaba and Jingdong are DBPs connecting two or more parties, realizing easy **transactions** between **suppliers** with different offerings on one side and potential customers on the other.



- ⁵ However, many business platforms do not qualify as DBPs. Three criteria are set to define a DBP:
- the core matchmaking functions of linking one user to another on the platform are executed digitally
 - the platform promotes direct communication and business **transactions** among its users
 - platform users are independent parties who retain residual ownership rights
- ⁶ To sum up, there are at least three parties associated with a DBP: the buyer, the seller and the platform. This, therefore, implies at least three **transaction** models: the buyer and the seller, the buyer and the platform, and the seller and the platform.

Words & Phrases

Words

brand-new *adj.* 全新的
innovate /'ɪnəveɪt/ *v.* 革新, 创新
integrate /'ɪntɪɡreɪt/ *v.* (使) 合并, (使) 结合
interact /,ɪntər'ækt/ *v.* 交流, 互相来往
linear /'lɪniər/ *adj.* 线性的
manufacture /,mænʃə'fæktʃər/ *v.* (用机器大量) 生产, 制造
registered /'redʒɪstəd/ *adj.* 已注册的
salient /'seɪliənt/ *adj.* 重要的, 显著的
supplier /sə'plaɪər/ *n.* 供应商
transaction /træn'zækʃən/ *n.* 交易, 买卖
transform /træns'fɔ:rm/ *v.* 使转化
virtual /'vɜ:rtʃuəl/ *adj.* 虚拟的, 模拟的
witness /'wɪtnəs/ *v.* 见证

Phrases

tool kit 工具包, 工具箱
value chain 价值链

Note

value chain: 价值链, 是指公司为了向最终客户提供商品或服务而执行的一系列活动。

JOURNEY WITH E-COMMERCE

Intensive Reading

Task 1 Words Fill in the blanks with the proper form of the words in the boxes.

transaction

witness

virtual

interact

potential

- 1 This is a(n) _____ shopping center offering visitors products online.
- 2 Anyone who _____ the accident yesterday should call the police.
- 3 The firm identified 60 _____ customers by going through a file of their shopping preferences.
- 4 The bank charges a fixed rate for each _____.
- 5 Customers shopping online _____ with the seller and the platform in a novel manner.

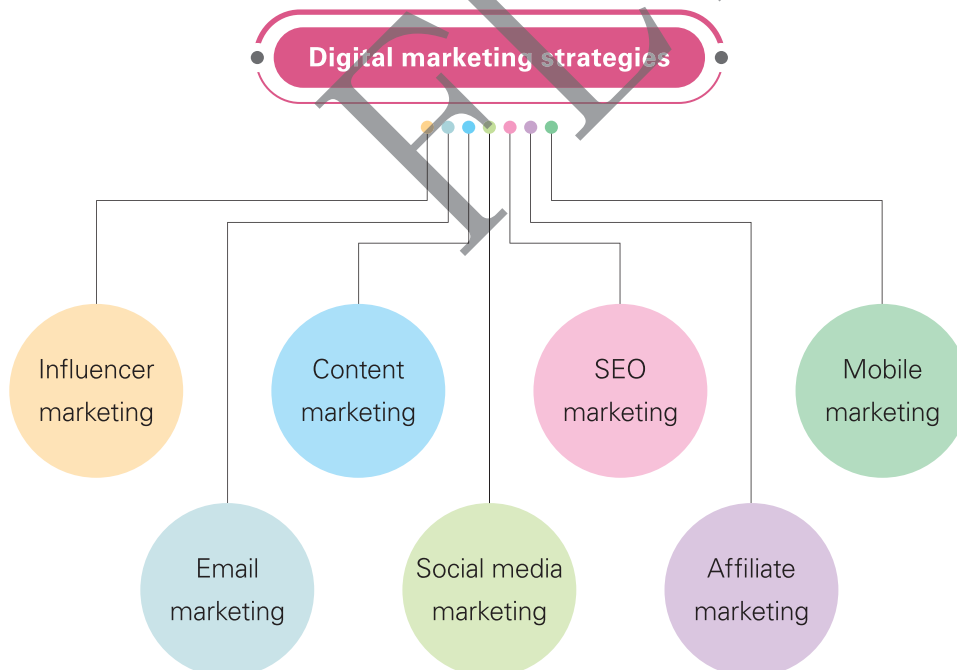
Task 2 Reading comprehension Fill out the following table based on the text and your personal understanding.

Business models	Traditional pipeline businesses	Digital businesses
Features		
Value chains		
Parties involved		
Representative businesses		

Task 3 Reading comprehension Decide whether the following statements are true (T) or false (F).

- 1 Traditional pipeline businesses have begun to be replaced by online platforms.
- 2 In the 1990s, the birth of smartphones contributed to the emergence of digital marketing.
- 3 The popularity of the Internet and smartphones made customers more likely to consult a salesperson.
- 4 The linear value chain is a feature of traditional pipeline businesses.
- 5 Alibaba and Jingdong are typical examples of traditional pipeline businesses.
- 6 With DBPs, suppliers and customers interact and make a deal more conveniently.
- 7 The matchmaking function is the core of DBPs.
- 8 DBP business involves only buyers and sellers.

Task 4 Extended exercise Nowadays, most digital business platforms adopt a combined approach to executing digital marketing. Here are some of the main digital marketing strategies. Have you ever experienced any of them? Write a passage to describe your experience of being targeted by digital marketing.



Distribution density

¹ Distribution density

Distribution density refers to the number of sales outlets required to provide an adequate range for a product. Density requirements directly reveal the end user's purchasing habits. Changes in density needs will ripple through to change other components of the distribution chain. The key to proper density is consumer habit research.

- ² A fine example of density and its effect on distribution can be found in the computer industry. For many years, consumers went to computer sales outlets scattered around the city to look at, compare and test personal computers prior to purchase. They shopped for computers much in the same way as they shopped for stereo equipment or televisions. Not surprisingly, outlets for these types of electronic consumer goods were also some of the early distributors of computer hardware. Over time, however, consumers became more skilled at computer usage and more knowledgeable about technology, and it came to the point where they no longer required the assistance of sales personnel or hands-on comparison shopping. At present, it is hard to find many computer stores in a single street or district.



distribution length

³ Distribution length

Distribution length refers to the number of intermediaries needed to move a product through the marketplace to the end user.

⁴ A company may choose to shorten the length of its distribution by setting up a vertical marketing system in which all parts of the chain come under the direct control of the producer. There are three types:

- **Corporate:** The company owns all areas of the distribution channel, including shipping and retail outlets.
- **Contractual:** Distribution channel members are under long-term contract to the producer and must perform according to exacting standards set by that producer.
- **Administrative:** The producer, through dominance in its market segment, oversees all areas of the distribution channel. Members willingly participate, due to the amount of business generated by the producer. Some international companies have taken this a step further by controlling all areas of their business, including the supply lines, an approach known as vertical integration.

Words & Phrases

Words

- administrative** /əd'mɪnɪ'streɪtɪv/ *adj.* 管理的, 行政的
channel /'tʃænl/ *n.* 渠道, 途径
contractual /kən'træktʃuəl/ *adj.* 合同规定的, 依据合同的
corporate /'kɔ:rpəɾət/ *adj.* 公司的
hands-on *adj.* 实际操作的, 亲身实践的
ripple /'rɪpəl/ *v.* 传开
segment /'segmənt/ *n.* 细分, 部分

Phrases

- consumer goods** 消费品
distribution chain 分销链
distribution channel 分销渠道
end user (某产品的) 最终用户
purchasing habit 购买习惯
retail outlet 零售店
supply line 供应线

JOURNEY WITH E-COMMERCE

Comparative Reading

Task 1 Terms Choose the appropriate meaning of the terms according to the text.

- 1 distribution density
 - A. The number of sales outlets required for direct marketing.
 - B. The number of sales outlets required to provide an adequate range for a product.
- 2 distribution length
 - A. The number of intermediaries needed to move a product through the marketplace to the end user.
 - B. The number of intermediaries needed to contact potential customers.

Task 2 Reading comprehension Decide whether the following statements are true (T) or false (F).

- 1 The key to proper distribution density is the advertising campaign.
- 2 Consumers used to went to sales outlets to buy computers because they were not accustomed to using computers and needed the assistance of sales personnel.
- 3 A company may choose to shorten its distribution length by setting up a horizontal marketing system in which all parts of the chain come under the direct control of the producer.
- 4 In the corporate marketing system, the company owns all areas of the distribution channel, including shipping and retail outlets.
- 5 In the contractual marketing system, distribution channel members are immune from exacting standards set by the producer.



Task 3 Translation Translate the following paragraph and compare your translation with the machine translation.

Administrative: The producer, through dominance in its market segment, oversees all areas of the distribution channel. Members willingly participate, due to the amount of business generated by the producer. Some international companies have taken this a step further by controlling all areas of their business, including the supply lines, an approach known as vertical integration.

机器翻译

行政管理：生产商通过在其细分市场中的主导地位，监督分销渠道的所有领域。由于生产者产生的业务量，成员愿意参与。一些国际公司通过控制其业务的所有领域（包括供应线）更进一步，这种方法称为垂直整合。

VS.

我的翻译

FELTRP



E-commerce development in China

- ¹ From the birth of the first e-commerce website to today's popular social media apps, China has drawn global attention to its digital economy. E-commerce in China keeps growing rapidly, and now, it is an essential part of China's GDP.
- ² E-commerce helps producers, farmers, restaurants, drivers etc. to reach their customers online directly. It increases market efficiency, and at the same time, creates many new business opportunities. Many migrant workers have returned home to do e-business. Farmers in remote areas can sell fresh local produce directly to customers in cities through e-commerce platforms. The platforms can also connect restaurants with customers
- ³ There are several reasons for China's fast e-commerce development. In China, it is easy to get access to the Internet, and phone network coverage is widespread, even in rural areas. Large smartphone manufacturers make smartphones less expensive, which brings many rural people onto the mobile Internet. These are preconditions of e-commerce.
- ⁴ Second, the logistics infrastructure is important



to rural e-commerce. In order to improve the logistics system in the countryside, one-stop shops are built to help people who are not tech-savvy to buy and sell goods on the Internet.

- ⁵ Social media has also led to the rapid growth of e-commerce in China. Sellers are making use of social media to sell products and services. When people share products on their WeChat and group enough buyers, they will get a cheaper price from the sellers. However, many people worry that their data leaks from e-commerce platforms. Data protection is, therefore, a great challenge to e-commerce platforms.

Words & Phrases

Words

challenge /'tʃæləndʒ/ *n.* 挑战

essential /ɪ'senʃəl/ *adj.* 极其重要的, 必不可少的

global /'glɒbəl/ *adj.* 全球的, 全世界的

infrastructure /'ɪnfə'strʌktʃər/ *n.* 基础设施

leak /li:k/ *v.* 泄露

logistics /lɒgɪ'stɪks/ *n.* 物流

precondition /'pri:kən'dɪʃən/ *n.* 前提, 先决条件

produce /'prɒdʊ:s/ *n.* 农产品

widespread /'waɪdspred/ *adj.* 分布广的, 广泛流传的

Phrases

data protection 数据保护

digital economy 数字经济

ride-hailing app 打车软件

social media 社交媒体

JOURNEY WITH E-COMMERCE

Extensive Reading

Task 1 Reading comprehension Answer the following questions to better understand the text.

1 Whom does an e-commerce platform connect with directly?

2 How can farmers make use of e-commerce platforms?

3 How has social media boosted e-commerce?

4 What is the great challenge to e-commerce platforms according to the text?

5 What are the reasons for the fast development of e-commerce in China?

Task 2 Extended exercise Suppose you are asked to introduce e-commerce platforms in China to a foreigner. Choose an e-commerce platform you are familiar with and create a conversation with your partner. The following expressions may help you.

Useful language

- E-commerce platforms come in many forms in China, helping producers, farmers, restaurants, drivers etc. reach their customers online directly...
- The popularity of mobile payment and social media has led to the rapid growth of e-commerce platforms in China...
- The rise of short videos has also boosted the development of e-commerce platforms in China...



FORWARD WITH E-COMMERCE

Further Practice

Here are some general steps for a customer to get a refund on e-commerce platforms. Put them in the right order.

- 1 Check the message sent to you to see if the refund has been finished.
- 2 Go to the app from which you bought the item.
- 3 When you have finished, tap "Submit issues".
- 4 Select "My orders" and find the item you want to return.
- 5 Log in to your account.
- 6 Select the reason for the refund (the wrong item, the missing item, the damaged item etc.).



Keywords

- channel
- delivery
- discount
- essential
- hands-on
- logistics
- supplier
- virtual
- widespread
- witness

Useful Expressions

- digital economy
- express delivery
- retail outlet
- value chain

Skills

I am able to:

- know the basic information about Double Eleven and Black Friday
- know the shopping services an online shopping website offers
- have a general idea of DBPs and the development of digital marketing
- distinguish distribution density from distribution length
- understand e-commerce development in China