Study on Business Model Innovation Based on Big Data

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ABSTRACT

The development of the modern business model should adapt to the times development. In view of the commercial development trend that big data is the mainstream, it is of great practical significance to study the business model innovation under this background. This paper focuses on this field in order to give some effective suggestions for the development of Chinese business.

Keywords: Big data; Business model; Innovation suggestions

1 INTRODUCTION

In the transitional period of market economy developing rapidly, the trend of economic development featuring big data is becoming more and more obvious. As the key information stream contains huge customer group information and the electronic business operation status, big data has an irreplaceable effect on the objective analysis of our current economy development and companies making feasible marketing strategies. Only by the guidance of big data can we practically improve and perfect the business model, rationally analyze the data, and formulate the marketing strategies according to different steps of commercial operations. Therefore, the exploration of business model innovation based on big data has double functions: realistic development and prospective planning. This article selects the big data as the starting point to study the development of business model as well as put forward strategic recommendations with high feasibility for its persistent development.

2 THE EFFECT OF BIG DATA ON BUSINESS MODEL

Big data, just as its name implies, is a series of information flow with strong liquidity and adaptability, which contains inestimable information resources. Therefore, it plays a critical role in the analysis and interaction of the business. Under the background of big data,
The development of business model in China mainly manifests as the more and more important roles the data plays in the formulation of business strategies and operation model innovation.

2.1 Discover Customer Groups

Given the large volume of customer information contained in big data, through an in-depth analysis of the data, enterprises can get more comprehensive clues of the customers’ realistic needs for goods in current economic development, which is useful for enterprises to make a reasonable planning for business operation, avoid operational risks, and explore potential customer groups.

2.2 Improve the Management Process

The inherent inclusiveness of business model requires enterprises to take full account of the internal and external development needs in the process of improving management process. In this regard, the interaction characteristics of the big data can not only well satisfy the enterprises’ needs for cognizing the external economic development environment, but also help enterprises to practically investigate their internal management. Only on the basis of a good understanding of both internal and external situations, can the enterprises truly realize the improvement of management process, and create the business model with coexistence of cooperation and competition.

2.3 Upgrade the Strain Capacity

Considering the randomness and variability of current economic development, the construction of enterprise business model also needs to adjust itself to the external development environment. The big data provides a good platform for the enterprises to examine their own resilience for development while providing them with valuable products. In this process, by formulating complex and flexible strategic planning, the enterprises’ innovation ability is continuously enhanced, and their perception of strain capacity is greatly strengthened through further improvement of a well-adapted business model.

3 SUGGESTIONS ON THE PERPECTIVE OF BIG DATA

Nowadays, with exponential growth of the big data, in order to build a business model that both includes complete customer information and meet the needs of its own development, enterprises need to improve the application level of big data, enhance the skills for management and application of data, and formulate diversified business policies with the help of reasonable data analysis and integration in every step ranging from theoretical cognition to practical operation, thus achieve a business model with creative power and management effectiveness.

3.1 Competitiveness Improvement

Big data provides a good information basis for the innovation of business model, which can not only drive enterprises to establish practical marketing strategies on the premise of reasonable analysis of customers’ demands, but also provide a basis for enterprises to understand the external environment. To make better use of this advantage, the enterprises need to make detailed segments of their customer groups, so as to form accurate market positioning and provide differentiated products according to different users’ needs. At the same time, they need to form strong control over the enterprise pattern with the help of powerful means while balancing the interests of all parties. Moreover, their competitive ability should be effectively transformed on the basis of actually mastering business
information. The enterprises can improve the standard of business operation by making scientific strategic planning and implementing effective decision-making. On the one hand, enterprises should seize the strategic opportunities in the transitional period of the economy and society development, and actively introduce the innovative business management model based on big data, so as to achieve a transitional upgrade of the industrial structure in terms of supply chain and sales chain and deal with the gigantic change of the economic tendency. On the other hand, in view of the needs for shifts from the traditional pure material consumption to the high level of service, China's enterprises actively adapt to the external demand, expand innovation of business model through various channels, increase the input of material and human resources as needed, vigorously promote the R&D as well as the development of science and technology, reduce the economic costs through the improvement of technology, and remodel the product updates, extension of industrial chain and corporate influence, thus, improve the overall profitability.

3.2 Commercial Operation Standardization

Due to the influence of economic changes, some fuzzy operations and even corrupt practices appear in enterprises’ business conduct. In the process of economic reform in our country, the transition from the traditional planned economy to modern market economy takes on a progressive feature. However, in the era of big data, data with higher applicability can create a good platform for enterprises’ standardized operation, expand business scope, facilitate enterprises to firmly grasp the economic development lifeline, promote the enterprises to continuously enhance the added value of goods, and thus finally realize the profit maximization. Specifically, the standardized business operation model includes two parts, namely the internal management and external debugging. In the field of the internal management, by means of various measures, enterprises can strengthen the supervision and control over the goods and practically improve the management ability of employees, funds and other materials, thus create favorable conditions for the enterprises' standardized operation. In terms of external management, when the enterprises fully understand the needs of the market, through a series of modernized management means, they can realize the combination of customer management and operation improvement, further discover prospective customers, and create a diversified channel of sales, which will contribute to enterprises’ development. In the sharing process, it is necessary to truly balance the needs of data and the protection of privacy, reasonably use the data, and fully grasp the trend of economic development to promote business development. So in the development of the enterprise business model, we need a transformation of innovation model, and establish a market-oriented, independent, flexible and diversified innovative business management model with an aim of profit maximization and the price mechanism as the main means of control. Relying on a series of incremental innovation models, the enterprises can exert an all-dimensional controls over the potential inefficiency in the process of business management, which can enhance their operation efficiency continuously.

3.3 Pricing Strategies Formulation

In terms of operation, big data provides price competition advantage for new business models. In the management of business model, enterprises can optimize their management level by analyzing the data flow, and form the scientific expectation for future development by means of diversified analytical means, which plays an important role in improving the relationship between supply and demand and optimizing industrial chain. At the same time, the cost of business operations can actually be reduced. In the design of business model, through effective exchange of business information to make the information interaction between customers and businesses more transparent, we can balance the degree of
information mastery of the two parts and reduce business risks. This requires companies to constantly cultivate and provide good opportunities for talented people who can use big data flexibly, and continuously strengthen personnel training and management. According to their mission and vision, the enterprises can determine their development strategies and objectives, then establish the organization structure, position setting and personnel arrangement, and finally formulate a series of normalized management systems as well as implement them effectively. Try to avoid family management with too many relatives in the company, which may increase the difficulty of management. Meanwhile, the enterprise can establish a comprehensive, scientific and democratic decision system to realize democratization of the enterprise, which will increase the staff's sense of belonging and their awareness of ownership, urge employees to understand the symbiosis between enterprise culture and their own development, condense their employees and inspire them to realize the benign interaction between the enterprises and themselves, thus improve the overall economic and social benefits of the enterprise.

4 SUMMARY

In short, under the environment of big data, the business model innovation of enterprises in our country is directly related to the guarantee of enterprises’ operation to the maximum. It can also promote the development of related businesses. Therefore, it has diversified evaluation standards. In order to better adapt to the external environment, form a flexible and durable innovation management, meet the demand of society, improve the overall level of the business model under the background of big data, and realize smooth operation in the changeable external environment in the new era, enterprises should make analysis and decisions on the customer groups according to the long-term planning and the characteristics of the current society. Enterprises should expand the traditional business models with those with big data connotation, and carry out the modernized data analysis and application technology in areas of production, operation and sales respectively. On the basis of developing new products and services constantly, the enterprises should also promote data updating and service improvement, optimize the management of supply chain and enterprise operation, make feasible sales strategies, and establish an innovative information interaction system conforming to the big data background in the organization and management, which will create driving force for China's economic development.

REFERENCES