

Exploring the problems and countermeasures of the C2M marketing channel model in the industrial internet era

Jiayao Li¹, Daiwei Cao², Yuhao Lian³, Tianqi Wang², Kunyang Li¹

¹ Faculty of Economics and Management Chongqing University of Posts and Telecommunications 400065, China;

² School of Software Engineering Chongqing University of Posts and Telecommunications 400065, China;

³ Faculty of Communication Chongqing University of Posts and Telecommunications 400065, China.

Abstract. The C2M marketing channel model in the industrial Internet era is a new direct marketing model under the influence of Internet technology, which can meet the diversified consumer needs and the pursuit of cost-effective consumer psychology, as well as help enterprises to reduce inventory and costs, and ultimately achieve win-win cooperation between producers and consumers. This paper examines the problems and challenges of the C2M model.

Keywords: Channel model; Industry; Internet; C2M model.

1. Introduction

With the development of Internet technology, all industries are actively exploring the "Internet+" model of marketing. The C2M model is a new business model that differs from the traditional online direct sales model by combining the customer and the production line through the use of Internet technology, thus skipping the intermediate link and the inventory link. Targeted and customised production by factories in response to customer needs, thus meeting the cost-effective shopping needs of consumers in the industrial internet era and, due to the reduction of intermediate links, zero inventory and low costs in factory production can be achieved, thus achieving a win-win situation for both customers and industrial producers.

At present, a new round of technological revolution and industrial change is advancing rapidly, and information technology is changing rapidly. With the accelerated expansion of 5G+industrial Internet application scenarios, the integration of 5G and industrial Internet will accelerate the construction of digital China and smart society, accelerate the process of new industrialization, promote a new round of industrial revolution, and promote the model change of intelligent manufacturing production with data, networking and intelligence as the main elements. Breaking the value asymmetry between the C- and M-sides, promoting the direct arrival of consumer demand at the factory, and fully mobilising the production potential of enterprises to meet consumer demand.

However, the C2M model still faces many problems in practice, one lies in the transfer of information flow, the B-side businesses need to master, since located in the flow of consumer information, while consumers' personal needs are manifested as improvised characteristics, with the development of time extended, their needs tend to blur. The second lies in the M-end benefits are not obvious, C2M products have lost their price advantage, their product pricing is often not lower or even higher than the assembly line, non-customized products, coupled with the fragmentation of consumer demand, fragmentation, scale benefits are difficult to be reflected, companies need to seek a new balance pivot point.

2. Characteristics of the C2M marketing channel model in the industrial internet era

2.1 Information flow as the core

In the Industrial Internet era, the C2M marketing channel model is based on information flow as its core, i.e. producers must rely on the information flow of consumers to target their production activities and thus ensure that the products they produce meet the needs of consumers. The core of C2M is therefore the flow of information. With the influence of technologies such as Big Data and Artificial Intelligence, the aggregation of consumers' fragmented information flows has been realised, allowing producers to use Big Data and other technologies to integrate consumers' fragmented and personalised needs in order to meet their consumer demands. Products are produced according to consumer demands and the flow of products is realised through direct contact with consumers, ultimately achieving a one-stop service from product design to product transport to consumers, enhancing the relevance and market adaptability of product production in the industrial internet era.

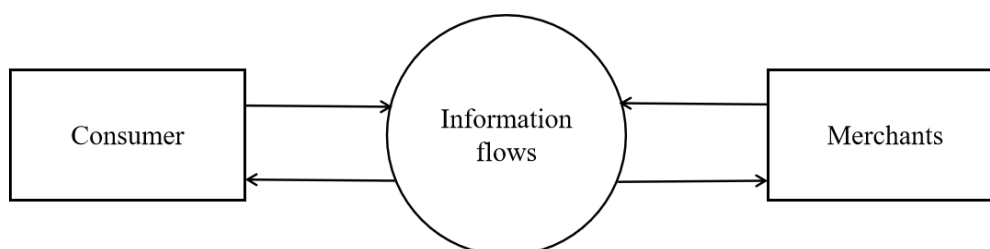


Fig. 1 Information flow as the core CSM marketing channel model

2.2 Start with consumer needs

The C2M model is a marketing channel model based on consumer demand, the main idea of which is to meet the consumer's demand for consumer upgrading. Under the traditional direct marketing model, consumers can communicate directly with manufacturers, but as consumers are often fragmented, it is very difficult to meet their needs and requires in-depth communication between consumers and manufacturers. In the C2M model, however, the integration of information flow through big data allows manufacturers to integrate the needs of consumers with similar needs, thus meeting the individual needs of the consumer while at the same time enabling manufacturers to produce in bulk, effectively reducing production costs and meeting the needs of the consumer precisely. The whole C2M model is therefore based on the needs of the consumer as the starting point, serving the consumer. This is also in line with the changing consumer psychology of the Internet era, i.e. the pursuit of personalised consumption while choosing the most cost-effective consumption through price comparison across the network.

2.3 Integrated production, sales and delivery operations

The C2M model is a direct-to-consumer consumption model, so the C2M model integrates the entire production chain in the process of meeting the consumer's consumption needs, achieving an integrated production, sales and delivery operation. In terms of production, the C2M model in the Industrial Internet era relies on the needs of the consumer, starting production when the consumer pays a deposit online, then contacting logistics for delivery through the consumer's pre-order, and finally collecting the final payment from the consumer, thus achieving integrated production, sales and delivery. Under the integrated production, marketing and delivery model, the consumer only needs to put forward his or her demand, and the manufacturer is responsible for the rest of the production, marketing and delivery work, which effectively reduces the difficulty of consumer consumption. At the same time, the manufacturer's production, marketing and delivery of a series of activities, are driven by the orders of consumers, under the pull of consumer orders, manufacturers do not need to stock in advance, nor do they need to mass production, the production of good goods can be distributed in a timely manner, so you can reduce inventory, to achieve zero inventory

production. The development of internet technology and the logistics and distribution industry has provided effective support for this efficient operation of production, sales and delivery.

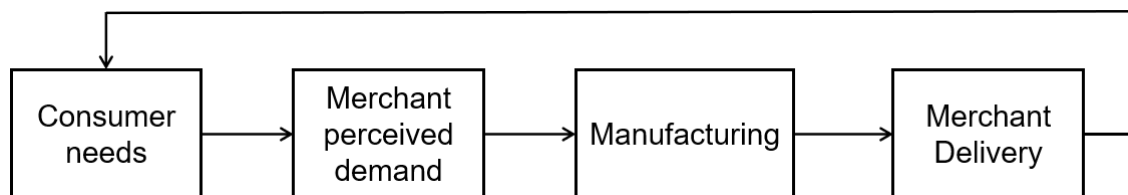


Fig. 2 Integrated production, sales and delivery operation under the C2M model

3. Problems with the C2M marketing channel model in the industrial internet era

3.1 The contradiction between fragmented demand and mass production

The C2M marketing channel model in the industrial internet era can help producers talk directly to consumers, thus reducing intermediate links and lowering production costs. However, in terms of factory production, the larger the scale of production, the greater the volume of batch production, the better the control of costs, such as the cost of raw materials, can be effectively reduced in large purchases. However, the C2M marketing channel model emphasises the satisfaction of consumers' individual needs, which vary from one consumer to another. Therefore, custom production according to consumers' needs faces the problem of difficulty in achieving batch production, which leads to a reduction in the bargaining power of manufacturers in the procurement of raw materials and is not conducive to controlling production costs.

3.2 The paradox of information flow integration and privacy protection

The C2M marketing channel model is a marketing model that relies on information flow to meet consumers' personalised needs with the help of big data and other means. In this model, producers must have timely insight into consumers' consumption habits and needs, so that they can use big data computing to achieve accurate advertising and actively allow consumers to view and browse services that can meet their personalised needs. However, this poses a conflict between the integration of information flows and the protection of consumer privacy. If producers want to better integrate information flows, they must integrate consumer needs, which requires combining consumer search and browsing records to gain insight into consumer needs. However, this can lead to an excessive collection of consumer information and thus violate consumers' rights to privacy protection. If the information flow is not integrated, it will lead to the production of merchants' services not being pushed to consumers in a timely manner, affecting the promotion of merchants' services, which is a direct contradiction between information flow integration and privacy protection.

3.3 The paradox of individuality and mass appeal

The C2M marketing channel model is based on the satisfaction of consumers' needs in a personalised way. Personalised consumer demand means that different consumers have different needs and therefore this type of demand is characterised by low order volumes and the need for customisation. With this demand, the product that one consumer needs may not be the product that other consumers need. If this consumer returns the product because it does not meet their individual needs, the returned product will be lost to the market and difficult to sell again. This is unlike traditional goods, which can be re-sold as long as they are not returned for quality reasons because of their mass market nature. However, the personalised products under the C2M model obviously do not have this feature, which makes the manufacturer less tolerant of mistakes, and in the event of a return the manufacturer or the consumer has to bear the loss and cannot bring the value of the returned product back into play through the market mechanism.

4. Problems with the C2M marketing channel model in the industrial internet era

4.1 Demand integration through big data

Although each consumer's needs are different and therefore fragmented. However, because of the large number of consumers in the Internet era, there are often certain commonalities in consumption. For example, people of a similar age have common consumption patterns; people of the same gender have common consumption patterns, etc. Therefore, in the C2M marketing channel model, production businesses must constantly improve their own information construction, through the use of big data and other information technology, the same attributes of consumer groups to classify, while the intelligent merging of orders, for the high degree of similarity of orders after the integration, you can achieve the bulk purchase of materials, production of batch, so as to meet the fragmentation of demand at the same time to achieve batch production, and Reducing costs for companies.

4.2 Regulating the collection of consumer information

As China strengthens its regulation of the internet economy, agreements on consumer privacy protection have become clear and prohibit the excessive collection of consumer information by businesses. Therefore, in the C2M marketing channel model, producers must keep abreast of the relevant laws and regulations and collect consumer information within the limits of the law to avoid excessive collection of information that infringes on other consumer rights. At the same time, producers can take the initiative to collect consumer information through online questionnaires and other means so that consumer information can be collected legally and in compliance with the law.

4.3 Improving the accuracy of custom production

The C2M marketing channel model is a bespoke production model that aims to meet the needs of the consumer. Therefore, after the consumer has expressed his or her needs, the business needs to design and produce products according to the consumer's needs. In this process, businesses need to combine the consumer's needs with the design process to accurately meet the consumer's needs. For example, during the design process, dynamic communication with the consumer should be maintained and the design should be put into production after the consumer's signature has been confirmed (which can be done online). This reduces the need for products that do not meet the needs of consumers. At the same time, before the product is produced, it can be combined with 3D technology to show consumers the specific appearance and functions of the product after production, so as to maintain smooth communication with consumers and ensure that the product produced can accurately meet consumer needs and avoid problems such as returns.

5. Conclusion

The development of Internet technology has led to the advent of the industrial Internet era. The C2M marketing channel model built with the help of the industrial Internet meets the current consumer demand for personalised, cost-effective consumption and enables direct contact between producers and consumers, thereby reducing production costs for producers. However, the C2M marketing channel model also faces a number of challenges and problems in its actual operation, which must be effectively addressed in conjunction with the development of information technology and the high quality of consumer satisfaction, to promote the development of the C2M marketing channel model.

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