# A Comparative Analysis of Thai Mobile E-Commerce Platform Based on Web 7C framework---Taking Lazada and 11street as an example.

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***Abstract:*** *Southeast Asia is the breaking point of internationalization of China's E-commerce. And it has become the urgent request for Chinese E-commerce service providers to understand and develop the E-commerce market in Southeast Asia. In this paper, the Web 7C framework is adopted to analyze the two largest mobile E-commerce websites in Thailand, and the characters of the website design, meanwhile, the successful experience gained by these two giants are stated, including the User-Centered marketing principles, emphasizing on user convenience, localized marketing methods, paying attention to user communication and communication functional convenience. The above analysis for China's E-commerce to develop international markets, especially in Southeast Asia market has a strong and meaning full revelation.*
***Keywords:*** *Mobile Commerce, Web 7C framework, E-Marketing, Lazada, 11street.*

## I.   Introduction

M-Commerce is a newly developed internet business pattern that is applied for the B2B, B2C or C2C transaction areas, utilizing smart mobile phones and mobile terminal equipment. Globally, China is now leading the M-Commerce and becoming the tender-setter, and even the real leader of this industry. And we have noticed that there is no more free space for the M-Commerce business to expand within Chinese market for its rapid development. There for, international market and overseas expanding are now become the urgent issue that appear on those Chinese merchants' business paper. Alibaba is a typical player in Chinese M-Commerce, representing those Chinese M-Commerce companies, they shift their business targets against the overseas markets timely.

During the globalization trend, the southeast is surely become the first target step for its attractive features in the aspects of closer culture and the geographical position. Let see Alibaba, they have been expanding their M-Commerce business in the southeast countries in recent years by acquiring corporations and joint ventures, aiming at raising their E-Commerce, logistics, payments developments and other related areas. And they have achieved remarkable growth by doing so. From this point, we could find that the Southeast Asian is important to Chinese E-commerce enterprises for its exemplary functions, and it is also attractive, waiting for the further explorations.

In this paper, the Web 7C framework is used to analyze the two largest mobile e-commerce websites in Thailand that is an important member among the Southeast Asian countries, hoping to provide some valuable reference for those potential Chinese companies who plan to explore the Southeast Asian market.

## II.  The Features And The Unique Advantages Of The M-Commerce Website Business.

### 1.1     Features

Nowadays, people are more likely to access into the internet and treat their business with mobile terminals. Within this paper, the following outstanding features are released through deepen explorations and detailed studies of mobile internet technologies.

1. The users could search the target information then complete the transactions at any place in any time.

2. The users could receive and send E-mails, instant messages and exchange files conveniently, profiting from the application of the mobile internet.

3. Depending on the adoption of the GPS (Global Positioning System), the internet service providers could obtain the users locations more precisely and then provide them with the related information or services properly, like tourist spots, nearby hotels, restaurants, etc.[1]

4. Since the SIM smart card and the WLAN are exclusively connected by the personal mobile terminal device, it is convenient for the service provider to collect the target users information. Merchants build the database

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from the mobile data and users transaction preferences, using data analysis and data minging machines to serve those target users more accurately.

### 1.2 The unique advantages of the M-Commerce website business.

Mobile E-commerce website refers to some business applications within mobile smart phones and portable tablet computers. These applications are built by the internet companies under the mobile internet technologies. For the users, they could access into the internet and go shopping at any place in any time by sign in through those applications, leaving with the relevant information within the mobile client login mobile e-commerce websites.

#### 1.2.1 More convenient for the M-commerce websites to develop shopping functions.

*Through the evidences released from the Paypal public research paper and the global consumer behavior report issued by Ipsos in 2016, we have noticed that smart phone, tablet computer and some portable devices are more acceptable than those traditional PC devices, since the mobile devices are easier to carry. And they have become the fundamental demanding for both individuals and enterprises. Customers could receive and share the information through the mobile devices, breaking the limitation of the location and time. With the development of the popularized mobile E-commerce websites, the customers could buy the products they need globally via the portable terminals and complete the payments, even inquire the logistics information of the products online within minutes. For the customers, they could go shopping between the works, on the way home or during the meal via built-in APP. Obviously, those traditional PC terminals can not reach such high efficient service, and the M-commerce will definitely become the future trading model.*

#### 1.2.2 M-Commerce websites expand more marketing channels for service providers.

Today, the M-Commerce shopping websites for portable devices are of extremely high competitiveness. With the popularizing of the mobile smart phones and portable Pads, people's shopping behaviors are changing gradually. Promoting the layout of M-Commerce marketing channels is now become an important method for those E-commerce enterprises to expand and explore their online business, and it is also one of the future direction where their profits come from. One appropriate M-Commerce shopping website with well developed and designed functions could greatly attract and draw the fragment times from the customers, then integrate those breaking times into a mobile shopping moment for the customers, creating the fragment shopping demanding for those enterprises in line. From the sellers side, this could enhance the competitiveness of the company through proper products arrangements and selections together with the ordinary trades. As to the Thailand market, more effective and valuable inquires are collected from the customers, it is helpful for the enterprises to widen and explore new marketing channels and sales.

#### 1.2.3 Abundant data promotes the realization of accurate marketing.

With the development of the internet E-commerce, more and more companies are entering into the mobile E-commerce websites business. As one mobile terminal or device is exclusively matched with the very customer, after the installation of the APP and sign up, one customer could do anything he or she wants concerning shopping. Meanwhile, the developer of the website, namely the enterprise could obtain the registered information and browsed products details from the customers in order to confirm the psychological characters, interests, likes or dislikes and shopping favorites. A date analysis against the customers shopping behavior is made for the enterprises from these records. Besides, the service providers could classify those customers via their orders and arrange the accurate sales pattern or marketing plans. Furthermore, the APP could automatically transmit some products AD. for those potential demanding of the customers, thus creating some potential buying possibilities rather than overall advertising activities who bring lower advertising outcomes and rebarbative feelings.

As a kind of newly developed marketing method, it is necessary and important for those middle sized companies to excavate and find the real demanding and needs against the very customer characters and develop the mobile marketing tools effectively. After that, the M-commerce websites could become the often used APP for customers, promoting the broader brand influence among the market.

## III. Descriptions Of The Web 7c

According to the study from Rayport and Jaworski (2001), an effective and well designed commercial website shall be able to provide the customers with valuable information that could fit the customers demanding, draw the potential attentions from the customers. Normally, a valuable E-commerce website shall be contained with the following 7 aspects or more.[2]

(1) Context is the basic atmosphere that crates the interface between the users and the APP. A functional context with pleasure looking. A directional user friendly interface and detailed information of the core business. A pleasure nice looking could bring the attractiveness.

(2) Content is the key point to delivery the valuable services to the customers, including words, voices, videos, images and charts, etc,. A complete and timely updated detail products information and service items, together with speed-up flash media loading.

(3) Community is a function that the users could communicate with each other. The website must support the function of freely communicate among users in the form of chat room or message board. For example, Webboard, Pic Post, Live chats, Blog, News Group, Chat Room.

(4) Communication refers to the messages and information exchange between the website service providers and the customers. By E-mails, the users could submit and communicate with the service providers online.

(5) Connection refers to the links between the website and the other related websites extensively.

(6) Customization is a special function who could bring the very customized needs to the users, allowing the users to access into registry and login activities, some like fonts sizes, backgrounds, colors, context, languages and favorite shops attention functions.

(7) Commerce is the online sales of the products, concerning the registration, shopping cart, payment and the selections of the delivery ways.

Those 7 basic aspects are the framework of the designed WEB 7C that work under the users oriented commercial website principles that supports the building of the website, besides, they reflect the key idea of the marketing website. In this paper, the Web 7C framework is used to analyze the two largest mobile E-commerce websites in Thailand.

## IV. Present Situation In Thailand Mobile E-Commerce And Main Website Platforms
### *1.3     Present situation in Thailand mobile E-commerce*

In recent years, Thailand E-commerce business is increasing day by day. It is considered as the great E-commerce market in the southeast Asia with fastest developing speed. According to the ETDA reports, the E-commerce market reaches 210 billion Thai Baht (B), namely 381.8 million Yuan in 2015 with a 3.65% yearly increase than 2014. In the research, we found that B2B business market is 0.34% lower than 2014, but the B2C and B2G business are 15.29% and 3.96% increased respectively.

Within these increasing data, the smart phone based mobile shopping is becoming more and more pluralized. Through the evidences released from the Paypal public research paper and the global consumer behavior report issued by Ipsos in 2016, we noticed that within this internet commerce behaviors research that is made over 32 countries and more than 28 Million   Thailand customers including 800 Thailand user groups, the data releases that China 47% and Thailand 46% are 2 main countries whose customers go international shopping through smart phone in the Asia pacific area.[3]
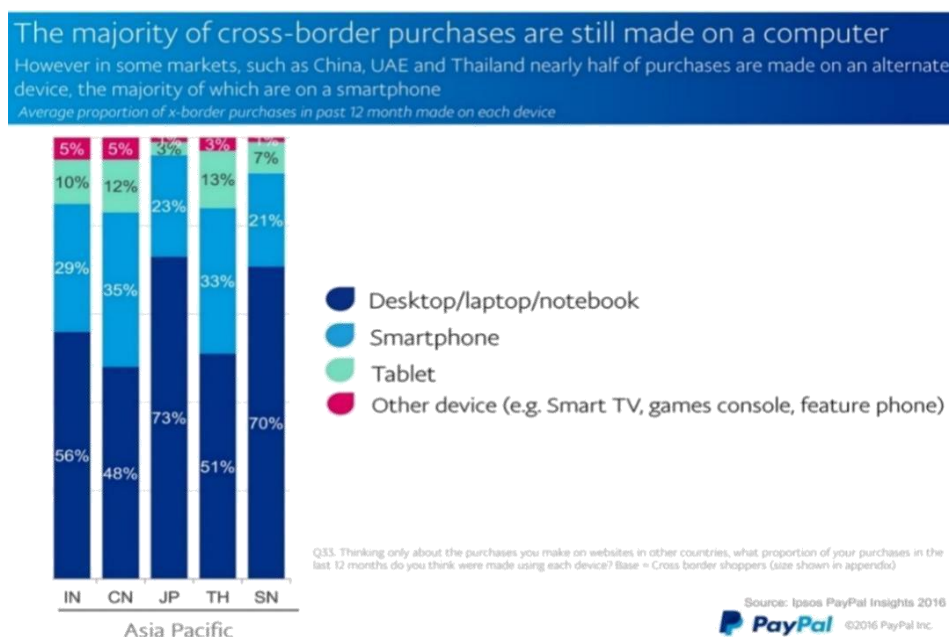


**Figures 1.** A rank of Thailand smart phone users, compared of Asia-pacific area countries, 2016
Source: Ipsos PayPal Insights 2016[3]

### 1.4 Main mobile E-commerce platforms

According to the data released from the institute of ecommerceiq.asia, the following 10 E-COMMERCE websites are Lazada TH , 11street , JIB , Advice , Cmart , Central TH , Zalora/TH , Tesco Lotus , Orami TH and the Munkonggadget, in them the top 2 websites are Lazada TH and the 11 street.



**Figures 2.** 2016-2017 Monthly B2C Web Traffic in Thailand[4]

https://ecommerceiq.asia/top-ecommerce-sites-thailand

On the date 11th April 2017, Similar Web and App Annie issued some reports, saying that the statistical analysis of the mobile APP download quantities from IOS and Android are as follows in Figures 3



**Figures 3.** Top C2C and B2C Ecommerce Sites and Apps in Thailand[4]

From the analysis of the above, we could see that the Lazada/TH and the 11 street are the 2 main E-commerce service providers who are in charge of the Thailand market. In this paper, we find these 2 E-commerce service providers to state the present situation and features because they are high representative in the market.

## V. Comparative Analysis Between The Lazada /TH And The 11 Street Against Website Design.
### 5.1 Basic conditions: Lazada[5]

Lazada, a copy from Amazon company, was originally founded by German Rocket Internet AG in 2011, which was earlier than Japan giant Rakuten. After the foundation, Lazada became the biggest e-commerce website in Thailand within 5 years for his rapid development, and now, it is also the largest E-commerce platform in the southeast Asia market. Lazada is open to the worldwide, covering Malaysia, Indonesia, the Philippines, Singapore, Thailand and Vietnam, 6 countries in all. The main products in Lazada can be divided into 5 groups, they are fashion items, living products, sports items and outdoor products, health care and beauty products, music/video, TV Games and some handy tools. In 2015, there were more than 40 thousands registered

sellers, and 60% trading volume was made through mobile terminals. This was balanced with the outcome from Alibaba in the 3rd quarter of the year. In the last April, Lazada announced that more than half of the corporation stocks was under acquiring by Alibaba that is now negotiating with the Lazada against the acquiring issues.

### 5.2 Basic conditions: 11 street[6]

The 11 Street is an E-commerce shopping center under Korean SK Plane who brought this website into Thailand on the 21st December 2016t. According to the research made by the Nielsen Korean Click, the 11 street (also called the Korean Street) ranked among the top three most popular E-commerce websites in Korea, second in Thailand, having more than 7 million user browses from PC website, Android applications and Android mobile website separately. It is considered that until the end of 2017, the 11 street will draw more than 110 thousands sellers except for the 2000-3000 Korean international shops, moreover, it is estimated that more than 20 million users or customers will enter the 11 Street via website or mobile APP terminal. Korean fashion make-up, clothing, living products, music/video products, digital mobile terminals and some household electrical appliances are the main items in the 11 street.

### 5.3 A Comparative Analysis between Lazada and 11 Street, the marketing oriented commercial mobile website built with WEB 7C framework.

As 2 giant E-commerce service providers in Thailand, obviously, the design of the website of Lazada and the 11 Street are direct marketing oriented, winning remarkable sales results. Based on the 7C framework (Rayport&Jaworski,2001), the writer focuses on the features, analyzing those points by state and comparing them respectively. A successful mobile E-commerce APP is made of these 7C aspects who influence each other and combine together as well. Details shown in Table:

| Compared aspects | Lazada[7] | 11street |
|---|---|---|
| 1.Context | A function oriented website with the User-Centered Design that places the most importance on the customers demanding and its related convince, providing easy going mobile access website. | A balanced website with pleasure looking and necessary functions that support guiding tools and clear layout. An attractive interface with simple operational functions. |
| 2.Contents | The web contents are consist of products promotion information with massive item details(E-Voucher).An attractive item content could draw the attentions from the users. | A promotional marketing website with E-VOUCHER or other discount tickets. It draws the users eyes by nice images and charming AD. |
| 3.Community | The comments submit is allowed through website online function, including news sharing and experience exchanging. With the purpose of helping and promoting the sells. While the communications among the users are prohibited. | Also the comments submit is allowed, beside, the website develop a function who supports the user image uploading and related comments review, and this could serve the reference for the users to buy. |
| 4.Communication | As to the Q&A problems, the users could contact the service center or directly connect to the seller through emails, hot line and the service telephone on line | A service line is provided for the users to contact, or you could select the public or personal option to communicate with the people against Q&A. |
| 5.Connection | Various brands are connected the interface, the users could simply click the logo and then access into the related brand products. | Also easy for the users to find the brands or products they want by clicking the brand logo links. |
| 6.Customization | The users profiles could be modified as they want through the simple function sets. The users could add attention on the same or related products, but the shop collection function is not allowed. The price comparing function is easy and clear for the user. | Some basic information within the users profiles are allowed to be modified, also the attention adding function is released for both of the products and shops, providing a price comparing service. |
| 7.Commerce | One could simply click the product image and add the clicked products into your shopping cart, then you follow the simple designed steps to complete the commerce with the matched popular payment methods, 9 selections in all. For the Thailand users, the payment after delivery is the main option. The logistics efficiency is lower. | Product image and add the clicked products into your shopping cart, then you follow the simple designed steps to complete the commerce with the matched popular payment methods, 6 selections in all. Presently, the payment after delivery option is valid for only 3 provinces within the Bangkok. The logistics efficiency is lower. |

**Table :** the comparing between Lazada and the 11 Street against web 7C framework.

## VI. Discuss And Conclusion

### 6.1 Issue discussion between the Lazada and the 11 Street

After the comparison against the 7c website design, we have obtained the following conclusions:

(1)In website structure design: both of the Lazada and the 11 street are User-Centered Designed that emphasizes the users requests, namely the convince.

(2)In website content supply: the styles are almost the same for both of the Lazada and the 11 street, focusing on the products information display, promotions update, customer service and various of sells and so on. These 2 platforms are market place based E-commerce websites, while the 11 street combines the market place with the E-voucher Deals together.

(3)In community design: the Lazada do not support the function of image reviews uploaded by the users or the customers, or even the comments of the images is still not available, and the 11 street could fully performance such personal communicate function who adopts the same pattern and allows the users to share their comments.

(4)In communicate function: some special communicate functions, like Q&A, are located at places that are clear and easy for the users to find the links, while the Lazada provide the customers with more convenient customer service communications through Line connections.

(5)In connection function: for most of the E-commerce market place, the outside links are not available normally, since the enterprise wants to draw the customers to stay within their own websites.

(6)In Customization function: It is very important for the service providers to build a shop attention adding and products collecting for the users. We found that the 11 street website stimulates more personal and customized user interface than the Lazada.

(7)In commerce function: both of the 2 websites generate some problems in the aspect of payment and item delivery. And we have noticed that massive but easy payment and swift but safe goods delivery are the common issue in the Thailand internet commerce industry.

### 6.2 Inspirations from the Thailand E-commerce situation for the Chinese E-commerce development.

As foreign E-commerce market places, the Lazada and the 11 street are popular and successful in Thailand. It brings us some helpful inspirations after the analysis of their design characters and features for the Chinese website companies, concerning the design improvement, foreign market localization and international business promoting. Here summarizes as follows:

1）In structure design: the user-centered mind shall be planted, emphasizing on the website convenient usages. From this point, be familiar with the local user habits and enhance the localization are helpful for the enterprises in line.

2）In website content: a marketing centered idea shall be the dominating

principle of the web design, exploring more patterns that match the local users shopping favorites fully. From the general experiences obtained by the Lazada and 11 Street, E-voucher and discount marketing method are available and bring the better outcomes.

3）In feedback and communicate aspect: it is very important for the service providers to set the easy feedback and mutual communicates functions. Compared with the 2 E-commerce giants in Thailand, the reviews and feed backs in the form of image is more popular. Moreover, the convenient Q&A service and online instant communicate are also popular and accepted by the customers.

Online payment and goods delivery system may be the 2 great powers, promoting the Chinese E-commerce enterprises into the global market. Now, the online payment is not so popular among the Thailand customers, and it needs time to accumulate the online payment habit. No matter the Lazada or the 11 Street, a common user hope that the service provider could build a trustful delivery system, logistics system and after service system, since they are important and play an key role who promotes the buying and commerce. In these 2 areas, Chinese E-commerce are of rich experience and functional operation system. We believe that the Chinese internationalization business will be greatly pushed by these 2 powers.

## VII. Conclusion

In this paper, analyze is made between the two largest mobile e-commerce websites in Thailand based on the Web 7C framework, concerning their characters and problems. Generally, the Lazada and the 11 street are popular and successful in Thailand. It brings us some helpful inspirations after the analysis of their design characters and features for the Chinese website companies, concerning the design improvement, foreign market localization and international business promoting, especially the southeast Asia market.

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