

# Corporate Social Responsibility in e-Commerce Market is a New Competitive Environment

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**Abstract:** Based on the important policy of "poverty alleviation" in China, this paper lists the practical results of targeted poverty alleviation in rural markets carried out by the mainstream e-commerce platforms Alibaba, Jingdong and Pin-duo. By comparing the poverty alleviation stages of the three e-commerce platforms, it lists their respective strategies when enterprises fulfill their social responsibilities. From the perspective of practice, enterprise development should be combined with national policy, social responsibility and enterprise development strategy. In order to improve the efficiency of rural e-commerce poverty alleviation, we should strengthen the popularization of finance and the penetration of education. This "e-commerce + industry" model makes every individual become the subject of wealth creation, and this positive business model is more conducive to the creation of shared value.

**Keywords:** E-Commerce Enterprises; Competitive Environment; Corporate Social Responsibility; Value Creation

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## 1. Introduction

As the Chinese government promotes the integration of rural e-commerce into China's poverty alleviation and development system, "Internet plus e-commerce" has become an important channel for China to develop agriculture, promote poverty alleviation and increase income. In recent years, e-commerce platforms such as Alibaba, JD.com and Pinduoduo have taken a series of poverty alleviation measures, fulfilled their social responsibilities and made great contributions to the economic development of poverty-stricken areas. Nowadays, it has become normal and necessary for enterprises to fulfill their social responsibilities, which makes the competitive pattern of China's e-commerce industry gradually shift from the blue ocean market to the Red Sea market.

## 2. Strategic integration and value creation

### 2.1 Strategic integration

Judging from the fulfillment of the social responsibilities of the three e-commerce platforms, enterprises such as Alibaba, Jingdong and Pinduoduo have made great achievements in rural e-commerce. According to the research data from the Internet Economy and Social E-commerce Research Center ([www.100ec.cn](http://www.100ec.cn)), Alibaba has successfully incubated thousands of agricultural brands in its "thousand dollars per mu plan". Jingdong Poverty Alleviation Center, a subsidiary of Jingdong Group, has successfully released more than 3 million products in poor counties, driving 700,000 registered poor households to increase their incomes. Pinduoduo has helped register 139,600 poor families, sold 10.9 billion jin of agricultural products, and the total amount of connected transactions reached 51 billion yuan. Through the platform, more than 50,000 migrant workers have returned to their hometowns to participate in rural entrepreneurship, and more than 100,000 enterprises have received development opportunities. Through the modern production system established by the government and Pinduoduo, more than 7 million people have gained employment opportunities, including express logistics personnel and merchants on the platform. These e-commerce enterprises have played an important role in promoting China's targeted poverty alleviation, which has had a positive impact on employment and income increase.

The three e-commerce platforms have adopted corresponding poverty alleviation strategies according to their respective channels and core resources, and the poverty alleviation process has been promoted iteratively. The road to poverty alleviation for the three major e-commerce platforms has gone through several stages, each with its own characteristics. They are basically the iterative deduction of the combination of the enterprise's own development and the national macro policies, as shown in Table 1.

Table 1 Characteristics of Poverty Alleviation Stage in JD.COM, Ali and Pinduoduo

platform	stage	time	characteristic
JD.COM	Stage I	2014-2015	Mostly donations
	Stage II	2016-2018	Give priority to industrial poverty alleviation
	Stage III	2018 -2023	Logistics service+brand service
Alibaba	Stage I	2006-2013	Integration of production and marketing
	Stage II	2014-2017	The cooperation between the county and rural area
	Stage III	2017 -2023	Business model supports economic development
Pinduoduo	Stage I	2015-2017	The regular sale of agricultural products
	Stage II	2017-2019	Cooperate with the government, project poverty alleviation
	Stage III	2019 -2023	Agricultural digitization and investment in agricultural science and technology

In order to adapt to the fierce competition, the three e-commerce platforms actively respond to challenges, formulate relevant business strategies based on their own advantages, constantly innovate business models, and launch their own financial services and education projects, as shown in Table 2. This reconstructs the existing commodity circulation link to some extent and makes more effective use of production factors. As Huang Zheng, CEO of Pinduoduo, said of CSR, "On the one hand, it's our own duty; The other is the opportunity for a new generation of e-commerce."

Table 2 Comparison of Internet-related Strategies among JD.COM, Ali and Pinduoduo.

platform	Poverty alleviation strategy	financial service	characteristics	Educational project	characteristics
JD.COM	3F strategy: 1.Factory to Country Farm to Table 3.Finance to Country )	1.Wangnongdai 2.Jingnongdai 3.Country white stripes	Fast lending speed Short-term loan service project	Joint local education and training institutions; Setting up rural e-business college	Absorb talents with entrepreneurial will and assist the platform to start their own businesses.
Alibaba	10 billion poverty alleviation fund	Wangnongbao Wangnong village	Support online payment service	Establish an e-commerce training base	Enterprise training Skills training for e-commerce operators
Pinduoduo	Strategic model: Cultivate rich leaders+explore the application of science	Duoduo wallet	Installment payment, provide installment subsidy	Duoduo University	Attract talents from other places to return to their hometowns to start businesses

	and technology in poverty alleviation+innovate industrial poverty alleviation products.				and cultivate local e-commerce talents.
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## 2.2 Value creation

According to the above table, in the new competitive environment, if enterprises want to maintain a good reputation and maintain competitiveness, they must persist in combining corporate social responsibility with corporate strategic development and linking it with the company's business. First of all, the motivation to fulfill social responsibility determines the choice of social responsibility theme, that is, the e-commerce company decides to help farmers and agriculture. When some social problems are compatible or integrated with the business planning or development strategy of the platform enterprises to a certain extent, the e-commerce platform will spontaneously fulfill its social responsibilities, specifying the form and direction of fulfilling its social responsibilities. In other words, it will not be seen as a simple charitable donation, but as a new business. Will integrate, expand, and optimize the company's existing strategy to create business value and social value, as shown in Figure 1.

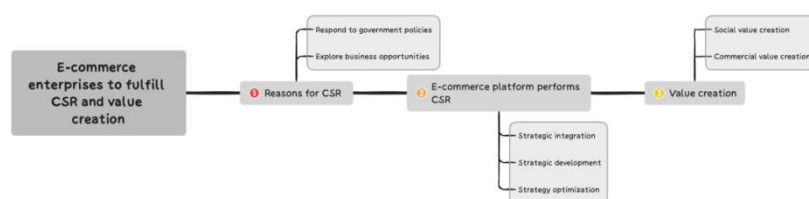


Figure 1 Creating shared value of e-commerce enterprises fulfilling social responsibilities

In this process, the e-commerce platform makes full use of resource elements, including data, traffic and data analysis technologies, and collaborates with other business units of the platform. This link does not change the basic form of the platform's operation mode, nor does it change the basic process of the platform's internal exchange and value creation. It only increases the business content of social responsibility, but requires the enterprise to bear certain traffic costs. Due to the public interest nature of these businesses, e-commerce companies have carried out various commercial explorations and practices in promoting related businesses and creating social value.

## 3. Conclusion

With the deepening of China's "poverty alleviation" work, the economic and cultural development of China's poor areas will no longer rely solely on government funds or corporate donations, but will solve the problem of poverty through the integration of various resources. Through the comparative study of China's three e-commerce platforms, it is found that their participation motivation is related to the industry competition environment, the platform's own reputation and the platform's own development. On the one hand to respond to the government's call, establish a good company image; On the other hand, it develops the market at a lower cost and rich agricultural resources. At the same time, through resource integration, the e-commerce platform improves the rural Internet financial environment, vigorously cultivates new farmers in the e-commerce profession, gives full play to the advantages of the e-commerce industry in poverty alleviation, expands the sales scope, expands the talent team, reserves follow-up force for the development of the enterprise, and promotes the sustainable development of the company.

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