

Research on the Current Situation and Strategies of the Internet Home Decoration Platform under the New Normal

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Abstract: With the continuous development of the Internet, now in the home decoration market of China, a new business model has gradually attracted people's attention. That is the Internet home decoration platform which has aroused heated discussion among citizens. As a new form of e-commerce marketing, the platform can bring huge convenience to consumers and provide them with more channels to choose decoration and building materials as well as decorating companies. It can save consumers' time and energy to a large extent. But there are still many problems in the actual operation process. This paper analyses problems existing in the current model of Internet home decoration platform, and puts forward corresponding solutions.

1. Introduction

The continuous development of the Internet also promotes the changes of business model; the Internet business model comes into being under that situation. With the popularization of e-commerce, the business model of O2O is gradually accepted by citizens. Because of its unique advantages, the Internet business model is widely used in catering, tourism, shopping and other fields. In recent years, it has gradually extended to the home decoration industry. The emergence of the Internet platform makes the home decoration industry more standardized and transparent, brings more convenience to people, and is favored by the majority of consumers. However, the current Internet home decoration platform also encounters bottlenecks in the process of development. Further measures are needed to solve these problems. Therefore, it is very necessary to analyze problems of current Internet home decoration platform are put forward to corresponding solutions.

2. Advantages of the Business Model of Internet Home Decoration Platform

According to the 12th Five-Year Plan of China's Architectural Decoration Industry, the total output value of domestic decoration industry reached 380 billion yuan in 2015. It can be deduced that, at present, the output value of China's residential decoration industry is about 1.9 trillion yuan. It can be seen that the prospects of home decoration market are very optimistic in China. The trade volume of online home decoration accounted for 8.3% of the overall scale; we can say that the Internet home decoration platform develops very well and has considerable prospects. The Internet home decoration platform is often a typical business model of O2O, which refers to the combination of offline business transactions and the Internet, so that the Internet can become a front desk for offline transactions. Customers are attracted through online; services are provided offline. Consumers can screen services and pay fees through the Internet. At present, the main methods of Internet home decoration are product suppliers and service providers, including designers, decoration companies, building materials providers and so on. These home decoration services are diversified; companies can provide all services consumers needed through the platform. Consumers can screen home decoration services and book door-to-door services online; after signing contracts they can obtain offline decoration services. In this process, the Internet platform mainly makes profits by advertising for distributors and utilizing the rent of advertising. Home decoration services include the choices of home decoration companies and the decoration design, the signing of contract, the selection and purchase of materials, the onsite construction process and many other links. The service contains a lot of procedures and needs to take long periods of time; meanwhile,

the supply is relatively loose. Therefore, the Internet platform can integrate a large number of offline service resources and provide consumers for good home decoration services which can meet all of their requirements on home decoration.

3. Targeted Customer Demands and the Value of Home Decoration Platform

In order to do well in the home decoration industry, we need to analyze the needs of target customers at first. Home decoration industry is an industry with obvious business nature; customers have distinct characteristics. Unlike other industries, the characteristics of customer groups are changeable. For the home decoration industry, there is not much difference between customers, no matter they are men or women, old or young, living in the first-tier cities or small towns, having money or not. Many people don't understand the industry of home decoration very well, which is a normal phenomenon. Therefore, all customers can be as called as green hands in home decoration. Then users can be grouped according to their ages and cities they live. Users in first-tier metropolitan areas generally have higher requirements for home decoration; they also have higher recognition on the Internet platform. While in third and fourth-tier cities, traditional home decoration is mainly used. From the age dimension, users born before 1985 have a lower acceptance of the Internet platform and are generally more sensitive to the price, while those born after 1985 generally have a higher acceptance of the Internet. Their greatest demand for home decoration is worry-saving. Since the objects of consumption are decoration products, the home decoration platform should contain information about home decoration styles. Customers can then be targeted by the platform according to the business. For instance, the whole set of home decoration package is a service launched in recent years. With the characteristics of worry-saving and relatively high cost, it is mainly targeted for young people. The half-contract business is mainly targeted for middle-aged people, since this mode is relatively cost-effective, but needs the participation of customers. Consumes a certain amount of energy. Therefore, middle-aged people after 60's and 70's compose the main consumption group.

In addition to the user side, the Internet platform also needs a server side. The servers vary in different Internet platforms. Different servers are provided for the decoration platform, the designer platform and other platforms. These decoration companies, decoration building materials suppliers and home decoration designers have similar requirements on the platform. The biggest demand is that the Internet home decoration platform can bring them accurate customers. With the increase of customers, their income will also grow. For example, in the traditional home decoration service, the foremen take orders in the decoration company, so they can not build up a good brand. Through the Internet platform, the foremen can have more opportunities to face customers and build their own reputation. Home decoration customers can directly communicate with the foreman. That mode is faster, cheaper and more convenient than the method of communication through third-party decoration companies.

At present, the main demand of consumers on Internet home decoration platform is to obtain convenient, fast and low-cost services. Considering the characteristics of the current home decoration industry and the features of the target population, customers have many demands on Internet home decoration, which can be roughly divided into the following points.

They can book decoration services rapidly and conveniently; through the Internet they can quickly search for decoration services that meet their own requirements.

There is a high demand for the brand reputation of the service-side; the quality should be guaranteed.

The Internet home decoration platform should stand on a neutral position and help customers to select decoration companies as well as building materials more accurately. It should not just pay attention to advertisement income and recommend home decoration companies with low quality.

Users can get accurate quotations through the Internet platform. They do not want the actual price to exceed the bidding price in the follow-up service process; they do not want additional paid services, either.

They want to see the specific procedures and the final effect of the decoration; they need to know

about the problems and situations of service providers through the platform. The platform and service providers cannot be in the same interest group.

If they encounter problems in the process of home decoration, they hope to solve them through the platform. Effective feedback channels should be established to collect the customers' complaints and solve their problems as soon as possible.

Similarly, the Internet home decoration platform also needs to provide corresponding services for home decoration customers. The main value is shown in the following aspects.

Home decoration platform can provide complete and previous information, including the basic information of designers, foremen and building materials suppliers. As long as customers need information, they can find them through the platform.

There should be a low-cost reservation service. Customers can make comparisons between service providers through information provided by the platform, and make reservations for the home decoration services, so as to solve the problem of users cannot find decoration companies conveniently.

The platform can provide basic guarantee for all aspects of home decoration service, review the qualifications of home decoration companies and factories, designers and building material providers, and take the initiative to solve problems when disputes arise.

4. The Current Situation and Problems of the Internet Home Decoration Platform Model

Although the Internet home decoration platform can provide a complete set of services for customers to meet their basic needs and save their time and energy, there are many problems in the specific operation process.

The good and bad construction personnel are intermingled. After customers booking decoration services through the Internet platform, the decoration companies are contracted to the project. Some companies then subcontract the project to some informal or even unqualified construction team or workers to carry out the home decoration, resulting in a variety of quality problems in the decoration process. Then disputes between customers and home decoration companies arise.

The problems of jerry-building and cheating on workmanship and materials still occur from time to time. Currently, the construction contract cannot cover all issues about construction quality and materials in detail; meanwhile, users are lack of professional knowledge and experience on decoration. Thus, in the construction process, some decoration companies choose to cheat on workmanship and materials, and persuade customers to pay for additional items. Customers are in the dock; it is difficult for them to safeguard their legitimate rights and interests.

Construction quality problems will lead to additional expenditure. Some construction teams cannot solve quality problems in time; the construction period is delayed again and again. Then the vicious circle of acceptance inspection - disqualification - rectification occurs. Moreover, some decoration problems may be concealed and cannot appear immediately. After the stipulated warranty period expires, the construction team no longer needs to take responsibility for home decoration problems. Consumers have to pay for the second decoration which results in additional expenditure. Some quality problems even are irreversible, which brings bad decoration experience to customers and causes great economic losses.

The platform cannot handle complaints in time, which leads to poor service experience. In the process of decoration, many users complain that problems occur in the construction process cannot be solved in time. The decoration company delays again and again. The Internet home decoration platform expresses that it will solve the problems, because it is a third-party platform which lacks the binding force for the decoration company. It cannot really urge the decoration company to solve the problems. The satisfaction level of customers is greatly reduced.

Regulatory services cannot play the role. As a third-party service provider, Internet home decoration platform needs to provide supervision and acceptance services for customers. After the construction is carried out for a period of time, the platform needs to carry out the quality inspection. However, Internet home decoration platforms and decoration companies are usually partners; in the actual operation process, the supervision regulations are not implemented strictly. The platform

often ignores the serious problems and cannot really play a regulatory role.

5. Strategies to Solve Problems in the Internet Home Decoration Platform

Faced with various problems, the current Internet home improvement platform needs to take various measures to provide customers for good service and improve customer experience.

The platform needs to strengthen the cooperation with insurance companies to reduce unnecessary losses of customers. Currently, if quality problems arise in the construction process, customers need to bear certain economic losses. The Internet home decoration platform can cooperate with relevant insurance companies and provide some after-sales insurance services for customers, encourage home decoration companies and consumers to insure, which can avoid the economic losses caused by decoration problems to a certain extent.

Improve the quality of supervision services and complaint handling services. In the process of home decoration, the necessary supervision service can improve the experience of customers and ensure the quality of decoration. For the home decoration platform, it is also the key of improving competitiveness. Therefore, home decoration platform needs to attach importance to supervision service and establish a complete and scientific evaluation system. Consumers can score the supervision service online, while the scores are linked to the performance of the relevant staff. Then the platform can really play a regulatory role and avoid the problem of going through the motions. In addition, complaint handling is also an important link affecting customer experience, so the home decoration platform needs to establish a cooperative mechanism with various home decoration companies, improve the construction of responsibility mechanism and penalty mechanism, so as to solve the problem of no way to complain.

A sound qualification review system and a deposit system should be established. At present, in order to effectively improve customer experience and decoration quality, the qualification of home decoration companies need to be strictly examined. Small and unqualified decoration companies should be removed from the platform. A sound security system should also be created. Companies on the platform should pay a certain amount of security. When problems arise, the security can be used to pay compensation. The system can solve compensation problems effectively and protect the rights and interests of customers. Disputes of home decoration and quality problems can also be avoided.

Unify and standardize the contract text. In the current Internet home decoration market, customers do not know about much home decoration services. Customers lack professional knowledge, which leads to information asymmetry. They are often at a disadvantage when signing contracts. Therefore, the Internet home decoration platform needs to uphold the principle of fairness and establish a standardized contract text. The prices of various products and services should be displayed in annexes of the contract. The measure can make the price more transparent and avoids cheating on workmanship and materials, thus improves customer satisfaction.

6. Conclusions

In short, with the continuous development of the Internet, the current situation of the Internet home decoration platform is prosperous. But in the face of problems arising, the home decoration platform needs to formulate corresponding solutions to improve customers' experience. Through integrity management and following the customer-oriented principle, the Internet platform can bring good services and high-quality products to customers, and achieve the sustained growth of its own. Only through these measures, can the home decoration platform occupy an invincible position in the market.

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