Association for Information Systems
AIS Electronic Library (AISeL)

Summer 5-22-2013

The e-commerce application status, problems and countermeasures in Xinjiang enterprise

Qiang Zhao

School of Business Administration, Xinjiang finance and Economics University, P. R. China, zq4115@sina.com

The e-commerce application status, problems and countermeasures in Xinjiang enterprise

Qiang Zhao *

School of Business Administration, Xinjiang finance and Economics University, P. R. China

Abstract: With the implementation of the modernization of Xinjiang comprehensively promote a new round of western development strategy, improve of the network infrastructure , more and more companies start to involved in e-commerce, e-commerce has become an important means of enterprise business activities. But due to the limitations of the objective and subjective reasons, Xinjiang enterprise e-business applications is still very low, there are still a lot of problems, and the urgent need for the Government to take effective measures to intensify policy support for enterprises to develop e-commerce to create a good environment, also speed up the pace of construction of e-commerce personnel training and enterprise information.

Keywords: Xinjiang enterprises, e-commerce applications, level of information

1. THE APPLICATION STATUS OF XINJIANG E-COMMERCE ENTERPRISE

Since the beginning of this century, the strong momentum of economic development in Xinjiang, the rapid development of the secondary and tertiary industries, and increasingly frequent economic and trade exchanges between the next to the eight countries of Central Asia and the surrounding, more companies began to implement e-commerce, to change the production and operation and mode of administration, and also brought opportunities and challenges to their own development. Major B2B e-commerce operators active operation, the use of third-party e-commerce platform to help enterprises to develop e-commerce activities, corporate to through build Web sites and third-party e-commerce platform on the establishment of home, promote their products, Post Trade Leads Products trading, to understand and grasp the latest market trends, collect customer demand information and feedback to the product, enhance communication and exchange with customers and bring more traffic, reduce transaction costs, simplify the trade process, establish a corporate image and expand its visibility.

Chinese suppliers which Official large-scale e-commerce platform in China have been restored in Xinjiang opened, Xinjiang Eurasian international goods trade center was set up in the city of Kuitun, Urumqi High-tech Zone and Kuitun City won the national e-commerce demonstration base title. Xinjiang's foreign trade network http://www.xjwmw.com Asian hearts Asian Network http://www.xjjjb.com online Asia-Europe Expo http://expo.iyaxin.com" to build e-commerce the trading platform, launched online ordering, online promotions, online negotiations and other business activities. Exhibitors to sell their products to the world, to get the order to find the best partner of the international division of labor[1], effectively eliminating geographic boundaries, reducing the visible and invisible barriers in international trade, expand trade opportunities, no the restriction of religious beliefs, there is no racial discrimination, even the difference in size and economic strength of the company is no longer important. [2]Bring huge opportunities for the enterprises of the Asian and European countries, the development opportunities of living in one of the Xinjiang enterprises, the SMEs have minority areas and large enterprises the same information resources to change the competitive situation, to create a more market opportunities, and to further improve the competitiveness.

* Corresponding author. Email: zq4115@sina.com(Qiang Zhao). Research field; E-Business Applications.

According to data provided by the Xinjiang Economic Census Yearbook of registered enterprises in the computer has reached 1,331,100 units, has a website 6949 (see Table 1). State-owned enterprises with the number of computers and has a number of sites that the proportion of the highest, 73.14%, 66.8%; private sector ranked second, respectively, 10.91%, 17.6%; limited liability company ranked third, respectively, 5.03%, 7.6%. Xinjiang to achieve e-commerce procurement value 19,240,660,000 yuan accounted for 95.3%, which the Corporation; Xinjiang when e-commerce sales of $ 1,136,680,000 yuan, which accounted for 55.3% of state-owned enterprises, private enterprises accounted for 19.7%, limited liability companies accounted for 15.3 %. From the situation of the country, state, city enterprise e-commerce applications (see Table 2), In the more number of computers, a relatively high proportion of Urumqi, Yili (city), Changji Hui Autonomous Prefecture, Baying Olin Mongol Autonomous Prefecture and Aksu Prefecture; owns the site a few more, the proportion is higher than high Urumqi and Yili Prefecture, directly under the county (city);The comparative analysis of e-commerce applications Xinjiang, with the number of computers and has a number of sites more concentrated distribution in education, public administration and social organizations, accounted for 33.1%, 14.7% and 27.6%, 42.4%; then realized-commerce industry purchase amount in the financial sector, accounting for 52.1%, the mining industry, accounting for 35.9% of the manufacturing sector, accounting for 7.2%; industry when the realization of e-commerce sales amount is wholesale and retail trade, accounting for 77.9%The manufacturing sector, accounting for 14.4%, public administration and social organizations, accounting for 3.5%.

Table 1.   The registered enterprises e-commerce applications in Xinjiang

Types of registration	The number of computers (Tai)	Proportion (%)	Number of sites	Proportion (%)	E-commerce proportion (%) purchases (million)	Proportion (%)	E-commerce sales amount ($)	Proportion (%)
State-owned enterprises	973641	73.14	4642	66.8	48441	2.5	62871	55.3
Collective enterprises	6853	0.51	66	0.9	319	0.0		
Joint-stock cooperative enterprises	511	0.04	5	0.1				
Associates	807	0.06	5	0.1				
Limited liability company	66975	5.03	528	7.6	18893	1.0	17435	15.3
Co. Ltd	91237	6.85	97	1.4	1832802	95.3	361	0.3
The private sector	145164	10.91	1225	17.6	23146	1.2	22384	19.7
Other enterprises	38146	2.87	339	4.9	412	0.0	3919	3.4
Hong Kong, Aomen and Taiwan-funded enterprises	3298	0.25	11	0.2	21.6	0.0	5766.2	5.1
Foreign-invested enterprises	4512	0.34	31	0.4	30.9	0.0	932.2	0.8
Total	1331144	100	6949	100	1924066	100	113668	100

Data Source: the Xinjiang Economic Census Yearbook.

Table 2.   Parts state, city business e-commerce application status of Xinjiang,

District	The number of computers (Tai)	Proportion (%)	Number of sites	Proportion (%)	E-commerce purchases (million)	Proportion (%)	E-commerce sales amount ($)	Proportion (%)
Urumqi	407260	30.6	1753	25.2	80819	4.2	14968	13.2
Karamay	77414	5.8	165	2.4	439624	22.8	13619	12.0
Turpan	36511	2.7	183	2.6	52468	2.7		
Hami	41045	3.1	361	5.2	1435	0.1	1170	1.0
Changji	100413	7.5	549	7.9	1009	0.1	678	0.6
Yili	117260	8.8	788	11.3	8222	0.4	2069	1.8
Tacheng	52778	4.0	514	7.4	7616	0.4	9984	8.8
Altay	50422	3.8	145	2.1	109			
Boertale	37232	2.8	170	2.4	439		211	0.2

Korla	94418	7.1	602	8.7	1319898	68.6	4437	3.9
Aksu	93730	7.0	450	6.5	5843	0.3	45949	40.4
Atushi	22179	1.7	176	2.5	985	0.1		
Kashgar	85622	6.4	455	6.5	2231	0.1	359	0.3
Hetian	40985	3.1	440	6.3	3237	0.2	2521	2.2
Autonomous regions directly under the county-level cities	73875	5.5	198	2.8	130		17705	15.6
Total	1331144	100	6949	100	1924066	100	113668	100

Data Source: the Xinjiang Economic Census Yearbook.

2. THE PROBLEMS OF XINJIANG E-COMMERCE ENTERPRISE

2.1 The level of e-commerce applications is low.

Although Internet penetration in Xinjiang in recent years has been significantly improved, but due to the economic strength and technological aspects, the network infrastructure is still weak, its construction speed needs to be improved, to some extent hindered the launching of e-commerce enterprises. As of December 2010, Xinjiang's Internet penetration rate of 37.9%, Guangdong Province, the Internet penetration rate of 55.3%, accounted for 2.5% of the total number of enterprises Xinjiang enterprises have a website, well below the national average of 27.8%[3].The data from the Xinjiang Economic Census Yearbook can be seen between industries, e-commerce applications in differences across regions, most industry e-commerce sales amount small, the proportion of low level of e-commerce applications also many companies not enough yet to carry out e-commerce, some ethnic minority areas SMEs. The online survey found that many enterprises to establish their own websites, but low utilization, poor the service functions shabby effect, there is no update content pages accounted for almost half, and even some companies for many years have not updated web content, the website idle become empty shell. Most businesses use the Internet only limited publicity and promotion of business information query and corporate image, just hanging in the online business name, product name, address, contact, very few truly develop Internet marketing activities, e-commerce sexual performance not out.

2.2 Shortage of e-commerce professional talent.

With the increasingly wide application of e-commerce, we need a lot of master of computer network technology and e-commerce operations and management personnel, resulting in expertise in this area is a severe shortage. Xinjiang to open e-business undergraduate only three universities, the few graduates every year, lagging behind e-commerce professional disciplinary construction and building of teachers, professional teachers, in particular, is a serious shortage of highly educated teachers with a doctorate. Most corporate sales staff are familiar only with the traditional business, most of the e-commerce staff from the relevant professional career change, only to have knowledge or only with a knowledge of the economic management of computer network technology, there is no system to accept e-commerce training, although they would to deal with the day-to-day business, but can not meet the needs of e-commerce on the computer. Many SMEs are small scale development space is limited, reluctant to spend money on pay, treatment, and it is difficult to attract and retain professional and technical personnel, the lower the quality of staff, although paid someone to do a website, but there is no integration of business processes up professional and technical personnel deficiencies lead to the lack of maintenance and update website, e-commerce has become the "display" is difficult to play, its great strengths and potential.

2.3 Lower degree of information of SMEs.

Enterprises in the process of implementing e-commerce, human, financial, and material inputs is larger, Minority many small and medium enterprises in the region due to limited economic strength, shortage of funds and financing difficulties facing greater competition for survival than large enterprises pressure, it is difficult to

invest sufficient funds for the construction of information technology. As can be seen from Table 1, have accounted for a higher proportion of state-owned enterprises in Xinjiang with computer station number and has a number of sites, most SMEs have Internet access, but the real little information management to achieve far can not meet the development of electronic commerce needs. SMEs establish internal LAN network terminal number is also very limited, the low degree of sharing of information resources to carry out e-commerce facilities are not necessary supporting computer application is still at the level of word processing, it rarely rose to OA up and the level of ERP and Internet[4]. Pay enough attention of a number of small and medium-sized private sector managers of information construction, information technology projects launched under the pressure of business development passive line e-commerce as a secondary business development tools, not the enterprise information construction make a viable overall plan, as information technology projects continue to be launched, resulting in mutual isolation between the system and the information can not be shared, collaborative business can not, it is difficult for unified management of procurement, production, inventory, sales, finance and personnel, can not meet the actual demand.

2.4 Lack of knowledge to e-commerce.

Some business managers to rest on its laurels, the beaten track, the sense of competition is not strong, do not know what e-commerce is, do not know what e-commerce can give enterprises still competitive focus position in the physical market, access to the form of the traditional participants Product Fair orders, marketing is still clinging to the traditional face-to-face selling mode. Not fully aware of the knowledge economy era seize network virtual necessity and urgency of the market[5], is not their business to integrate specific response measures, the impact of e-commerce will not conduct e-commerce heart spare capacity is insufficient. There is already implemented e-commerce for SMEs, policymaker's lack of real understanding of the operation of the mechanism of e-commerce, and that e-commerce is on the Internet to build their own web page or website, publicity and corporate image to sell their products online. As long as the Internet will have a large number of orders related to the management and the various production processes did not keep up with e-commerce as the survival of the enterprise development to treat [6].

2.5 Related laws and regulations are incomplete.

As e-commerce is global and virtual, the need to develop appropriate laws and regulations to ensure the healthy and orderly development. In recent years, the implementation of China's electronic signature law to solve the problem of the digital signature, the new contract law recognizes the legal effect of electronic contract, so the authenticity of the online trading laws to protect the effectiveness of non-repudiation the interests of the parties to the transaction. But the relevant policies of the development of e-commerce in China is not specific enough, the appropriate standards, laws and regulations are still not complete, the existing credit system from the e-commerce requirements of the principle of good faith, there is a certain gap, the United Nations International Trade Commission and other international organizations and e-commerce-related content of the document has yet to be fully integrated into the legal system of our country. [7] Due to the lack of a unified, authoritative, nationwide, across international CA Certification Center, the lack of e-business constraints of the legal norms and foreign legal recognition of electronic payment, electronic contracts, digital signatures, Xinjiang enterprises with neighboring e-commerce of the country can only stay in the online business information exchange stage, unable to more advanced e-commerce development.

2.6 E-commerce security issues must be resolved.

Deal with a variety of electronic transactions on the open network, how to ensure the security of data transmission has become one of the most important factors in whether the promotion of enterprise e-commerce. With the development of enterprise e-commerce, online banking, electronic contracts, electronic signatures, and other applications will be more and more widely, a lot of business information transmitted online, the funds will

be through the online payment transactions both in different regions or different countries, only the network data transfer, exchange and processing of high security, in order to effectively protect business secrets from being stolen, the payment system is not destroyed.[8]Xinjiang network security technology and its certification is not perfect, corporate intranets, although the use of a variety of security measures, but still unable to effectively prevent online hacker intrusion and patronizing, often by some malicious program, virus attack, Therefore, the healthy and orderly development of Xinjiang business e-commerce is imperative that the construction of network security.

2.7 High logistics costs and small logistics enterprises.

Situated in the western border of Xinjiang, a vast territory from the inland provinces, cities are far, the lack of sea ports or global material distribution center, both raw materials imports and exports, and are required to rely on the land port or material transfer station, making the logistics high cost, but also one of the bottle necks that restrict business e-commerce development. Various reasons due to the capital, the geographical environment, logistics enterprises in Xinjiang smaller, single way they operate has not yet formed the pattern of diversification, lack of international competitiveness. Although the logistics technical level in recent years has been greatly improved, but the transport technology, distribution processing technology, and are closely related to all aspects of logistics information processing technology is still relatively low, poor logistics network can not provide the full range of logistics information inquiry, tracking, and other services, is still very much in the traditional logistics service level. Logistics enterprise management mechanisms are more backward, most still use the traditional "pyramid" type of organizational structure, a low degree of organization of the intermediate links, poor customer satisfaction, leading to low profitability. In addition, the phenomenon of fragmentation of the logistics department of Xinjiang is more serious, by different government departments of railways, transport, civil aviation, domestic trade management vehicles each department self-contained, logistics, carrying the standards and norms of the facilities and equipment not uniform, logistics invalid increase in operating procedures, logistics speed reduction and rising costs, and affect the overall effectiveness of the logistics industry.

3. THE COUNTERMEASURES FOR STATUS AND PROBLEMS OF THE XINJIANG ENTERPRISE E-BUSINESS APPLICATIONS.

3.1 The increase the policy support to e-commerce.

From the experience of the development of e-commerce enterprises at home and abroad, the government support plays an important role. Should be based on the actual situation and the problems in Xinjiang, learn from the advanced experience both at home and abroad, timely development and introduction of preferential policies to encourage enterprises to develop e-commerce, and to maintain the stability of the policy over time. Inclined to carry out e-commerce enterprises in terms of tax, credit, and administrative approval, to increase investment in network infrastructure, guidance urged the reform of the financial industry and the telecommunications industry to break the industry monopoly, to accelerate the development of electronic credit service, and reduce telecom standard tariff,[9] to strengthen social credibility system construction and authenticity of electronic transactions, e-commerce service providers supervision, strengthen the assessment and management of credit traders and certification bodies, for enterprises to develop e-commerce to create a good market environment and policy environment. Should also make full use of various means to vigorously promote the important role of e-commerce in the future market competition, business philosophy education to improve SME leadership, decision-makers' awareness of e-commerce and establish a sense of crisis do a good job in the construction of electronic commerce and a sense of urgency.

3.2 To speed up the construction of e-commerce platform and website.

Provides specialized business information services in China - Asia-Europe bilateral trade enterprises to accelerate the perfect online Asia-Europe Expo "e-commerce platform, online marketing services and electronic transaction services to help enterprises in Asia and Europe as well as Asia and Europe enterprise in Xinjiang entering Xinjiang to strengthen trade relations with other countries, to expand the international market. Learn to play "Golden Bridge", "Golden Customs", the role of the "Golden Card" project for enterprise e-commerce to provide a full range of government services platform, with the more well-known third-party e-commerce platform, reduce SME e-commerce operations in ethnic minority areas costs. The website is the online portal, is a prerequisite to carry out e-commerce, online marketing campaigns. Should actively encourage SMEs to speed up website building and maintenance, according to its own characteristics to promote their products online, the expansion of trade partners, the establishment of the database through the web site, collect and analyze information, understand the market demand trends in a timely manner, to grasp their own business and products in popular online degree, enabling to optimize the allocation of resources, reduce costs, improve competitiveness and operational efficiency.

3.3 Improve the security of online transactions certification services.

Quickly as possible to establish a national unified across international authoritative certification body tightly around data encryption technology, electronic trading technology, CA certification and digital signature key technology research, to strengthen cooperation and common development of Asian and European countries, Electronic Certification, focusing on the development of third-party involvement to encourage financial institutions to actively carry out technological innovation of electronic trading, and offers a variety of secure electronic means of payment. To build Xinjiang CA "one card pass" trust system [10], quickly as possible soon as possible enterprise application properties from the digital certificate to separate certificate issued for their different digital applications, depending on the purpose of enabling the use of a digital certificate into different e-commerce system, advancing the pace of application of digital certificates in Xinjiang business e-commerce, in order to achieve the purpose of improve the security and reliability of electronic, Companies to do online transaction security work in genuine software is installed on a dedicated computer servers, electronic trading, the Note file encryption and permissions assigned, often firewall, anti-virus software upgrade, try to only sign of large-scale e-commerce sites or visibility than high third-party e-commerce platform for trading.

3.4 Strengthen enterprise e-business personnel training.

According to the request made by the Xinjiang medium-and long-term talent development program as soon as possible to develop e-commerce development of human resources planning, optimizing talent environment, strengthen personnel training and efforts to introduce business e-commerce. Through exchange programs with the Mainland and neighboring countries, "Please come in" and "going out" combination solicit talent, to create a group of both master the modern communication technology and network technology, and to engage in e-commerce operations and management compound talents. To e-commerce personnel training into the university's disciplinary construction planning, taking institutions to train school-enterprise cooperation, social education or job training combined culture of enterprise network marketers, e-commerce project developers. E-commerce training base established in various regions of Xinjiang, to carry out the enterprise management personnel, training of technical and operational staff e-commerce applications, e-business processes and operations of basic training, as soon as possible so that they master the basic knowledge and application of e-commerce skills.

3.5 Vigorously develop the logistics industry.

New round of large-scale development of the western region should seize this rare opportunity to take full advantage of the country's preferential policies, capital and location advantages, accelerate Xinjiang with the Mainland and neighboring countries, logistics and construction of a major thoroughfare, vigorously develop

modern logistics industry in Xinjiang each regions, between cities to build the railway as the backbone branch road overland transportation network to improve the port facilities, improve customs clearance efficiency. Starting point to plan the construction of a number of modern logistics park and logistics facilities, integration of existing transport and warehousing enterprises, the development of the logistics business, combined with the need to introduce a fourth party logistics enterprise e-commerce development and implementation of standardized management, accelerate traditional storage and transportation industry to modern logistics changes in the industry, and enhance the level of service of the logistics industry. Continue to strengthen the logistics service system construction investment and efforts to transform the existing logistics system, changing the pattern of complex configuration of logistics resources, quickly as possible to complete the functional integration and the construction of the Airport Logistics Center of the Xinjiang International Railway Logistics Park, built a number of high starting point, large scale, strong radiation, the set of transportation, warehousing, packaging, distribution, processing, distribution and other functions for the integrated logistics base or logistics center, to form a regional logistics and domestic logistics and international logistics interactive development of modern logistics network system [11]continue to reduce logistics costs, improve logistics efficiency and to adapt to the needs of economic development in Xinjiang in the age of electronic commerce. Should also actively joint universities, research institutions, and logistics companies, to do logistics personnel training and reserve.

3.6 To accelerate the development of information construction and the pace of e-commerce applications.

Enterprise information technology is the foundation of e-commerce applications, e-commerce advanced applications can not be separated from the enterprise's information technology. Xinjiang SME informatization construction is still in its infancy, composed jointly by the government and IT companies, SMEs in information technology services department should be established as soon as possible, to help small and medium enterprises to carry out the work of information technology, information technology infrastructure and e-commerce facilities, and given appropriate economic subsidies and promotions. SME traditional business processes to optimize the use of modern information technology, and re-integration of internal resources, the progressive realization of the internal sharing of information resources, production, supply, sales, human resources, financial, and material resources of the electronic management, comprehensive enhance the core competitiveness. Minority regional SMEs can not wait until the electronic payment, online transaction security guaranteed consider the development of e-commerce, e-commerce laws and regulations to improve, which will likely lose a golden opportunity to recognize the world and China's current, from a strategic heighten-commerce development situation, seize the favorable opportunity, according to the actual situation of the business needs of the enterprise itself, the level of information, staff quality and economic strength, phased, step by step implementation of e-commerce.

ACKNOWLEDGEMENT

REFERENCES

[1] Liu Lan. (2002). Talk about E-commerce and International Trade. Journal of Wuhan Metallurgical Manager's Institute, 9: 3-6(in Chinese)

[2] Li Chao. (2008). The Electronic Business Affairs and International Trade in 21 Century. Market BBS, 4: 34-35(in Chinese)

[3] Data Source: (January 2011).China Internet Network Development Status Report. Beijing: CNNIC (in Chinese)

[4] Li Xiangling. (2007). Development of Guangxi SME e-commerce Thinking. Academic Forum, 5: 121-123(in Chinese)

[5] Yang Yuanxin. (2010). Shandong SME e-commerce application situation and development countermeasures, 3: 371-372(in Chinese)

[6] Qian Donglin. (2008). Internet era Zhejiang small and medium-sized enterprise electronic commerce application. Journal of Lishui University, 6: 11-15(in Chinese)

[7] Ying Xiaofan. (2011). Electronic Business on International Trade's Positive Influence and Existing Problems Analysis. Commercial Times, 11: 53-54(in Chinese)

[8] Lu Beili. (2011). Discuss on the Application and Development of Electronic Commerce in International Trade and the Strategies. International Market, 10: 68-72(in Chinese)

[9] Xiang Min, Zhang Sijia. (2008). how to accelerate the development of e-commerce development. e-commerce world,11: 48-50(in Chinese)

[10] Zhao Qiang. (2006). The Exploration of "One-Card-Pass" Trust System of Xinjiang CA. Network Security Technology & Application, 9: 40-41(in Chinese)

[11] Zhao Qiang. (May 26-27, 2012). Significance, Problems and Countermeasures of the Development of Foreign Trade E-commerce in Xinjiang. The Eleventh Wuhan International Conference on E-Business: Wuhan P.R. China: Alfred University Press. 202-209