



A STUDY ON MOBILE O2O PLATFORM
OF SMES FOOTWEAR ENTERPRISES IN CHINA

BY
FANG YU

AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENT FOR THE DEGREE OF MASTER OF
BUSINESS ADMINISTRATION (INTERNATIONAL PROGRAM)

SOUTHEAST ASIA UNIVERSITY

ACADEMIC YEAR 2022

COPYRIGHT OF SOUTHEAST ASIA UNIVERSITY



A STUDY ON MOBILE O2O PLATFORM
OF SMES FOOTWEAR ENTERPRISES IN CHINA

BY
FANG YU

AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENT FOR THE DEGREE OF MASTER OF
BUSINESS ADMINISTRATION (INTERNATIONAL PROGRAM)

SOUTHEAST ASIA UNIVERSITY

ACADEMIC YEAR 2022

COPYRIGHT OF SOUTHEAST ASIA UNIVERSITY

Independent Study Title A Study on Mobile O2O Platform of SMEs Footwear Enterprises in China

Author Fang Yu

Program Master of Business Administration (International Program)

Advisor(s) Pakorn Chobhan, Ph.D.

Graduate School, Southeast Asia University, was approved as partial fulfillment of the requirements for the degree of Master of Business Administration. (International Program)

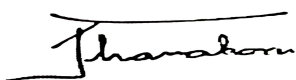


..... Dean, Graduate School
(Puttithorn Jirayus, Ph.D.)



..... Director, Master of Business Administration
(Assoc.Prof. Napaporn Khantanapha, Ph.D.) (International Program)

Independent Study Committees



..... Chairman, Independent Study Committees
(Assoc.Prof. Thanakorn Thanathanchuchot, Ph.D.)



..... Committee
(Assoc.Prof. Napaporn Khantanapha, Ph.D.)



..... Advisor
(Pakorn Chobhan, Ph.D.)

Independent Study Title	A Study on Mobile O2O Platform of SMEs Footwear Enterprises in China
Number of pages	50 pages
Author	Fang Yu
Program	Master of Business Administration (International Program)
Advisor	Pakorn Chobhan, Ph.D.
Academic Year	2022

Abstract

This research aim to study on “Mobile O2O platform of SMEs footwear enterprises in China”, this study were qualitative methodology via in-depth interview, and content analysis. The study found that: 1) Market Segmentation were online customer who have demand in footwear, clothing, and special body clothing different age of customer were, 0-4 years old, 5-16 years old, 17-19 years old, 20-25 years old, 26-30 years old, 31-40 years old, 41 years old and above, Target online customer who have demand in footwear, clothing, and special body clothing in, Guangdong, Zhejiang, Jiangsu, Shandong, Fujian, etc., Platform positioning Integrating mainstream social media and e-commerce, providing small and medium-sized footwear and clothing enterprises with easy-to-use products, Marketing strategyProduct focus on platform are integration and ease of use, Price strategy as same as other platform. 2) Management Plan of O2O platform in 3 dimensions, the platform to gate keep, responsible for the platform's marketing work, demand for high-quality cooperation customers, and the platform to grow together, and the platform's profit model and cooperation, Production plan. Considering the business characteristics of the platform, to ensure that the mobile O2O platform can run smoothly and maximize its advantages, Operation plan focuses on the following aspects: Conversion rate mainly refers to the rate of online conversion offline, purchase system focuses on customer unit price, membership system focus on the number and rate of new members. 3) Projection cash flow of Mobile O2O Platform for 5 years, Initial investment 350,000 Yuan, ROI average per year =277.4 %, NPV = 4,505,196 Yuan, IRR = 43.6%, and Payback period on 2 years and 3 months

Key word: Mobile platform, footwear, clothing.

Acknowledgement

Without the help of several educators, this business plan would not have been achievable. I'd like to thank my advisor, Assoc.Prof.Dr. Napaporn Khantanapha, Dr.Supot Rattanapun, for their advice throughout this business plan, who read my multiple modifications and helped me make sense of it all.

I'd like to express my gratitude to my chairman and committee members of the independent study, who provided guidance and support.

Thank you to Southeast Asia University, Graduate School, and International Program for offering me an independent study completion fellowship, which enabled me to attend the International Conference and finish this business administration degree. Finally, I'd like to thank my parents and numerous friends who supported and loved me throughout this long journey.

Fang Yu

Table of Contents

Abstract.....	IV
Acknowledgement.....	V
Table of Contents.....	VI
Section 1 Introduction	1
Section 2 Company Description.....	2
Section 3 Industry Analysis.....	8
Section 4 Marketing Plan	19
Section 5 Management Team and Company Structure	30
Section 6 Operations and Production Plan.....	35
Section 7 Financial Projections.....	36
References.....	37
Biography	39

Section 1

Introduction

1.1 Company Description

The target company was established in 2011 in Shunyi District, Beijing, with the legal representative of Wang Wei. With the rapid development of Internet and e-commerce, more and more people feel the convenience, efficiency and low cost brought by it, and gradually start to try and enjoy this convenience. This change makes the traditional enterprises face huge pressure of operation. Nokia hands out its cell phone business to Microsoft, Sony has suffered substantial losses, operating difficulties and even on the verge of bankruptcy, Wal-Mart closed 14 stores in China in 2013 and plans to close 20 stores with poor performance in 2014, and sports brands such as Li Ning, Anta, Pique, 361 degrees and China Trend closed several thousand stores in 2013. Traditional enterprises have joined the battle of e-commerce. However, due to the lack of traditional enterprises of e-commerce talent, online and offline price conflicts and other factors constraints, so far no success stories. With the development of 4G and 5G networks and the widespread use of smart terminals, the mobile Internet has kicked off ^[1]. O2O has been rapidly recognized along with the explosion of mobile Internet ^[2]. Compared with PC, mobile terminal is a better tool to link online and offline. The attributes of mobile terminal such as real-time online + location + on-the-go determine that it is a hotbed for the explosive growth of O2O. In the context of the comprehensive transformation of major Internet companies into mobile terminals, O2O also has more mobile attributes ^[3].

O2O has also gone through the following three periods.

Phase I: Chaotic period. In this period, it is characterized by B2C thinking and online business platforms, mainly localized life information websites represented by popular dot-coms ^[4].

Second stage: budding stage. In this period, characterized by the rise of group-buying, mainly the rise of various group-buying websites represented by Meituan, which broke through the limitations of the B2C business model and combined

traditional service-oriented industries with e-commerce, this experiential marketing increased the sense of user experience, achieved cost-benefit control, and improved the turnover rate ^[5].

Stage 3: Initial development period. This is also the stage that O2O e-commerce is currently in, which is driven by the development of mobile Internet and gradually presents diversified characteristics ^[6].

And in the future, it is also bound to experience the fourth development stage: High-speed development period. In this period, more and more traditional industries will enter this industry of O2O, and the development of personalized services in the region will become the mainstream of market development ^[7]. The future direction of development is that data, users and various resources will be more virtual clustering, and effective integration among each other will influence the development of O2O. O2O e-commerce will certainly become the mainstream of future business models, will enter people's lives, and improve the quality of their lives while continuing to develop. Traditional enterprises have seen the light again and have joined the O2O gold rush. This platform is positioned to be the "water delivery" of the mobile O2O "gold rush". It integrates various resources (social tools, e-commerce, mobile terminals, payment tools, etc.) for enterprises to connect online e-commerce and offline entities ^[8].

Currently, there are two main forms of retailing, online e-commerce and offline entities. Online e-commerce mainly exists in the form of B2B, B2C, C2C, vertical e-commerce, etc.; offline entities mainly exist in the form of specialty stores, shop-in-shops, special zones, counters, etc. The platform manages online e-malls (such as Taobao, Jingdong, YiXun, Dangdang, etc.) and various offline entities as virtual stores of the platform, which are uniformly called virtual stores ^[9]. Users can download the application online and register or register to the platform offline through the guide. Platform users can see relevant information shared by other users, compare prices, and make purchasing decisions. When ready to go to buy, the platform will recommend to buy in nearby stores according to the user's geographic location in priority, and if the nearby stores are not in stock, the user can choose to buy online or in other physical stores. After the online purchase, users can choose to pick up the

products by express delivery or go to the physical store experience. The same brand merchants or allied merchants can enjoy a unified points for the purchase of goods. Points can be redeemed for cash equivalent, either in online stores or offline stores. After purchase, users can share their purchase experience and use experience on the platform and share in their circle of friends. And they can also interact with the company, participate in offline activities organized by the company, enjoy coupons and so on. Thus forming a closed-loop online and offline shopping experience.

With Chuck Martin's mobile shopping lifecycle theory, this product integrates the current mainstream social media, e-commerce, and mobile terminals, and helps enterprises open up online and offline multi-channels through tools such as pan-points and QR codes to provide integrated solutions for consumers and businesses in six stages: pre-order, in transit, in-store, decision, purchase, and after-sales^[10]. The pre-purchase stage provides functions such as searching relevant product information in enterprise circles or interest groups, finding relevant product promotion or special sale information, nearby store information, product evaluation and rating, product price, store inventory, relevant product recommendation, and reservation. At the in-transit stage users may have already decided to buy and may choose to place orders online or go to physical stores. The system integrates map navigation function and provides coupon management function. Mobile check-in points, recommending relevant information based on the geographical location of check-in. In-store purchase stage: users can use mobile terminals to make price inquiries, find product shelves, recommend related products, QR code scanning, point coupon use, electronic payment, etc., and wait for store personnel to pick goods. After purchase, users can share their shopping experience, product usage experience, and interact with the enterprise, etc. The above functions help companies to conduct accurate marketing, introduce online users, improve the conversion rate of customer orders, increase brand viscosity, enhance brand influence, understand product defects in a timelier manner for improvement and innovation, and enhance services. It provides consumers with rich, comprehensive, and timely information about merchant offers and discounts, participation in corporate activities, full interaction with companies, and more benefits and convenience^[11].

1.2 Current Situation Analysis

1.2.1 External Environment Analysis

The external environment analysis includes general environment analysis, industry environment analysis and competitive environment analysis. The macro environment analysis adopts PEST analysis, which is a comprehensive analysis of "P" political, "E" economic, "S" social and "T" technological factors. The Michael * Porter five forces model was used to analyze the competitive environment ^[12].

PEST analysis requires a large amount of relevant research data and a deep understanding of the company under analysis, otherwise it is difficult to carry out such analysis. The main economic aspects are the level of economic development, size, growth rate, government revenues and expenditures, inflation rate, etc. Political aspects include political system, government policies, national industrial policies, relevant laws and regulations, etc. Social aspects are population, values, moral level, etc. Technological aspects are high technology, process technology and breakthroughs in basic research ^[13].

① Environmental analysis

1) The country has introduced various measures to coordinate planning, accelerate network upgrades, and coordinate the coordinated development of networks for 5G, WLAN, and LTE. It has provided basic network support for the development of mobile interconnection ^[14].

2) Relevant documents have been issued to regulate network development and information security. Relevant measures have been introduced for the problems of disorder, deception, rumors, and indiscriminate charges that exist on the Internet. Insist on constant control. Telecom operating companies are required to develop relevant systems and strictly self-regulate. And take various special activities to carry out the clean-up and rectification of various undesirable phenomena in the network. For the benign development of mobile O2O, escort ^[15].

3) Strengthen the supervision of mobile network environment. Build a fair competitive environment and protect the legitimate rights and interests of users.

(4) The 12th Five-Year Plan for the development of information industry, Internet and broadband points out that the construction of mobile networks should be

accelerated, and reasonable tariffs should be guaranteed to accelerate and develop mobile terminals and mobile applications, mobile e-commerce, mobile payment and other business fields. At the same time, policies and regulations related to the security of the mobile Internet network environment have also been introduced.

② Economic analysis

(1) China has become the second largest economy in the world, and the development of the economy has stimulated the development of mobile Internet. Mobile users show rapid growth. 2022, China's communications industry to thoroughly implement the spirit of the Party's 20th National Congress, resolutely implement the Party Central Committee and the State Council important decisions and deployments, fully promote the construction of a strong network and digital China, focus on deepening the integration of the digital economy and the real economy, 5G, gigabit optical network and other new information infrastructure construction has made new progress, the popularity of applications to accelerate, to create a new advantage in the digital economy, and This will provide strong support for building new advantages in the digital economy and enhancing new dynamics of economic development. According to preliminary calculations, the total revenue of telecommunications business in 2022 will be 1.58 trillion Yuan, an increase of 8% over the previous year. In 2022, the total amount of telecom business in accordance with the previous year's prices reached 1.75 trillion Yuan, an increase of 21.3% ^[16]. 2022, the completion of fixed Internet broadband access service revenue of 240.2 billion Yuan, an increase of 7.1% over the previous year, the proportion of telecom business revenue fell from 15.3% in the previous year to 15.2%, pulling telecom business revenue growth of 1.1 percentage points. 2022, the completion of Mobile data traffic business revenue of 639.7 billion Yuan, an increase of 0.3% over the previous year, in telecommunications business revenue accounted for 43.4% of the previous year fell to 40.5%, pulling telecommunications business revenue growth of 0.1 percentage points. 2022, the national net increase of 3,933 telephone subscribers, the total number of 1.863 billion households. Among them, the total number of cell phone users was 1.683 billion, with a net increase of 40.62 million for the year, and the penetration rate² was 119.2

per 100 people, up 2.9 per 100 people from the end of the previous year. Among them, 5G cell phone users reached 561 million, accounting for 33.3% of cell phone users, an increase of 11.7 percentage points over the end of the previous year. The total number of fixed-line telephone users was 179 million, a net decrease of 1.286 million for the year, and the penetration rate was 12.7 per 100 people, down 0.1 per 100 people from the end of the previous year ^[17].

(2) Information consumption continues to grow, and in the first half of 2022, the scale of China's information consumption reached 3.24 trillion Yuan, an increase of 6% year-on-year. Recently, the media learned from the Ministry of Industry and Information Technology that China's information consumption has become a rapidly growing, innovative and widely radiated consumption field, with the market size growing from 2.8 trillion Yuan in 2014 to 6.8 trillion Yuan in 2021 ^[18].

With the deep integration of network technology and the social economy, China's information consumption has shown vigorous development, and related applications have touched every aspect of life. In terms of the number of users, as of the end of July this year, the total number of fixed Internet broadband access users in China reached 566 million, and 5G cell phone users reached 475 million. In terms of mobile traffic usage, China's cumulative mobile Internet traffic reached 146.3 billion GB in the first seven months of this year, up 19.1% year-on-year. Based on the digital network, online shopping, distance education, smart home and other industries are flourishing, and digitalization has accelerated the reconstruction of consumer behavior, giving rise to a series of new business models. The boundaries of information consumption are gradually expanding, and new products of information consumption are emerging, bringing various more efficient and convenient services to people and playing an important role in boosting domestic demand and leading industrial chain upgrading ^[19].

3) High-speed growth of the mobile shopping market, since the outbreak of the new crown epidemic, people are more willing to shop online than to go out and buy goods, which favorably promotes the high-speed development of the online shopping market. 2021 global online shopping market size has reached \$4 trillion, and is expected to have 300 million online shoppers by 2023.

China's online shopping market continues to steadily improve. Data show that in 2021, the national online shopping market size reached 9.19 trillion yuan, up 18.5% year-on-year; among them, the online retail sales of physical goods amounted to 7.50 trillion yuan, up 15.2% year-on-year, accounting for 23.6% of the total retail sales of consumer goods, contributing 22.1% to the total growth of social zero, steadily improving for six consecutive months. The online shopping industry is expected to "remain on a high growth track" in 2022 ^[20].

③ Social analysis

(1) User penetration has further increased, and the Internet industry in China has continued to grow in recent years. The Internet continues to create new industry opportunities and is more closely connected to people's lives. Although the growth rate of the number of Internet users in China has slowed down in recent years, the overall penetration level of the Internet in China is high, and the penetration rate will further increase in the future. According to the China Internet Network Information Center (CNNIC), the number of Internet users in China grew from 772 million to 1.032 billion from 2017 to 2021, with an average compound annual growth rate of about 8%. In 2022, the size of Internet users in China is expected to increase further, with the number of users reaching 1.084 billion ^[21].

(2) Users are increasingly dependent on the use of mobile Internet. Mobile Internet access anytime and anywhere has changed every aspect of people's lives, and people are gradually getting used to cell phones to learn news, play games and entertainment, communicate with friends and share their opinions, and more and more people are joining the ranks of mobile shopping ^[22].

3) The trend of mobile Internet. The development of mobile Internet in recent years has become the fastest growing business with the largest market potential today. The number of global mobile Internet users reached 4.2 billion in 2021. According to the Ministry of Industry and Information Technology released the "2021 Communications Industry Statistical Bulletin" mobile Internet business trends, the report shows that in 2021, the total number of cell phone users in China is 1.643 billion, with a penetration rate of 116.3 units / 100 people.

In terms of traffic, in 2021, mobile Internet access traffic reached 221.6 billion GB, an increase of 33.9% over the previous year. The average monthly mobile Internet traffic (DOU) reached 13.36GB per household per month, up 29.2% from the previous year; the DOU in December reached 14.72GB per household, a record high.

Among them, mobile Internet traffic reached 212.5 billion GB, up 35.5% from the previous year, accounting for 95.9% of the total mobile Internet traffic. Its growth rate has exceeded people's expectation. Mobile Internet has penetrated into all fields of people's life and work, and the development of colorful mobile Internet applications such as catering, mobile music, mobile games, video applications, mobile payment, and location services, all of which are changing our social life ^[23].

④ Technology analysis

(1) 5G development to promote the layout of mobile Internet Currently, China has entered a new stage of economic development driven by technological innovation. "The outline of the 14th Five-Year Plan emphasizes the importance of deepening the structural reform on the supply side and leading and creating new demand with innovation-driven, high-quality supply. To ensure high-quality and sustainable economic development, China needs to broaden the economic growth space through frontier technology innovation, and through years of technological catch-up and capital accumulation, China has the ability and foundation to do so ^[24].

At this stage, it is the best choice to build a 5G network to explore and broaden the economic growth space. 5G is one of the core key technologies in the new round of technological and industrial revolution, which will integrate with technologies such as Internet of Things, big data, cloud computing, and artificial intelligence, and has the potential to not only form a series of new industries and become a new driving force for economic growth, but also to empower all areas of the economy and society, bringing revolutionary economic and even social formations Changes. According to the forecast of the China Academy of Information and Communication Technology, it is expected that by 2025, 5G can boost telecom operators' network investment by about 1.2 trillion Yuan; the cumulative scale of information consumption will exceed 8.3 trillion Yuan; and the cumulative total economic output

will be directly driven by about 10.1 trillion Yuan.

At present, China is one of the key dominators of 5G technology standards and has advantages in equipment, networks and applications. 2019 global 5G commercialization, synchronous deployment of 5G networks with the world and exploration of 5G application development will help transform China's leading technological innovation advantages into market innovation advantages, and in the process, accumulate experience in building new industries and new ecologies using technological innovation, and this experience will be essential for China's future long-term development will be invaluable ^[25].

(2) With the gradual popularization of rural network coverage, the integrated development of urban and rural areas further expands the space for mobile Internet development.

(3) With the commercialization of BeiDou satellite positioning navigation system, the advantages of mobile location-based services will be more prominent, which is conducive to the in-depth application in the field of mobile Internet.

1.2.2 Porter's Five Forces Analysis

The three Internet giants can be said to be the leaders of O2O industry, and all three giants are stepping up their own O2O layout. Create their own O2O ecosystem. And entering 2022, major traditional e-commerce and traditional enterprises have joined the O2O war. Suning announced the acquisition of Manza.com, Jingdong plans to open 10,000 convenience stores, Ali's HK\$5.37 billion stake in Yintai, a time when retail O2O, community O2O, restaurant O2O, tourism O2O, education O2O, etc. are springing up everywhere. And all kinds of small and medium-sized enterprises and private store owners also use social platforms such as WeChat to expand their influence by using their circle of friends. All kinds of enterprises are entering at full speed and fire, competing for strategic O2O high points. At present, the major platform companies are competing for the market mainly for local life O2O, mainly for terminals, such as restaurants, entertainment, retail O2O, cinemas, etc. Location + service model. Take community or location as the center to provide related products and service needs. This type of O2O has a wide audience and requires a large amount of capital investment to change users' behavior and create

an ecosystem. This platform avoids head-to-head competition with big platforms, relying on enterprises to help them build their own Omni channel O2O. Currently, the major players are busy capturing the mass consumption market and have no time to care about this field. Currently there is less competition in this industry.

According to Michael Porter's (Michael Porter) five forces model, the competitive environment of the platform is analyzed. Bargaining power of suppliers, bargaining power of buyers, the ability of potential competitors to enter, the substitution power of substitutes, and the current competitive power of competitors in the industry.

1) Existing competitors in the industry. Several Internet giants are accelerating the pace of building their respective ecosystems. Several giants can be said to be the leaders of the industry, establishing industry rules and actively influencing users to promote the development of the industry. It can be said to be the building period of the industry. The operation mode of this platform is not competitive with that of the Internet giants, but helps enterprises how to better utilize the ecosystem and provide convenient services for marketing, sales and after-sales. Platforms similar to this product are more dedicated to the local life category, such as tourism, catering, entertainment and other industries. There is no competitor with very obvious advantages in the segmented service area for traditional FMCG enterprises.

2) Threat of potential entrants: O2O can be said to be the last blue ocean of e-commerce, so there are few companies who want to enter this industry. And as users and companies recognize the O2O model, companies will also increase their investment in O2O and may build their own platforms similar to the platform. And because of the low threshold, there are few entrants. This requires the accumulation of competitive advantage in a certain segment. The good thing is that the market is big enough, mobile e-shopping has a potential user group of 700 million or even 900 million in the future.

3) The threat of substitutes. As O2O is an emerging industry, it was born along with social development and technological development. Traditional channels and e-commerce can be used as substitutes in one way or another. It can be said that O2O is a subversive innovation to traditional channels. Although traditional channels

and e-commerce channels are still the mainstream of business, they cannot stop the development of mobile O2O. Mobile O2O has a vigorous vitality and the threat of substitutes is less.

4) Bargaining power of suppliers. The main purpose of the platform is to provide O2O integration tools, involving mobile terminals, data centers, API interface resources, etc. The suppliers of the platform mainly involve the mainstream e-commerce platforms and social media platforms. As the mainstream platforms adopt the open platform strategy for the consideration of making their own platforms bigger, most of them provide free APIs for development and broaden their own ecological chain. The number of traffic clicks in the early stage of the platform basically will not exceed the free traffic limit set by the platform supplier, so it is basically not restricted by the supplier in terms of bargaining.

5) Bargaining power of buyers. Mobile O2O is the general trend of social development, and enterprises are inevitably involved in the flood of O2O, so the demand of enterprises in O2O is still very strong, but the initial entry threshold is low, and vicious competition of similar products inevitably occurs, which leads to a certain pressure in the bargaining power of buyers. In response to this consideration, the platform strives to create a niche service industry and enhance its core competitiveness.

1.2.3 SWOT Analysis

Strength (advantage).

The potential partner has mature experience in the FMCG industry and more than a thousand customer resources to support; familiar with all fields of FMCG category. He is familiar with the difficulties faced by FMCG companies and has a background in e-commerce. The other partner has many years of IT service experience in the industry, and has experience in large enterprises, from successfully leading similar projects, with large-scale system architecture experience and the ability to develop integrated PC and mobile applications, and has a strong interest in mobile applications.

Weaknesses (weaknesses).

1) The platform is not well known The platform is in the start-up stage and lacks influence in the industry. Well, mobile O2O is an emerging industry, the industry lacks

well-known large enterprises, success stories, and entrants are in the fumbling and exploring business model stage. So the platform needs to take advantage of this stage to actively explore a profit model suitable for its own characteristics and plow deep into the local small and medium-sized shoes and clothing field. Create their own core competitiveness.

(2) User products are not mature products are still in the research and development stage and have not experienced the test of time. The main product of the platform is to integrate the mainstream social media and e-commerce websites with the help of mobile terminals to help enterprises to connect online and offline entities, and the model of online attraction has no successful precedent in China and needs to cross the river by feeling the stones. The platform is complete with basic functions such as sending text, passing pictures, forwarding and commenting, but there are no other highlighting functions, which leads to a low production threshold and can lead to copying and imitation by similar competitors. Need to build core competitiveness.

(3) The operation team is immature due to the low initial investment in the platform, and the initial stage requires more marketing with the industry influence of partners. And due to the lack of capital, it is impossible to recruit experienced personnel for operation.

Opportunity (opportunity).

(1) The rapid development of China's local life service e-commerce industry ahead of the macro environment analysis of China's O2O e-commerce industry. We can see that the political, economic, social and technological environments are all conducive to the development of mobile O2O. The O2O market is growing faster than e-commerce and is showing stronger development than traditional e-commerce. This is also an important opportunity to carry out O2O e-commerce.

2) Internet spreads to second and third-tier cities According to Ariadne, China's Internet is spreading to second and third-tier cities and even vast rural areas, which enriches the scale of potential online users and will undoubtedly drive the growth of China's O2O market. The current O2O companies are concentrated in the first-tier cities in North, Shanghai and Guangzhou, and are unlikely to cover the whole country,

especially the second and third-tier cities, in the short term, which provides a good opportunity for platform development. The platform can focus on the second and third tier cities.

Threat.

Entering 2022, the O2O field is full of actions, Tencent's strategic stake in Popular Dianping, Ali's cooperation with Yintai, Tencent's stake in Jingdong and packaged its Pai Pai and QQ Online Shopping to Jingdong, and Ali's acquisition of Gaode; all these, on the one hand, herald that O2O is becoming a new hot spot, on the other hand, also reveal the atmosphere of fierce competition. Facing this threat, the platform finds the entry point of funding, avoiding the head-on competition with big platforms, and repeatedly using the traffic advantages of big platforms to draw traffic for itself. Avoiding the head-on conflict with big platforms.

1.3 Feasibility Analysis

Products and services: Through the above analysis of the macro environment in which the platform is located, the industry and competitors as well as the platform's own advantages and disadvantages, we can learn that it is an excellent opportunity to enter the platform investment at present. The platform should take full advantage of the ecosystem built by the big platform to enter first. In the big platform to promote and the user mobile shopping habits change at the same time, give full play to their own advantages, leveraging the big environment big platform to seize a place for themselves.

Marketing: O2O platform has consumers on one side and offline local merchants on the other. The platform bilateral has a strong cross-side network effect, that is, more merchants will attract more consumers and vice versa. The important function of the platform is to connect the needs of each side. The ability to effectively balance the needs of consumers and offline merchants, and to help both sides add value, is the key to the expansion of O2O platforms. Specifically, consumers want to get consumption advice, discount information, consumption convenience, and evaluate or share consumption experience on the platform. Merchants, on the other hand, want to use the O2O platform to increase sales revenue, reduce operating costs, develop brand and reputation, and understand market trends and consumer

preferences. Through the previous market analysis, the platform chooses a target market with small and medium-sized enterprises in the footwear and apparel category as the main market, supplemented by mother and baby and make-up enterprises. Large enterprises in this type of market have the following commonalities: huge user base, circular consumption, need for offline experience, many small and medium-sized brand enterprises in the industry, and in the Internet era, the profit space is shrinking, facing numerous operating pressures, and eager to find new breakthroughs.

For consumers, to provide a unified points management, provide a variety of points accumulation channels, and real-time consumer promotions and optimization activities, so that consumers buy real; Convenience (Convenience), the platform to create online purchase + store experience, store pick-up mode, so that consumers enjoy both online and online convenience, to provide consumers with a variety of combinations of purchase methods, online purchase, store Self-pickup, online purchase, express delivery, offline experience, mobile terminal orders and other combinations of services, convenient for users to choose, reasonable arrangements for shopping pickup time, providing unprecedented convenience. Communication, the platform creates a new mode of information flow, integrating information from mainstream social networking sites and platform companies, and platform-based shopping consumers can also share their own shopping or use experience, interact with companies and other consumers, providing decision support for other consumers to buy. Close the distance between the enterprise and the consumer and the consumer. Completely realize zero distance communication and endless shopping. So it is also feasible in terms of marketing.

Organization and finance: Referring to the organizational structure of IT enterprises and B2C enterprises, and combining with the characteristics of O2O, the functional structure chart of this platform was designed; and according to the organizational structure of the platform, the manpower requirements were designed, and the salaries of managers and employees were designed, combining with the local salary situation and the platform itself. The manpower cost was estimated. Considering the platform management philosophy and staff culture cultivation, the project is feasible in terms of organization.

According to the actual situation of the platform, all financial indicators of the platform were budgeted. Firstly, a detailed analysis of the platform's initial period of platform construction and hardware network investment was launched; then the platform's revenue for the next five years was estimated based on the data of the platform's expected resident enterprises and registered users, customer unit price and conversion rate, etc. Then the platform's cost composition was analyzed, and each cost indicator was estimated based on the number of users at different stages of the platform, and each cost and expense was budgeted, and finally, based on the calculated Finally, the income statement, balance sheet and cash flow statement of the platform for the next five years were drawn based on the calculated investment and cost expenditures. Finally, the NPV, IRR and payback period were calculated based on the previous data analysis, and the NPV of the platform was calculated to be \$175,120,207 for the five-year period, and the IRR was 19.67%; the payback period was nearly 2 years. The analysis confirms that the platform has good development potential and great investment value.

1.4 Research Objectives

To study on Mobile O2O Platform. Detail as follow:

With the increasing popularity of the Internet, the competition from online is becoming more and more intense. Traditional businesses are under a lot of pressure. Limited store space is difficult to meet all user needs (such as out of stock, out of code, display is insufficient, etc.), sales are limited to within a square foot of the store, for users who leave the store, business behavior is difficult to digitally precipitate, lack of effective data to guide business decisions, membership system inefficient, and insufficient communication and contact with users. And consumers are forced to choose between offline stores and online stores, making it difficult to achieve online and offline unity and information transparency.

With the diversification of consumption scenarios, consumers are eager to purchase unified and enjoy consistent services across channels. In the era of mobile Internet, consumers expect a convenient shopping experience anytime, anywhere. Mobile O2O

makes the realization of this expectation possible. The footwear and apparel industry is the industry with the highest consumer acceptance and the largest sales volume in the current e-commerce. And there are many small and medium-sized enterprises and scattered brands offline. Online consumption is mature, and offline is eager to attract traffic through online, expand influence and break through offline physical constraints. This platform is dedicated to providing mobile O2O services for regional scattered small and medium-sized footwear enterprises, and provides a reference basis for small and medium-sized footwear enterprises to explore a feasible O2O operation model and support system. It is of great significance to the study of mobile O2O application scenarios and the attempt to promote O2O on the enterprise side.

Section 2

Marketing Plan

The platform mainly provides corresponding IT solutions for traditional enterprises who want to apply O2O model. There are two types of customers of the platform. One category is the traditional enterprises implementing O2O, and the other category is the end consumers. Since the end consumers, who mainly interact and manage for the enterprises, can be said to be the customers of the platform, they are not analyzed in this paper. According to the Chinese e-commerce market segments, O2O and mobile online shopping are the fastest growing segments in recent years and are expected to maintain high growth in the future.

According to the O2O model, the online traffic is introduced to the offline entities to finally achieve the integration of online and offline. Therefore, the key market for this platform is in industries where e-commerce is currently mature, where consumer acceptance is high, and where traditional enterprises wish to use O2O to expand their influence and profitability. The market analysis idea of this thesis, through the analysis of online shopping market segments, find out the industries with high consumer acceptance at present, then avoid the industries with fierce competition in the platform category, choose the industries that the platform is suitable to enter, and carry out detailed analysis of the industry, so as to find the target market.

2.1 Segmentation, Target and Positioning

① Market Segmentation

The O2O platform has consumers on one side and offline local merchants on the other side. Both sides of the platform have a strong cross-side network effect, i.e. more merchants will attract more consumers and vice versa. The important function of the platform is to connect the needs of each side. The ability to effectively balance the needs of consumers and offline merchants, and to help both sides add value, is the key to the expansion of O2O platforms. Specifically, consumers want to get consumption advice, discount information, consumption convenience, and evaluate or share consumption experience on the platform. Merchants, on the other hand,

want to use the O2O platform to increase sales revenue, reduce operating costs, develop brand and reputation, and understand market trends and consumer preferences. Through the previous market analysis, the platform chooses a target market with small and medium-sized enterprises in the footwear and apparel category as the main market, supplemented by mother and baby and make-up enterprises. Large enterprises in such markets have the following commonalities, a large user base, circular consumption, the need for offline experience, many small and medium-sized brand enterprises in the industry, and are facing numerous operational pressures in the shrinking profit space in the Internet era, and are eager to find new breakthroughs. In this section, we will analyze the customers of footwear enterprises, combine the characteristics of Internet users, and select the footwear enterprises suitable for platform cooperation.

② Market target analysis

The key distribution regions of footwear enterprises are, Guangdong, Zhejiang, Jiangsu, Shandong, Fujian, etc. The above five regions account for more than 80% of the national garment production, and the key regions of the platform are the above five regions. In the early stage, due to the lack of their own, the platform is located in the region of Guangdong, the early focus on digging deeper into Guangdong customers. The footwear industry is an industry with high requirements for accurate positioning, people tend to "judge people by their appearance", dressing up reflects their positioning, and directly affects the first impression of others. It can be said that the position of shoes and clothing in people's life is more important than any other times. For the footwear industry, the target customer market can be roughly subdivided into eight different market segments: 0-4 years old, 5-16 years old, 17-19 years old, 20-25 years old, 26-30 years old, 31-40 years old, 41 years old and above, and special body clothing.

1) The market of 0-4 years old. Children in this age group do not have the ability to buy, and their clothing apparel is purchased by their guardians. Most parents in this age group are generally between 25-30 and generally have a high level of acceptance of e-commerce and mobile Internet. In addition, people's living standards are improving and most families now have one child, so they are willing to invest in the

food and clothing of the next generation, so the market for infant footwear has great potential. Small and medium-sized footwear enterprises in this age group are the focus of the platform.

2) The market of 5-16 years old. Although children at this stage are still purchasing clothes by their parents or other elders, they can already participate in purchasing behavior and provide their own ideas, and most of them will be influenced by the color of clothing and apparel. The platform can take the advantage of information sharing to guide their parents to go to physical stores to buy.

3) Market of 17-19 years old. Children at this stage do not have mature ideas about dressing and basically have no economic base, and are usually underwritten by their mothers. And this age group of children's bodies develop quickly, clothing utilization rate is very low, often the first half of the year to buy new clothes, in the second half of the year, may be small. For customers in this age group, fit and generosity is the primary consideration. In addition, this age group has a relatively low level of acceptance for e-commerce services, and footwear and apparel companies positioned in this age group do not focus on this as a platform.

4) Market of 20-25 years old. This age group starts to have their own ideas about dressing and begin to pursue the beauty in their own mind, while hoping to create their own dressing style and attract others' attention. From the economic base, at this time, most of them are still not really independent, but because of college or work, more or less have a fixed amount of monthly, discretionary living expenses, although the amount is not much, but this does not affect their enthusiasm for consumption. Therefore, positioning in this age group of customers in the small clothing stores business is the best to do, but also the most difficult to do. Good to do because this age group of customers are very enthusiastic about spending, especially women, they began to gradually pay attention to their own grooming, demand change, interested in a variety of styles of clothing are trying. Most women in this age group are studying or have just started working, so shopping and surfing the Internet are very important elements in their lives, and they have time to take their time and shop all afternoon, or even all day. They have started to aspire to brand names but are shy in their pockets and generally divide their money into four major blocks: living expenses,

cosmetics, entertainment and clothing, so the passion for style is significantly higher than brand at this age, which is why it is not good to do business with these people. Based on these characteristics of this age group, the platform can give full play to the advantages of information sharing and recommendation of the circle of friends to help companies create their own brand image. Key target market.

5) 26-30 year's old market. People in this age group start to mature themselves and their careers, and gradually change from girls and boys to women and men, and from singles to couples. Especially women will become more and more beautiful and confident in this age group, but at the same time, they are also aware of the threat of aging. People in this age group are basically economically independent, and even a certain number of rich people are born. People in this age group spend less on clothing than people in the previous age group, but the amount they spend has increased dramatically. Their time is divided between work, friends or family, as well as fitness and beauty to resist aging. Shopping is less leisurely for them, as they are becoming more confident and understand what they need, and do not pass time aimlessly on the street. After years of experience, they have a clear idea of what style and color is more suitable for them and can get the approval of their loved ones and friends around them. Because their economic strength gradually increased, cheap and beautiful is not the main criteria to determine their shopping, they only care about value for money. At this time, they gradually become a loyal user of a certain brand, but also do not reject the small store to find goods. Therefore, this feature can be used to help companies that want to build their brand image, and do a good job in this age group, if the consumer recognition in this age group, directly affect the subsequent consumer choice, so this age group positioning of enterprises is the focus of this platform partners.

6) The market of 31-40 years old. People in this age group still have illusions, but no longer have that unworldly naivety. They are the most self-reliant and know themselves at this stage; the most mature, but not in decline; the most confident and active. Women in this age group in particular become more experienced and are no longer confused. After 30 years old, they suddenly understand what they really want, and understand how to want, they begin to know how to live with tension.

They are the most discerning of all age groups when it comes to clothing and apparel consumption, because they no longer follow blindly: they do not buy styles that do not look good, they do not buy styles that are too avant-garde, they do not buy styles that are too expensive, and they do not buy styles that are too cheap. In short, women in this age group are extremely confident and they basically talk to the world in a negative and exclusionary way, so they are a more difficult group to serve. But if this market is done well, it is also a good platform for the most stable money. This age market is best to be a brand agent, or to join a large brand chain. Because this age group of women already know how to find the right brand for their temperament, are generally loyal followers of certain brands. Brand-type companies generally have a strong own and build their own mobile applications. So the apparel companies positioned in this age group are not the focus of the platform.

7) Market above 41 years old. people above 41 years old's family and career have relatively entered a stable period, their leisure time began to increase, no longer deliberately care about their looks and body, in clothing apparel will choose those graceful and luxurious, to commemorate each day, cheongsam, Tang dress and those with elements of printing and dyeing or embroidery on the tops and pants become their favorites. This age-positioned clothing companies are not the focus of the platform.

8) Special Body Clothing Market. This market is an alternative to the above market and is more specialized in terms of apparel content. For example, there are special body clothing stores for those who are very full-bodied or too thin; there are also some clothing stores for special occasions and special purposes, such as wedding dress stores and maternity wear, uniform stores, etc. Although the scale of these customers is not large, but because they are not the mainstream of the market, offline entities do not cover a wide range of scale, the platform O2O can give full play to the advantages of online and offline, to help end consumers to "private customization". Through the above analysis, the platform mainly serves footwear and apparel enterprises: children's clothing, small and medium-sized footwear and apparel enterprises positioned in the age group of 20-30 years old, and small and medium-sized enterprises positioned in special body apparel.

③ Market positioning analysis

Platform positioning: Integrating mainstream social media and e-commerce, providing small and medium-sized footwear enterprises with easy-to-use products, helping them to attract traffic through the platform's resource integration advantages, while combining their own high-quality products and attractive prices, and repeating the platform's information promotion role for products with real potential to build brand reputation and improve product viscosity. At the same time, through coupons, points and other means to allow end consumers to obtain tangible benefits.

Competitive positioning: the current mobile O2O market is highly competitive, on the one hand, the Internet big brother BAT, invest a lot of money to build their own ecosystem, on the other hand, traditional enterprises Suning, Haier, Wanda, etc. also give full play to their offline advantages into the O2O field, and the current mainstream e-commerce platforms also increase their investment in O2O.

At present, most of the investment is still focused on local life category (catering, tourism, entertainment, etc.), retail outlets and other popular fields. This platform takes a different path, avoiding head-to-head competition with the big guys, making full use of the opportunity of the Internet big guys to build O2O ecosystem (WeChat, Ali, etc.), relying on the ecosystem, helping traditional enterprises to attract and transform, and helping enterprises to build their own competitive O2O model.

Consumer positioning: Through the previous market analysis, the target customer group of this platform is young and middle-aged people who widely accept the Internet and mobile Internet, and the main service objects of the platform are children and infant footwear enterprises and footwear enterprises between 20-30 years old in Guangdong region.

2.2 Marketing strategies

Product Strategy

We adopt the product strategy of "concentration, integration and ease of use", and focus on the shoes and apparel industry, which is more mature in e-commerce, without scattering resources and concentrating our strengths to build our core competitiveness. The products are mainly easy to use and practical, as streamlined as possible, without non-essential functions. Think what the user wants, and try to do

it, and use it comfortably.

Price strategy

Platform services for small and medium-sized apparel enterprises, so the price positioning should not be too high, the initial consideration is not to charge 100,000 Yuan for the operation and maintenance of the enterprise, and later through the platform for the enterprise to bring increased sales, and the enterprise to collect a certain sales commission, is expected to be in 2%, and strive to achieve a win-win situation.

Place or Channel strategy

Platform with the mainstream e-commerce platform and social media, such as WeChat, microblogging, Jingdong, Taobao and other ecological chain, the core of the enterprise to create a business-centric ecosystem. Through the large platform for the platform to attract traffic, the platform is committed to, open up the enterprise offline entity and online e-commerce channels, so that the online and offline integrate with each other, the goal to do the closed loop, so as to improve the overall sales of enterprises. Improve efficiency from the whole chain, rather than a channel. Fully enhance the services of the platform, strive to achieve word-of-mouth marketing, and build a reputation in the footwear industry. Adopt social network marketing model without involving middlemen.

Promotion (Promotion) Strategy

In the first phase, we will focus on serving a few high-quality customers, and improve the platform's functions and services to make it conform to the industry's characteristics and easy to use. When the core functions of the platform are more mature, for the small merchants suitable for the platform can take a reduced service fee or free strategy, with the platform traffic, and small merchants to collect a certain percentage of the commission.

Section 3

Management & Operation Plan

3.1 Management Plan

The main work in the initial stage is focused on IT and marketing. Since there is no customer and platform operation data yet in the early stage, it is not suitable to establish an operation department. Two partners co-founded the project, respectively in charge of IT and marketing. During the initial construction of the project, the IT department is mainly responsible for the product prototype and DEMO production, at this time, taking into account the cost consideration, we consider partially outsourcing or hiring two R & D personnel, the IT department is fully responsible for one partner, mainly focusing on the construction and operation and maintenance of the platform, taking into account the platform's information security considerations, the marketing department is responsible for another partner, mainly responsible for the initial marketing and platform derivative projects. The marketing department is under the responsibility of another partner, who is mainly responsible for the initial marketing and promotion of the platform derivatives, providing project support for the smooth operation of the platform.

The core members of the management team and their performance are as follows:

- 1) Marketing Manager: Partner A
- 2) IT Manager: Partner B

Partner A, graduated from Wuhan University majoring in business administration, has been engaged in FMCG industry since 2013, and has worked in food and apparel FMCG field, most recently as a marketing manager for a global Fortune 500 company. He has rich experience in the FMCG industry and has a wide range of contacts.

Main job content: 1) the direction of the platform to gate keep 2) responsible for the platform's marketing work, demand for high-quality cooperation customers, and the platform to grow together. 3) The platform's profit model and cooperation. Model partner B, graduated from South China University of Technology, majoring in

business administration, undergraduate study in computer science and technology, has been engaged in information technology construction in the field of fast moving consumer goods since graduation, has led large enterprises supply chain system projects and successfully promoted in the group, has a rich technical background, and has in-depth research on Internet technology. Main work content: 1) product demand acquisition, demand analysis, grasp product technology direction. 2) Responsible for development team management 3) platform technical architecture options, platform construction, core code writing, third-party platform API research.

O2O is an emerging field, a product of the continuous development of information technology, integrating traditional offline economy and e-commerce. It requires continuous innovation and breakthrough traditional thinking. It can be said that a continuous innovative corporate culture directly determines the vitality and competitiveness of the platform. The Internet is a highly competitive and rapidly updating field of technical knowledge. In such a field, it is necessary to have a sense of crisis at all times, continuous innovation, rapid responsiveness, and to maintain a high level of passion for work in the long term. The company strives to create a corporate atmosphere of equality, openness and collaboration. We encourage employees to innovate and create a relatively free working environment for them. Encourage employees to innovate and reward them financially for coming up with innovative ideas and eventually adopting them. Adopt flat management and equal cooperation among employees. Strive to create an open, progressive, cooperative and innovative corporate values. Take users as the center, start from users' needs and focus on doing every detail. Quickly respond to market changes.

3.2 Production Plan

Considering the business characteristics of the platform, to ensure that the mobile O2O platform can run smoothly and maximize its advantages, the platform needs to consider establishing the following departments:

(1) Product development department and operation and maintenance department: the platform belongs to the emerging O2O mobile e-commerce platform, how to ensure that enterprises open up online e-commerce and offline entities. The platform provides different forms of tools in the pre-purchase stage, in-

transit stage, purchase decision stage, payment stage and after-sales and experience sharing stage with the help of information integration. Make the real integration of online and offline, the user perceives a platform, rather than two different channels online and offline.

(2) Data department: The Company not only provides mobile application product tools to enterprises, but also helps some small and medium-sized enterprises to introduce products, promote, and promote activities in social media networks; provides consulting guidance for traditional enterprises to transform to mobile e-commerce. At the same time, with the help of the platform data to help enterprises to carry out data analysis, data mining and other work. Provide data support for enterprises' accurate marketing and product improvement.

(3) Marketing: This department is mainly responsible for industry and competitor analysis and understanding the needs of enterprise-level users. Marketing and promotion of the platform.

3.3 Operation Plan

The basic idea of the whole operation management, the platform adopts the open sharing method, cultivates the sense of identity and participation of employees, and tries not to set clear KPI, so as to avoid employees only focus on KPI indicators, but not on the real amount of business goals. In terms of performance, we implement a 360-degree evaluation system, focusing on employee mutual evaluation and customer evaluation. Create a cultural atmosphere where all customer needs are the center.

At different stages, the platform focuses on different operational priorities: the initial stage is mainly concerned with the construction of platform products, mainly focusing on smooth processes, stable operation and being able to support the core functions of customers. Gradually improve the platform functions and form its own style. Take some promotion measures to increase the customer base. At the stage of more mature platform operation, the agency operation service will be launched.

At this stage, for the platform O2O features, the operation management focuses on the following aspects: 1) Conversion rate. Conversion rate mainly refers to the rate of online conversion offline, mainly including the conversion rate of registered user

orders, payment conversion rate. 2) Purchase system focuses on customer unit price, repeat purchase rate and per capita order amount. 3) Membership system membership system: focus on the number and rate of new members, the frequency and depth of user visits, reactivation of dormant users, etc. 4) User behavior system user behavior system includes: sign-in rate Consumer's purchase behavior analysis, user's stay time in the platform, user's participation in interaction, frequency of information sharing and sharing value, etc.

Section 4

Financial Projections

4.1 Financial statement

Based on the budget of inputs and cost expenditures, this chapter will prepare the income statement, balance sheet and cash flow statement of the platform for the next 5 years (2023-2027), and the summary analysis will be made on this basis to ensure the investors to make the right investment decision.

Table 4.1 Income Statement

Item	2023	2024	2025	2026	2027
I. Operating income	400000	1000000	3500000	4392448	7168000
Less: Operating costs	227800	237600	431265	450338.3	470365.2
Operating taxes and surcharges	20000	50000	175000	219622.4	358400
Operating expenses	327800	265100	469015	482575.8	496814.5
Administrative expenses	73500	48500	133500	171849	238360
Finance costs					
Add: Gain from changes in fair value					
II. Operating profit	-249100	398800	2291220	3068063	5604060
Add: Non-operating income					
Less: Non-operating expenses					
3. Total profit	-249100	398800	2291220	3068063	5604060
Less: Income tax (25%)		99700	572805	767015.7	1401015
Net profit	-249100	299100	1718415	2301047	4203045
Dividends					
Retained earnings		299100	343683	460209.4	840609

① The platform is mainly engaged in O2O software research and development, no other business; the main business cost mainly refers to the wages of R&D personnel.

② Except for the first year, the platform has abundant cash flow every year afterwards, no need to take loans, no financial expenses;

③ Software enterprises are calculated at 5% of sales tax.

④ Operating costs mainly include marketing staff costs and some other

operating inputs.

⑤ Assuming that the platform has no investment activities and no investment income;

⑥ The income tax rate is calculated at 25%; there is no dividend in the first two years, and all the income is retained in the first two years, and 20% is retained each year in 2024 as the development fund for the next year.

⑦ The above table shows that the net profit of the platform in the first year is negative, which indicates that the first year is mainly maintained by the investment capital and belongs to the key development year of the platform; in 2023, with the successful establishment of the platform and the enhancement of the service, already the good profit model of the platform can be quickly turned into profit, and in the third year, it will maintain a high growth rate and maintain a stable profit increase.

Table 4.2 Balance Sheet

Projects	2023	2024	2025	2026	2027
Assets	560000	700000	1360000	1700000	3000000
1. Current assets					
Cash	200000	200000	200000	200000	200000
Accounts receivable	30000	50000	80000	150000	300000
Inventory					
Subtotal	230000	250000	280000	350000	500000
2. Fixed assets					
3. Intangible assets	100000	20000	800000	1000000	2000000
II. Liabilities					
1. Current liabilities					
2. Long-term liabilities					
Total liabilities					
Owner's equity	350000	350000	350000	350000	350000
Undistributed earnings		342975	343683	460209.4	840609
Total Owner's Equity	350000	692975	693683	810209.4	1190609
Total liabilities and owner's equity	580000	942975	973683	1160209	1690609

① The platform is an asset-light company, with hardware resources leased in the early stage and no shareholders' assets

② No bank loans, so there is no long-term debt;

③ There is no profit in the first year, the second year is all retained, and 20% is retained in the third to fifth years.

④ Intangible assets mainly refer to the brand value of the platform and its market value

4.2 Cash Flow

Table 4.3 Cash Flow

Items	2023	2024	2025	2026	2027
I. Cash flows from operating activities					
Subtotal of cash inflow	400000	1000000	3500000	4392448	7168000
Sub-total of cash outflow	649100	601200	1208780	1324385	1563940
Net cash flow from operating activities	-249100	39800	2291220	3068063	5604060

① Operating cash inflows mainly consist of annual platform service fee income and sales commission income after the third year.

② Operating cash outflow mainly includes platform construction, business taxes paid, operating costs such as office space rental, hardware and network rental to ensure platform operation, as well as management costs and labor expenses.

③ The platform mainly adopts the cost-focused strategy in the early stage does not involve investment and financing activities, and is mainly a one-time investment by shareholders.

④ From the above table, we can see that except for the first year, the cash flow of the platform is relatively sufficient, which provides financial guarantee for the continuous development of the platform.

4.3 NPV, IRR, ROI

Three indicators, net cash flow (NPV), internal rate of return (IRR), and payback period, will be budgeted using the financial data derived from the previous sections.

No.	Item	2022	2023	2024	2025	2026	2027
1	EBIT		-249100	398800	2291220	3068062.64	5604060.3
2	Depreciation expense						
3	Income taxes			99700	572805	767015.66	1401015.08
4	Operating cash flow		-249100	299100	1718415	2301046.98	4203045.23
5	Net capital expenditure						
6	Change in NWC	350000	230000	250000	280000	350000	500000
7	Total project cash flows	-350,000	2,100	49,100	1,438,415	1,951,046	3,703,045

Table 4 - 6 Cash flow statement of Mobile O2O Platform projection for 5 years

Yuan	2023	2024	2025	2026	2027
Turnover	2,100	49,100	1,438,415	1,951,046	3,703,045
Discount factor 10%	0.909	0.826	0.751	0.683	0.621
Cash flow PV 10 %	1,908.9	40,556.6	1,080,249.2	1,332,564.4	2,299,590.9
Accumulate	1,908.9	42,465.5	1,222,741.7	2,555,306.1	4,855,196

Initial investment 350,000 Yuan

ROI average per year = $4,855,196 / 5 = 971,039.2$ Yuan)

ROI = $971,039.2 / 350,000 \times 100 = 277.4\%$

NPV = $4,855,196 - 350,000 = 4,505,196$ Yuan)

IRR = 43.6%

Payback period on 2 years and 3 months

Section 5

Conclusion and Suggestion

5.1 Conclusion

With the curtain of the mobile Internet war, the concept of mobile O2O will gradually become a reality. O2O will become the next gold digging point for enterprises and a new blue ocean for traditional enterprises. In 2022, major enterprises are making a lot of moves. However, traditional enterprises are still facing many difficulties in O2O transformation. This platform is born in this background. It provides IT technical support for traditional SMEs to transform O2O, fully integrating the advantages of current mainstream social media, e-commerce and mobile terminals to solve various technical problems encountered by traditional SMEs on the way to O2O. This strategic plan analyzes the general environment, industry and competitors, its own advantages, marketing analysis and financial analysis of the mobile O2O platform, the following conclusions can be obtained:

First, it is a rare opportunity to enter mobile O2O at this stage. Driven by major Internet companies, the O2O concept has been initially recognized by traditional enterprises and consumers. Many companies take O2O as a new opportunity for business development and increase the investment in O2O, and the market is promising.

This strategic plan has analyzed the internal and external environment of the company and determined the strategy of "centralization" of the platform through SWOT analysis. Positioning small and medium-sized footwear enterprises in the Pearl River Delta, focusing on the development of small and medium-sized footwear enterprises in the market of children's wear, young people aged 20-30 and special wear.

Third, while using the competitive strategy of centralization to do specialization, combined with a differentiated marketing mix strategy. In terms of marketing strategy combination, mobile O2O should adopt the product strategy of "innovation, integration and ease of use", and make steady efforts to establish a good reputation

and brand influence in the region first. We should do deeper and stronger local footwear mobile O2O, and gradually form a regional brand advantage and regional influence.

Fourthly, in order to maintain the continuous competitiveness of the platform. The platform combines its own advantages, avoids the current major platforms and mainstream local life O2O fields, takes traditional enterprises as the entry point, and takes enterprises as the center, integrates enterprises' online (official e-mall, third-party mall) and offline physical resources, forms enterprises' complete, Omni channel closed-loop shopping experience, and helps enterprises and consumers get benefits.

This strategic plan also explains the project investment estimates and funding sources, and provides a more comprehensive financial forecast and analysis of the platform's operation within five years. The initial investment required for the project is \$350,000, mainly from partner funds, with a five-year NPV of 1,751,207 and an IRR of 19.67%, which is higher than the necessary rate of return. And by analyzing the risks of the platform in terms of technology, market and management, it is concluded that the platform risks are basically controllable. After the comprehensive analysis of this plan, the investment in this platform is feasible.

5.2 Suggestion

(1) O2O platform companies and offline service providers O2O platform companies and offline service providers need to revisit their cooperation models. Both of them should get to know each other's relevant information in depth through communication and dialogue, including O2O platform enterprises' field visits to offline merchants' physical stores (such as location, type of products or services, etc.) and the quality of goods or services, while offline merchants communicate and understand O2O platform enterprises' operation mode and joining methods. Also through dialogue to determine each other's willingness to cooperate. After the o2o platform enterprise and the offline service provider determine cooperation through dialogue, the o2o platform enterprise further obtains detailed information about the product or service from the offline service merchant, builds the offline merchant's web service provision interface, and ensures the effective transfer of information

between the two. Further both assess the specific risk responsibilities and determine how the benefits will be distributed. The whole process should ensure transparency of information to ensure honest and effective cooperation.

Specific measures:

1. Both parties build a platform for communication and dialogue, which can include online, offline or wireless. Online dialogue can be communicated through live chat tools or email, offline dialogue can be conducted through face-to-face meetings, etc.: wireless dialogue can be conducted through telephone or SMS, etc.

2. Both sides establish a mechanism of phase and supervision. For example, O2O platform companies determine the real situation of offline merchants by investigating the feedback from consumers of some offline merchants from time to time and whether the goods of offline merchants match the picture information uploaded on the O2O website. For offline merchants that do not meet the criteria, their membership to the O2O website will be withdrawn.

3. Both parties clarify their responsibilities and benefit distribution mechanism. Determine their own scope of responsibilities, clarify their respective responsibilities, and stipulate the way of benefit distribution, so that the consumer's service experience is traced back to the corresponding responsible party exactly where problems arise.

(2) O2O platform enterprise and consumers

O2O platform enterprises need to pay attention to consumer participation and re-examine the role of consumers in o2o operation. O2O platform enterprises need to understand consumers' service needs through communication and dialogue with consumers, and consumers also need to feedback some of their ideas about O2O interface operation through dialogue with o2o platform enterprises. Further O2O platform enterprises analyze consumers' needs, so as to find qualified offline merchants and carry out resource integration, thus making it easy for consumers to obtain relevant services easily and quickly. At the same time, since there is a risk of leakage of information related to consumers' registration on the o2o platform and also a risk of payment security, o2o platform companies should evaluate and analyze the risks faced by consumers and provide appropriate risk response strategies.

Specific countermeasures:

1. Both sides build a platform for communicating information. As mentioned above, this can be done in various ways. Such a platform ensures that both parties can communicate equally, easily and effectively.

2. O2O platform companies and consumers sign agreements related to information security and payment security. After consumers encounter information leakage or payment security problems, instead of just shirking responsibility, the O2O platform takes consumers' interests into account and provides remedial strategies for consumers according to relevant agreements.

(3) Consumers and offline service providers

Offline service providers need to re-examine the perception of the experience their services bring to consumers. Offline service providers should communicate with consumers to understand their service needs and their experience after receiving the service, so as to summarize the issues raised by consumers and make corresponding service improvements. In addition, offline service providers should try to find convenient delivery methods for consumers to obtain goods or services, such as some through express delivery. Consumers should also assess the risks associated with the products or services provided by offline service providers, such as the risk of consumers facing false positive reviews of offline service providers to hype the credit of the merchant.

Specific countermeasures:

1. Offline service providers establish virtual service discussion communities. Through this community platform to collect the service needs of consumers, or consumers proposed the corresponding service improvement design and other information, so as to aggregate analysis, innovative services

2. Offline service providers build a timely and effective word-of-mouth review platform. Through the platform, feedback consumers' service feelings, and provide corresponding service remedies for failed consumers.

Appendix

1. Store number [fill in the blank] * _____
2. Average daily order quantity (available through the system: central server - online store operations - data query - order data - assigned orders) [fill-in-the-blank] *

3. the average daily time spent on finding goods [fill-in-the-blank] *

4. the average daily packing time how many minutes [fill in the blank] *

5. the average daily amount of returned orders received (can be checked through the system: central server - online store operations - data query - order data - returned order details) [fill in the blank] *

6. the average daily processing time of the returned orders how many minutes [fill in the blank] *

7. the average daily O2O order complaint handling volume [fill in the blank] *

8. the average daily processing time of O2O order complaints [fill in the blank] *

9. whether to track logistics information after shipment [multiple choice] *
 Yes No
10. the average daily logistics tracking time of how many minutes [fill in the blank] *

11. the way to find the goods of the bill of goods [Single-choice] *
 Multi-line operation (multiple divisions to find the same order goods at the same time)
 Single-line operation (a person to find the same order goods)
 Other

References

- Bai Xiangzhi (2021). Research on marketing performance evaluation and management optimization strategy of A military industrial company. Northwest Agriculture and Forestry University of Science and Technology.
- Wang Yixuan(2021). Research on marketing strategy of infant milk powder of LWK [D]. Henan University of Economics and Law.
- Wang J. S (2021). Research on strategic management of company Y. Changchun University of Technology, doi:10.27805/d.cnki.gccgy.2021.000145.\
- Liu Jing. (2020). Study on the competitive strategy of L Company's textile business[D]. Shandong University,.
- Yan Yumin. (2020). Analysis of the development and implementation of marketing strategic plan [J]. Industrial innovation research, (21):145-146.
- Cheng Keqing. (2020). Research on competitive strategy of WS Software AG [D]. Shandong University,. DOI:10.27272/d.cnki.gshdu.2020.006615.
- Zhang Xiujian. (2020). Research on transformation strategies of T enterprises in the context of military-civilian integration [D]. Hebei University of Economics and Business,. doi:10.27106/d.cnki.ghbj.2020.000285.
- Li Mengyao. (2020). Research on marketing strategies and tactics under PPP mode of A construction company. Southwest University of Finance and Economics.
- Guo Chunmei. (2020). Introduction to marketing in the "micro era" of the Internet. DOI:10.19932/j.cnki.22-1256/f..02.034.
- Li Chao. (2020). Research on marketing strategy of Shenyang FT Joy World theme park. Shenyang University.
- Cai Erna. (2019). Study on the development strategy of Longxin Biochemical Pharmaceutical Co. Lanzhou University,2019.DOI:10.27204/d.cnki.glzhu..000109
- Li Jianghong. (2019) . Research on the application of action-oriented teaching method in the teaching of Marketing in secondary vocational and technical schools . Guizhou Normal University.
- Yang Shuai. (2018). Discussion on the rational use of marketing resources under the supply chain [J]. Mall Modernization.

- Cao Yan(2018). Research on the marketing strategy of L Company's automotive terminal connector [D]. Shanghai International Studies University,.
- Duan Fuguo(2017). Research on the development strategy of China Municipal Engineering Northern Design and Research Institute [D]. Lanzhou University.
- Li, C., Khantanapha, N., & Rattanapun, S. (2022). Express Parcel Packaging Waste Recycling Platform. **International Journal of Health Sciences**, 6(S4), 1425–1433.

Biography

Name-surname	Yu Fang
Date of birth	1979
Place of birth	
Workplace	
Position	-
Education	MBA Southeast Asia University



CERTIFICATE

Multidisciplinary Challenges in Business, Education, Innovation and Advanced Social Intelligence Forward Era 6.0 in 3rd IC-RMUTK INTERNATIONAL CONFERENCE 2023 held on 30 April – 1 May 2023 at Rajamangala University of Technology, Bangkok, Thailand.

THIS IS TO CERTIFY THAT

Fang Yu

PRESENTED PAPER ID : S6441B20013

TITLE OF PRESENTATION : **A STUDY ON MOBILE O2O PLATFORM OF SMES FOOTWEAR ENTERPRISES IN CHINA**

ASSOC.PROF.ARUS KONGRUNGCHOK, Ph.D.

Dean, International College RMUTK

SUPOT RATTANAPUN, Ph.D.

Vice Dean for Academic Affairs,
International College, RMUTK