

E-commerce Logistics Wealth Risk Control

Zheng Xiaoqiong

Hainan College of Economics and Business, 571127, China

Keywords: E-commerce; Logistics; Risk

Abstract: Logistics has become the bottleneck restricting the development of e-commerce. Through the analysis of the current situation of e-commerce and its logistics service mode, this paper expounds the methods of choosing logistics service mode for e-commerce enterprises. This paper establishes a series-parallel product logistics risk control model, and puts forward what risk factors should be strengthened in each link of product logistics distribution in order to make the system more reliable and not easy to break the chain. The research shows that in the e-commerce environment, the basic form of logistics market development and the basic concept of risk management can be discussed to improve the market development and risk management capabilities of logistics enterprises. It is necessary to strengthen the logistics construction and logistics coordination network, and vigorously develop third-party logistics and fourth-party logistics, and at the same time improve relevant policies, laws and regulatory systems.

1. Introduction

Circulation plays a connecting role in the development of national economy. It is the link between production and consumption. Commodities realize value-added through circulation [1]. The best realm of e-commerce is to build and develop a socialized logistics distribution center with the main characteristics of commodity agency and distribution and the organic combination of logistics, business flow and information flow, and to establish an e-commerce logistics system so as to make all kinds of flows unimpeded [2]. Logistics centers are required to operate and manage according to the characteristics of "multi-varieties, small batches, multi-batches, short cycle" of consumer demand [3]. If it is self-built logistics, the cost is extremely high, and the payback period is too long; if the supporting logistics can't keep up, the cost of customer loss is also very high; in order to meet the logistics service, the current logistics cost is very high [4]. At the same time, in order to improve the customer experience, e-commerce companies with their own planting bases will choose to grow more varieties of fruits and vegetables, the cost is unimaginable [5]. As the only logistics link that needs to be completed face-to-face, it is outsourced to logistics or express delivery companies [6]. The service level of the outsourcing company and the quality of the service personnel often determine the success of the transaction. Because the service quality of the outsourcing company is difficult to monitor, it brings many risks to the e-commerce enterprise [7].

2. Materials and Methods

The development of e-commerce can promote the rapid development of modern service industry and accelerate the transformation of traditional enterprises, expand consumption, and promote small and medium-sized enterprises, even retail investors and farmers to enter the large market. It plays an increasingly important role in the development of national economy and society [8]. Develop a set of actions for risk-prone and circumvention programs; risk tracking: monitoring quantitative indicators and circumvention programs. Risk control: If the current service project environment and risk change, develop a corresponding corrective plan; risk sharing: make the risk management information in the service project can be shared.

The origin of logistics risk has evolved from simplification, internalization and simplification to diversification, externalization and complexity. China's e-commerce logistics risk source breaks through its own logistics risk and enterprise internal logistics risk. When risks arise, it is necessary

to decide whether reasonable actions must be taken to reduce or avoid risks and reduce the impact of risks. Designate a corresponding preparatory plan to be fully aware of and understand the risks that occur. At the same time, using China's special national conditions, we have broken through the international practice of only private capital, and raised funds through the issuance of venture capital bonds and appropriate foreign investment. Improve the exit mechanism of venture capital, achieve a virtuous circle, reduce the financing costs of SMEs, and obtain a higher risk-reward ratio.

Faced with the uneven third party logistics companies, Taobao has enough voice. But nowadays, with the increasing importance of user experience, owning its own logistics network can not only guarantee the quality of service, but also have sufficient capital to maintain a strong position for those third-party logistics companies which are increasingly not "obedient". The evaluation index of logistics risk is either comprehensive logistics risk index, which is not specific and detailed enough, or mainly concentrated on the KPI evaluation index of logistics service providers, while the distribution risk of e-commerce terminal is not limited to KPI. It should also include other risk factors related to logistics in the internal and external environment of e-commerce companies. Every circulation of products from supply to consumption is realized by logistics. Every circulation link has logistics risks. When the logistics risk exceeds the controllable range, it will cause logistics accidents, that is, logistics insecurity will occur.

3. Result Analysis and Discussion

Risk control and management is not an independent process, it runs through the whole product logistics system, and is an important process that can create direct economic benefits. The front and back logistics management methods and technologies of e-commerce logistics system service platform are used to meet the systematic operational needs of production enterprises, logistics enterprises, sales enterprises and even consumers in the whole supply chain. Through the influence of the entire distribution chain, on the basis of solving the enterprise logistics, integrating various social resources and improving their own logistics capabilities, either the logistics business will be partially or fully entrusted to a professional third-party logistics company in the form of a contract. Realize the sharing of logistics information and the full use of social logistics resources.

Bad environment not only affects people's behavior, but also has a negative impact on things. In the circulation chain, the environment includes not only the internal environment of the circulation chain and each node enterprise, but also the external environment they are facing. In addition, there are social and natural environments. Because e-commerce companies themselves are good companies that do information technology. If you want to do business with them and outsource their logistics, there must be an information system and its docking to provide him with real-time data. And this most direct benefit drive is an opportunity for the smooth development of information technology in the logistics industry. Co-funding construction or renting distribution centers, formulating common plans, co-delivering, and using distribution vehicles together. Through the contract, the parties form a logistics partnership with complementary advantages, two-way or multi-directional flows, mutual trust, shared risks, and shared benefits. Development service targets are generally medium-sized business and manufacturing companies.

In the risk analysis of e-commerce, most researchers use analytic hierarchy process (AHP) and fuzzy analysis to quantitatively estimate and evaluate the risk of the transaction process. Because the analytic hierarchy process can refine the evaluation index system and weight system of logistics risk in e-commerce terminal distribution, making it more objective and reasonable. The two-way comparison method can improve the accuracy of evaluation and the level of risk management by analyzing and processing the results. SMEs can learn from selected interest rates. Financial risk management methods generally include three types: forecasting methods for interest rate trends, methods for measuring interest rate risk, and methods for avoiding interest rate risk. Maintain or improve business operations coordination. Development service targets are generally large and medium-sized trade and manufacturing companies. With its expertise, third-party logistics companies provide an opportunity for their clients to take advantage of external resources to handle non-core businesses and focus on their areas of excellence.

4. Conclusion

This paper studies the wealth risk control of e-commerce logistics. When evaluating logistics risks and choosing logistics service providers, we should choose a reasonable and effective evaluation method instead of a completely subjective brainstorming method or a simple and one-sided scoring method. It is hoped that these risks can be avoided to the greatest extent and more wealth risk factors can be found to make the operation of products more efficient and rapid. However, the application of this model has its limitations, and it needs more perfect elements of risk control standards to assist in the establishment of a more general risk control model. Increase the collaborative communication of the main parts of each link, and coordinate, synchronize, cooperate and complement each other through multiple aspects of product production, warehousing, sorting, warehousing, packaging, transportation, distribution, etc., to build a complete e-commerce logistics collaborative network. Linking the reality, continuously improving the market development and risk management capabilities of logistics enterprises, advancing with the times, pioneering and innovating, can enhance competitiveness and achieve sustainable, steady and efficient development of enterprises.

References

- [1] Hui Y V, Leung L C, Fu G, et al. Designing a fourth-party E-commerce logistics center: a benefit, cost and risk analysis using AHP and ANP models. *International Journal of Internet and Enterprise Management*, 2003, 1(1):53-74.
- [2] Ramanathan R. The moderating roles of risk and efficiency on the relationship between logistics performance and customer loyalty in e-commerce. *Transportation Research Part E: Logistics and Transportation Review*, 2010, 46(6):0-962.
- [3] O'Brien, Thomas. Globalized Freight Transport: Intermodality, E-Commerce, Logistics and Sustainability. *Journal of the American Planning Association*, 2008, 74(4):525-526.
- [4] Li L, Meng Q Y. Application of Computer Technology in the Design of the Third Party E-Commerce Platform. *Applied Mechanics and Materials*, 2014, 608-609:580-584.
- [5] Mou J, Shin D H, Cohen J F. Trust and risk in consumer acceptance of e-services. *Electronic Commerce Research*, 2017, 17(2):255-288.
- [6] Rabinovich E, Rungtusanatham M, Laseter T M. Physical distribution service performance and Internet retailer margins: The drop-shipping context. *Journal of Operations Management*, 2008, 26(6):767-780.
- [7] Cox A, Chicksand D. The Limits of Lean Management Thinking:: Multiple Retailers and Food and Farming Supply Chains. *European Management Journal*, 2005, 23(6):648-662.
- [8] Hueske A K, Guenther E. What hampers innovation? External stakeholders, the organization, groups and individuals: a systematic review of empirical barrier research. *Management Review Quarterly*, 2015, 65(2):113-148.