Research on the Business Model of the Rookie Station

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Abstract: This paper selects the representative of the logistics service platform - the rookie station as the analysis object. Using Osterwalder and Pigneur's business model canvas to analyze their business models in order to find out the advantages and disadvantages of the rookie business model, and put forward the relevant suggestions in a targeted manner taking the rookie station as a breakthrough as to provide inspiration for the development of China's terminal logistics.

1. The basic principle of business model

The business model is the enterprise value conversion mechanism which is an innovative system and the inner core of the company's normal operation and corporate mission. The key to a successful business model is to maximize the use of limited resources because in today's fierce market competition environment, the competition among enterprises can be seen as a competition in their own supply chains, or as competition in their respective business models which can be seen as the business model that plays a vital role in the survival and development of enterprises.

The business model canvas is a description of the business model proposed by Osterwalder and Pigneur in 2004. analysis, a design and innovative tools of the elemental scholars that standardize the elements of the business model, through strategic decision making and the three levels of strategic execution and financial performance which is to divide it into customer segments, Nine modules, such as the value proposition, analyze the business model of the enterprise through these nine aspects.

2 Analysis of the business model of the rookie station

2.1 Overview of the rookie station

The Rookie station, In August 2014, was officially upgraded from “Tmall Service Station” and “Alibaba Service Station”. As one of the five strategic directions of the rookie network which is committed to building a comprehensive logistics service platform for consumers and redefining the last mile to build a new ecological logistics system. According to the different service objects, it can be divided into two parts: campus station and community station. After the continuous development and improvement, the rookie station has covered about 180,000 residential communities, 1,200 colleges and universities have a daily average parcel service volume of more than 10 million, and the number of serviceable people has reached 200 million.

2.2 The business model of the rookie station

2.2.1 An Overview of the business model of the rookie station

The rookie station relies on the China Smart Logistics backbone network built by the rookie network to integrate the scattered logistics resources and present a development model of “the offline main body and the online as the supplement”.

In terms of the online business that the campus rookie station creates as the supermarket shopping, pick-up environment and the autonomous pick-up, the community of the rookie station passes through the property Convenience store and other cooperation through the social collaboration form for the public service network covering the major cities across the country on the online business with the rookie wrap, Taobao, Alipay and other platforms to the offline drainage
which is greatly improving the overall efficiency.

2.2.2 The Business model canvas analysis

(1) Value proposition. The value proposition of the rookie station is based on the express service which provides the consumers with a series of safe, convenient and efficient courier services, including parcel collection, Parcel storage, etc. In order to solve the inconvenience of customers sending and receiving courier, courier multiple delivery and other problems, we carry out Taobao purchasing, recharge payment, ticket brokerage and other services at the same time to provide more convenience services for customers.

(2) Core resources. The rookie station is one of the five strategic development directions of the rookie network, with the help of the rookie network which is relatively a complete network architecture that has been rapidly developed. In summary, core resources are the core support of the logistics system which is also the promotion of science and technology, as well the intrinsic help of supply chain finance.

(3) The key business. To directly send and receive courier as a key business for the rookie station affect the user's express experience which in turn also affects the quality of other added-value services, and ultimately affects the overall operation of the station. Online, it has established a nationwide service provider management network, proposed the concept of package agent to take the express delivery, comprehensively layout the rookie station network social network, smart cabinet, form a multi-channel platform, and strive to improve customer satisfaction. Online, the rookie wrap can check the latest logistics information of the package at any time, check the cargo code of the station, check on the nearby rookie station and also pass the real name certification so you can enjoy the scan code mailing, brushing the face and other services.

(4) Customer relations. The rookie station starts with every detail Compared with the past courier's on-site delivery and express delivery and it pays more attention to the protection of customer’s information and more humanized service to warm and get reach to every customer.

(5) Channel access. For now, the offline entity rookie station is its main channel. At the same time, the rookie station open platform interface actively enrich the indirect channel access For example, in Alipay, WeChat public number interface can realize the pick-up service of the rookie station.

(6) Customer segmentation. The rookie station is oriented to online shopping needs, but the study time is fixed in such way that you can't send the customer settings for the express delivery at any time and hope to provide them with thoughtful service. The campus rookie station provides services for the teachers and students and the community of rookie the station is mainly to provides services for the working class transforming the customer from “waiting for express “delivery”, so that the rookie station will becomes a relaxed station as if retuning home as well a good place to go and digest your food after having a good time.

(7) Cost structure. The main cost of the rookie station includes the cost of infrastructure construction, Labor costs and technology input costs.

(8) Important cooperation. The rookie station is based on the rookie network to establish a long-term partnership with the major domestic express delivery companies such as SF Express and Santong Yida, to meet with the different needs of different customers so as to provide links for couriers and customers and to continuously improve the efficiency of the end operation.

(9) Source of income. As an organic supplement to the existing logistics model, the current main profit of the rookie station is derived from the proceeds of the last ring of the express delivery industry. Secondly, there is other business profit sharing similar to “O2O”, but the proportion is very small and its profit model still needs to be clear.
3. Analysis of the business model of the rookie station

3.1 Advantages of the rookie station business model

3.1.1 The demand market is large and the user base is excellent

China’s express business volume has completed a historic leap from small to large in a short period of time and the extensive use of platforms such as Taobao and Alipay has led to a large number of loyal customers for the rookie station.

3.1.2 Driven by technological innovation, high efficiency of terminal logistics distribution

The rookie station is backed by E.T. Logistics Laboratory which independently develops cutting-edge technology and upgrades innovative intelligent hardware devices using the rookie station smart system and the data warehouse of the courier company of the e-commerce platform is built and the all data clouds are synchronized and the parcels are put into the warehouse for one second. The abnormal parcels are reduced by 90%, the dispatching efficiency is increased by three times and the sending speed has greatly improved so the operation of the station is efficient and in order.

3.1.3 Resource integration to reduce logistics costs

The rookie station provides platform services for many express delivery companies which is an important offline component of the fourth-party logistics distribution model and it also establishes a logistics information management system and realizes a centralized processing of the logistics information which is conducive to logistics integration.

3.2 Disadvantages of the rookie station business model

3.2.1 Low entry barriers, weakening of logistics franchise management

Differences in service quality at different sites affect customer brand perception, in terms of infrastructure, the location, decoration and electronic equipment of the rookie station are uneven which determines the customer's first impression of the rookie station, service aspect, the staff's service awareness and service attitude directly affect the pickup experience and then have a specific evaluation of the rookie station.

3.2.2 The service function of the station system is not perfect enough

The station has clear restrictions on the registered goods. At present, it only supports goods that are small in size, non-fresh, and do not exceed 3,000 yuan, and are not cash on delivery items. However, these special commodities account for 20% of all commodities for those who do not meet with the requirements of express delivery, it will not be stored in the rookie station and such setting leads to the loss of customers. At the same time, the non-24-hour business has limitations.

3.2.3 The peak of pick-up and the peak of logistics caused by e-commerce activities put a severe test on the rookie station

Due to the fixed resting period of office workers and the student party fixed time, it is easy to create a specific time during this break period for pick up. In addition, the exploding position caused by the shopping festival often leads to the problem of long pickup time, chaotic pickup process and reduces the users’ satisfaction.

4 Recommendations for the development of rookie stations

4.1 Improve the surrounding ecosystem of the station

Due to cost traffic and other factors, the rookie station is often located in a relatively remote place, and the campus rookie station is particularly obvious. Therefore, it is especially important to build a commercial circle around the rookie station to promote mutual promotion and common goal
development.

4.2 Rich website service types

Expand the types of goods to be stored, provide special divisions for large items such as, cold chains, valuables, etc., and formulate a corresponding storage and retrieval systems to achieve the “full storage” of goods. Also combine the online and offline use database technology and data mining technology to achieve a precise marketing, provide goods offline experience, online purchase and other services so that waiting for pickup time will no longer boring, in this way, the rookie station is given a new connotation to enhance customer loyalty and trust.

4.3 Improve the service level of the station

Improve the entry barrier, develop a unified franchisee franchise standard and strictly screen the franchisee's qualifications as a service industry, the user satisfaction is directly related to the user's re-selection. Therefore, the rookie station should regularly understand the customer's satisfaction through various means, such as interviews, questionnaires, telephone calls, etc and innovates its business model accordingly.

4.4 Take measures to alleviate the pressure from the peak of pickup

Analyze the impact of holidays promotions, customers, regional types and other regional economic factors on the volume of express delivery through big data cloud computing technology and according to the fluctuation law of historical data, predict the number of shipments using the knowledge of the operations research such as integer programming to open different numbers of pickup channels at different business hours, hire hourly staff, and improve the efficiency of pickup to achieve a more rational and efficient overall resource allocation.

4.5 Establish a membership system to increase the difference

Customers who send couriers more frequently can become higher-level members to enjoy more discounts and other value-added services and increase the customers’ stickiness also provide personalized storage services, such as providing a dedicated courier locker, fixed location and easy access.

4.6 Strengthening the construction of green express delivery

Through the industrial cooperation mode of “Express Delivery + Recycling Industry”, the organic combination of forward logistics and reverse logistics is realized.

References


