Research on current e-commerce of tourism in China

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Laurea University of Applied Sciences   **Abstract**
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The rapid development of e-commerce in China has been accompanied by a similar development in tourism-based e-commerce. Taking the network as the medium, e-commerce has already become the new model for tourism transactions in the information age: By building one convenient bridge between tourism-based enterprises and tourists, can directly influence the profitability of enterprises.

The paper will introduce the current development of tourism-based e-commerce websites, by firstly examining the basic concept of tourism e-commerce websites, and classifying tourism websites and the industry chain of online tourism. By studying an existing e-commerce instance, Lvmama, analysis on it is business model and profitability was carried out. Based off this study, further improvements and development on Lvmama were proposed.

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1 Introduction

With the rapid development of economy in China, people are paying more and more attention on their spiritual life and willing to spent more time and money in travelling (Shi, 2012). People are learning to booking their travel through internet. A report named 'China Online Travel Market Overview For 2013' (Sida, 2014) predicted that the revenue of Online Travel Agent(OTA) market would maintain a steady growth of over 20% from 2014 to 2017. It demostrates that Chinese digital travel business have a great potential bring benefits for company in the future. The use of information technology plays a important role in the direction of improve the e-commerce of tourism in China.

1.1 Research background

Xinhua news (2015) stated that people's behavioral habit changes continuously, the acceptance degree of new things is improved and the demand for tourism is changed into online mode from the off-line one gradually as the e-commerce develops. The market of online tourism in China enters into the accelerated growth period at present after development since the end of the last century. IResearch (2011) predicted that the transaction scale of the online tourism market of China was 61.3% on the year-on-year basis in 2011, which means that the online tourism in China will give play to the huge market potential in the future. The supportive policies of the government on the tourism market provide the political and economic support for development of online tourism market. To achieve the comprehensive informatization of the operation activities of the tourism enterprises, the tourism will be developed into the modern service industry with high information and knowledge intension through the governmental promotion. In 2011, the transaction scale of the online tourism market only accounted for 7.6% of the total tourism transaction scale. The online tourism market in China is only in the initial stage of development and the online tourism permeability will increase as the internet permeability and the standardization level of tourism enterprise online service increase with the huge development space in the future, which increased by above 15% in 2014. The total income of the tourism in China will maintain the high-speed increase in the future, which will provide the support for the transaction scale of the online tourism market. The core operators emphasize the online business and tourists' booking will change into the online mode from the off-line one, which is the core reason to support the online tourism market development (IResearch 2011).

The online booking mode changes into the new channels including the vertical search. As the universal search engine occurs upon the rapid expansion of the internet information, the mass tourism products information and online booking websites growth give birth to the vertical

search engine of the tourism industry (Jin 2012). The website of vertical search engine mode excludes the transaction links of the online tourism booking, but integrates information including tickets, hotel, vocation and visa, etc. of the internet based on the advanced search function and provides users with prompt tourism products price inquiry, comparison service and users' comments with collection of agency share. Such mode satisfies demands of the tourism suppliers on marketing and promotion on one hand and provides the price comparison of various online tourism products, forms the operation mode of the professional online market and attracts the collection of mass online tourism consumption demands on the other hand. The emerging marketing mode contributes to the improvement of online tourism business. In 2011, all online tourism enterprises launched or expanded the hotel business especially the hotel group purchase, C2B reverse pricing and Last-Minute rear cubicle, etc (IResearch 2011). And various new marketing modes help the hotel service to cover clients more than tickets. At the same time, the marketing modes improve the net citizens' attentions to the tourism websites greatly, which include second killing, group purchase and MicroBlog, etc. Within a few years of the future, the group-purchase websites will make the strong demands of the Chinese net citizens on the life service consumption maintained especially the demand for the leisure tourism service through provision of high-cost-performance products of life service.

The paper makes the detailed statement on the current condition of online tourism based on research of online tourism modes in China with analysis and investigation of specific cases, analyzes the research ways for new channels, summarizes the e-commerce mode suitable for online tourism in China and presents the solutions against problems existed in Lvmama.

1.2   Purpose

The purpose of the paper is to learn and understand the commercial model and network establishment model for each tourism e-commerce platform in China and have the clearer and more thorough understanding about the tourism e-commerce in China through analysis and comparison of the data and materials of all tourism e-commerce. The paper takes the tourism website Lvmama as the example, conducts the analysis on the existed business model and website establishment of Lvmama and compares the same with the tourism e-commerce in China with provision of the development opinions for Lvmama in the end.

1.3   Research objective

The purpose of the paper is to discover the weaknesses about the tourism e-commerce Lvmama and provide opinions for Lvmama on improvement of the network service,

strengthening of network building and promotion of the network return rate through learning the tourism e-commerce in China.

Firstly, have the detailed understanding about the tourism industry through analysis on characteristics and diverse commerce models of the overall tourism e-commerce in China. And get merits and weaknesses of Lvmama through comparison of the commercial models of Lvmama.

Secondly, get the more profound understandings about adjusting the commercial strategies and meeting the market through comparison and analysis of the scale of existed clients and the market scale for the tourism e-commerce in China. Although there are lots of services provided, Lvmama still needs to figure out the service type with the maximum demands, pay attentions to such type and therefore improve the website profits.

Thirdly, although the design for Lvmama's existed website is basically mature, there is only one version of Chinese and the clients are limited to those in China, which is not beneficial to the development of more international users and oversea market. The payment way is only limited to payment through the mobile phones and direct payment of the credit cards and these clients without credit cards are hard to pay and those two payments have certain level of safety hazards.

The paper will present some opinions to Lvmama in the end and help to improve Lvmama's commercial models and website building and fasten Lvmama's development therefore.

1.4   Research method

1.   Benchmark different tourism e-commerce by collecting information and data from internet to analyze the characteristics and different stages of tourism's development segment.

2.   Study general IT used in tourism e-commerce used from online resources. The main resources are find in some famous research engine and a number of famous travel website in China. Such as BAIDU and Ctrip.

3.   Study some articles and thesis related to e-commerce and travel industry. Now I found some thesis referring to this topics, like Analysis on the profit model of the online tourism by Ren, J, Survival and development analysis of the online tourism based on the e-commerce in China by Ni, N, etc.

2   Overview of Online Tourism

2.1   Definition of online tourism

The online tourism means that consumers submit orders of tourism products for self-service traveling through websites of online tourism services suppliers, which combine the ticket, hotel accommodation and other attached services, and pay through online payment or stores after successful submission. Based on the actual condition of China at present, the transaction of successful order through Call center with query through websites of online tourism service suppliers is also regarded as online tourism transaction. The case will not be regarded as the online travel if the tourism customers book and conclude the business from the traditional tourism service suppliers who only provide the ordinary telephone booking service other than functions of the website booking and online payment.

The tourism products can be looked up and booked through the network with share of tourism or travel experience through the network. The online tourism bases on the internet, satisfies the information query, products reservation and service evaluation of the tourism customers as the core purpose, covers the tourism service suppliers including airlines, hotels, scenic spots, car renting companies and home and oversea tourism bureau, etc. and the online tourism platforms including search engine, OTA, telecom operators, tourism information and community websites, etc., which is the new industry in the rising stage. The industry forms the huge difference in the type of store sale with the traditional tourism industry based on the internet, which is called as "online tourism" by the tourism professionals.

The tourism website means the Web site storing a series of tourism information on the server, which base on Intranet and Extranet, own the domain name and comprise several related web pages. It is the transmission media of the tourism information system and the window of man-man and man-computer communication based on the network technology, which integrates the traditional tourism resources from the professional aspect of tourism and provides locations of all-round and multi-layered online tourism service (Yao, 2006).

2.2   Characteristics of online tourism

The online tourism utilizes the media of the network and possesses characteristics of the re-source integration, information interaction and rapidness, in which, the online customers participate in direct way.

2.2.1   Integration

The tourism product is the complicated experience service made up by content of many parts. The tourism e-commenre integrates each-level supplier, scenic spots, transportation enterprises, hotel, insurance company and many industries related to the tourism of the tourism links and attracts more clients by the combined products. Ni (2010) said that the new-generation online tourism enterprises will become the new leader of the tourism industry, which re-organize the single item services including tickets, hotel and activities of the traditional tourism, create the new products and combinations and improve the utilization efficiency of resources. The scale of the tourism market will develop further through promotion of e-commerce.

2.2.2   Interaction

The tourists cannot understand all content related to the tourism on one's own due to the limitation of information before purchase of tourism products and only can obtain information through learning of others' experience or introduction in text. As the information technology develops, the online tourism provides the introduction of abundant tourism information and products and the network multimedia provides the brand-new tourism experience of vision, hearing and even 3D effect for tourism products, which make users be acquainted with the destination sufficiently and cultivate amounts of potential tourists group. Therefore, the display function of the tourist e-commerce makes the tourism products more intuitional and easier to understand.

2.2.3   Rapidness

The tourism industry belongs to the service industry and the tourism e-commerce even provide the service for tourists through the online service. The online tourism enterprise realizes the real-time service in 24 hours based on the self-owned technical advantages, which means the network-based promotion, information transfer through the electronic media, real-time order confirmation and payment, etc. resulting in rapidness and convenience. And the tourism is also regarded as one industry with the strongest sensitivity for the internet among all industries (Qin, 2011).

2.3   Category of the tourism e-commerce website

2.3.1   Online tourism booking websites

The traditional online tourism booking websites mainly collect the commission through provision of the booking service of tickets and hotels for users, which belong to the distribution channel of airlines and hotels.

2.3.2 Tourism commenting website

The tourism commenting website mainly provides users with hotels and destination locations for reference, provides the open share platforms for tourists, increases users' interaction and visits and collects the website media ads as primary, which belong to airlines and hotel direct-selling platforms.

2.3.3 Tourism price comparison search website

The tourism price comparison search website mainly provides users with the vertical search service based on collection of the website media ads. The user selects the service supplier through "price comparison", which make the price of tourism products more transparent.

2.3.4 Tourism strategies website

The tourism strategy website provides one-stop unique tourism service through the abundant and comprehensive tourism routes and self-service traveling booking center.

2.4 Analysis of online tourism industry chain

At present, the online tourism in China can be divided into four parts wholly including the upstream suppliers, online agency, media and users. The schematic diagram of the online tourism industry in China is shown as below:
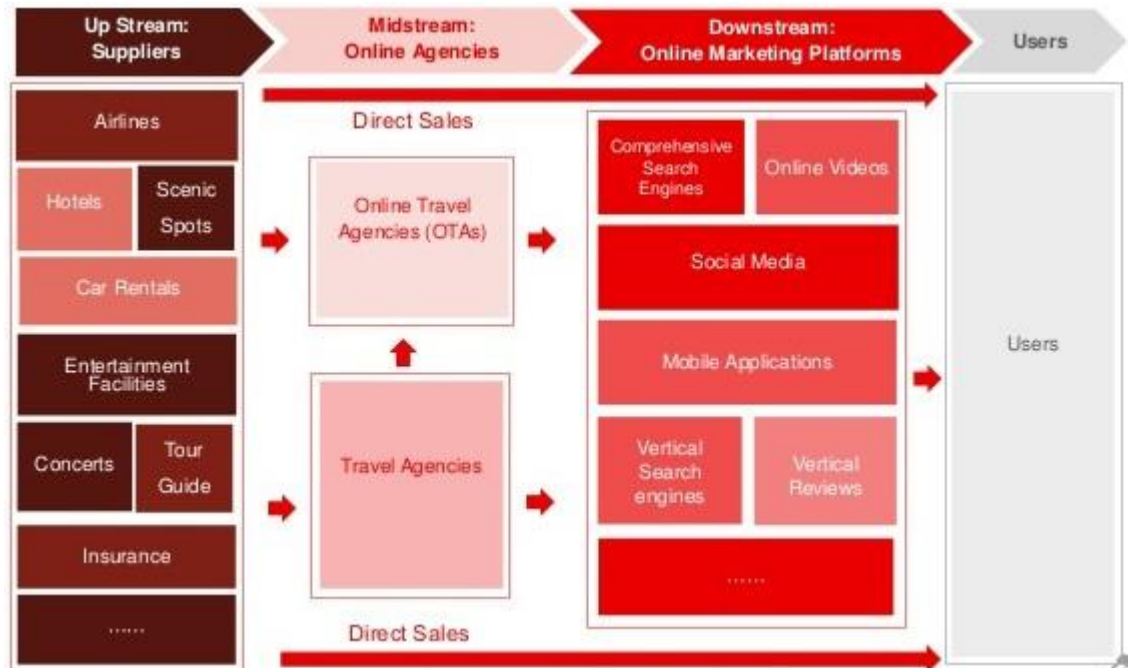

Figure 1: The schematic diagram of the online tourism industry in China (source: The National Tourism Administration of The People's Republic of China, Increasing Trend in China's Online Travel Industry Whitepaper 2012-2013)

The upstream enterprises of the industry chain: airlines, hotels and the scenic spots of the destination, etc. Those upstream enterprises sell products through agencies on one hand and partial upstream manufacturers sell products directly through the self-built networks on the other hand. At present, the typical upstream direct-selling enterprises mainly center on the airlines and hotels.

Agency: it mainly covers the online and traditional agencies. The so-called online travel agency is represented by Lvmama, eLong and tuniu.com, etc., and sells products mainly through Call Center and online ways; the traditional agencies mainly sell products through the traditional stores including China Youth Travel Service(CYTS), China International Travel Service(CITS) and China Travel Service(CTS), etc. However, partial traditional tourism has already sold with adoption of networks such as OTA at present and partial tourist bureau with strength also conducts the network direct-selling through self-built networks (Liu, 2007).

Media: as the internet develops, relevant enterprises of online tourism all strengthen the focus on the online media. The online tourism industry also develops the media with the own

vertical industries with two typical types including the vertical research website and websites of tourism commenting community apart from the comprehensive media of the comprehensive search, portal websites and online videos, etc.

Users: it means users of booking of online tourism products, which can be divided into users with the main purpose of commercial tourism and those with the main purpose of leisure tourism based on the travel purposes.

2.5 Analysis of development condition for tourism e-commerce websites in China

The tourism is one of early industries applying the internet technique in China. The first tourism website was established in 1996 and there exist more than 5000 tourism websites and channels with certain strength of information and booking service in China through exploration and innovation in decades. Those websites provide tourists with the comprehensive internet information and booking service involving in six aspects of tourism, food, accommodation, transportation, travel, purchase and amusement and have become the emerging force with the fastest development, richest capital and highest technical strength.

2.5.1 Clients' scale

The scale of net citizen booking air tickets, hotel, train tickets and tourism routes through internet reached 111.67 million at the end of December 2012, which accounted for 19.8% of the net citizens. The overall scale of the online tourism reached 253 billion yuan(34.66 billion euro) with increase of 131.99 billion yuan (18 billion euro) compared with that of the previous year (Chen & Zhang, 2012).

Figure 2: The number of users booking online of 2011-2012

In 2011, the number of users with online tourism in China was 42.07 million accounting for 8.2% of the overall net citizens; the total number of net citizens increased to 111.67 million accounting for 19.8% as the whole use ratio. The great increase for number of online tourism users mainly has reasons through comparison in 2012, one of which is that the expansion of the internet whole scale causes the sharp increase of online tourism demands and the left one is the good development of online tourism.

The data as released by entgroup (2012) shows that the online tourism in China is divided into four parts including Ctrip, Lvmama, Qunar and Expedia based on the analysis of website traffic, which lead the market. The market share of the independent users is shown in the figure below:

Company	Website	Number of independent users	Website traffic share
Lvmama	Lvmama.com	4000000	>13%
Ctrip	Ctrip.com	9000000	>30%
Qunar	Qunar.com	7500000	>25%
Expedia China	Elong.com	<4000000	>25%
	Kuxun.com	<2000000	
	Daodao.com	<1000000	

Table 1: The number of independent users of four companies in 2011 (source: official website of OTA)

2.5.2 Market scale

The transaction scale of online tourism market means the whole value of tourism products including hotels, air tickets and vacation, etc. ordered and transacted successfully through online or Call Center way by the tourism service suppliers, which include the network direct-selling of suppliers and the network distribution of any third party online agencies.

The statistical data (IResearch 2016) displays that the transaction scale of the online tourism market in 2012 was 172.97 billion yuan(23.7 billion euro) increased by 31.6% compared with that of 2011 (131.39 billion yuan/18 billion euro) and the revenue scale of online tourism OTA market reached 9.05 billion yuan(1.24 billion euro) increased by 33.9% compared with that in 2010; The transaction scale of the online tourism market in 2009-2016 is shown in the figure below.
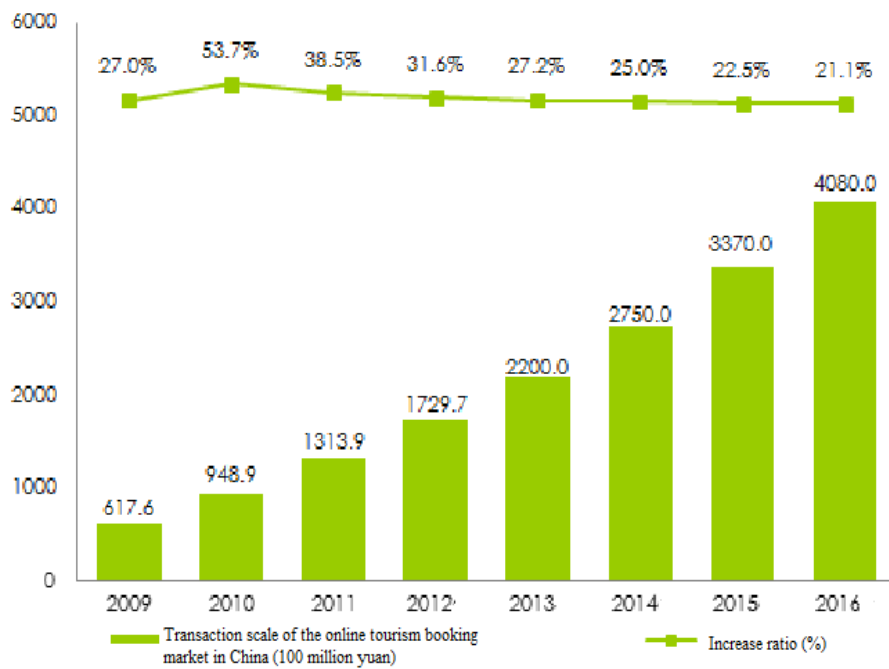
Figure 3:The transaction scale of the online tourism market of 2009-2016 (source: IResearch INC)

2.6   Analysis of Profit Mode for Tourism e-commerce Websites in China

At present, there are more than 300 professional tourism websites in China, among which, many tourism websites not only possess B2B part but also face the end customers. The profit mode can be divided into several types below based on characteristics of commercial modes for tourism websites in China.

2.6.1   Type of "commission"

This is the uppermost profit mode of the online industry at present with the main method of cooperation of websites with suppliers (hotels and airlines, etc.), through which, clients book hotels or air tickets through the website platforms based on information provided by network. After booking, one way is the direct transaction between clients and websites and the website pays the left amount to the supplier after deducting the commission; the other way is the transaction between clients and suppliers and website collects commission from suppliers.
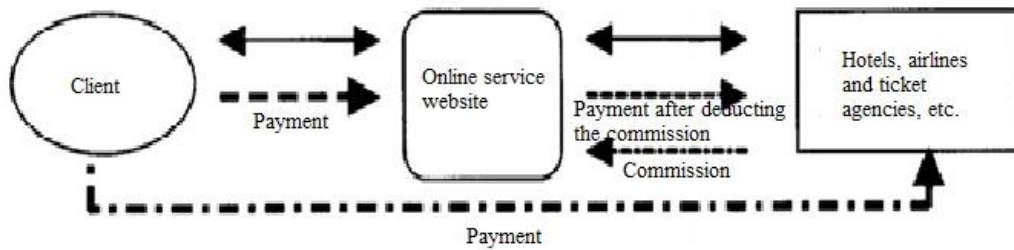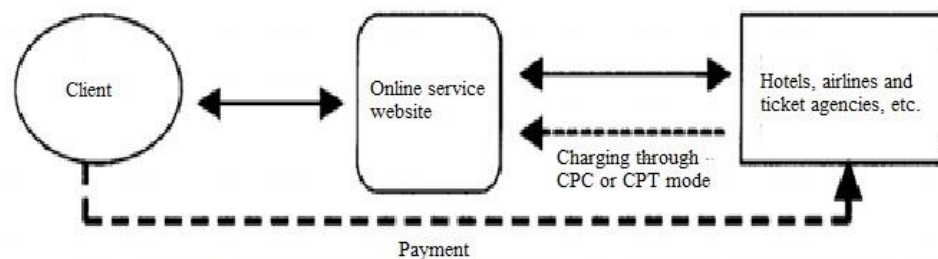
Notes: the mark of "—" in the diagram represents the information flow and the mark of "···" is the cash flow

Figure 4: Profit mode of "commission" type

2.6.2　"Search-price comparison" type

Many online tourism service suppliers develop the vertical research engine, conduct the real-time collection and gathering of the tourism service information provided by agents for hotels, tourist bureaus, airlines and tickets and provide the search engine entrance in websites to make customers conduct the real-time comparison of price and service, provide customers with more information, choices and lower price for tourism products and lead customers into websites related to tourism service suppliers. Those websites obtain the revenue through CPC(cost per click) mode or CPT(cost per transaction) mode.
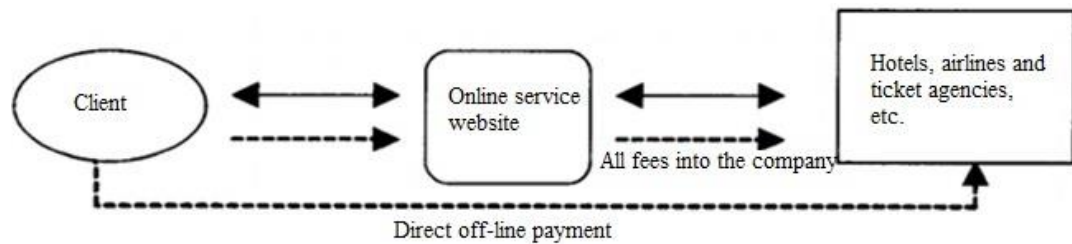

Notes: the mark of "—" in the diagram represents the information flow and the mark of "···" is the cash flow

Figure 5: Profit mode of "research-price comparison" type

2.6.3 "Traditional network" type

Many traditional tourism companies, airlines and chain hotels find that the online and off-line clients belong to one tourism market and are mutually inverted. And for many clients, the online service possesses the availability and transparency in better way compared with the off-line service. Therefore, many traditional tourism service companies provide the vacation and tourism products for customers through networks to obtain more returns.
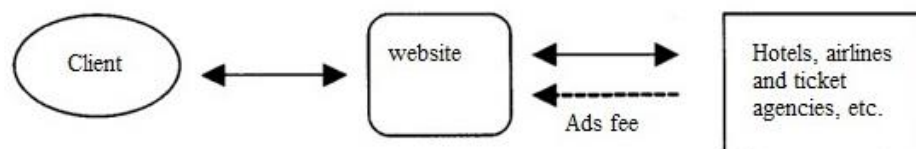

Notes: the mark of "—" in the diagram represents the information flow and the mark of "⋯" is the cash flow

Figure 6: Profit mode of "traditional network" type

2.6.4 "Information platform" type

The network ads as the most stable profit mode of internet have become the key revenue source for all portal websites. Some online tourism service suppliers collect the popularity through provision of mass free tourism information, forums and communities, etc. and then release the ads information service to obtain revenue from the ads companies or the tourism service suppliers. Such profit way not only becomes the main profit mode for some tourism websites but also becomes the auxiliary profit mode for some tourism e-commerce websites.

Notes: the mark of "—" in the diagram represents the information flow and the mark of "⋯" is the cash flow

Figure 7: Profit mode of "information platform" type

2.6.5 "network direct-selling platform" type

Some tourism e-commerce websites do not participate in the transaction of tourism products directly, but provide one network platform; the hotel, airline or tourist bureau can rent such platform for issuing information after paying certain fees and clients can select freely the tourism service through comparison. Those websites only collect rental. The nature of such business mode is to provide the network direct-selling platform.
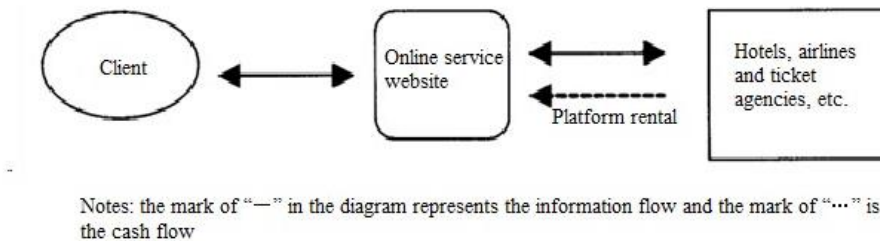

Notes: the mark of "—" in the diagram represents the information flow and the mark of "···" is the cash flow

Figure 8: Profit mode of "network direct-selling platform" type

2.6.6 "Solution" type

The website providing booking of online tourism products provides the "one-stop" resolution for tourists upon travel based on the long-term contact and sufficient acquaintance with demands of tourism clients through integration of resources of existed hotels, tickets and tourist bureaus to improve the profit level, which is the sale of tourism and vacation products similar to those of the traditional tourist bureau in nature. The "resolution" has already become the key profit source of some tourism e-commerce websites. Hou and lee (2011) mentioned that some tourism e-commerce websites have established the own tourism vacation brands upon competition with the traditional tourist bureaus.
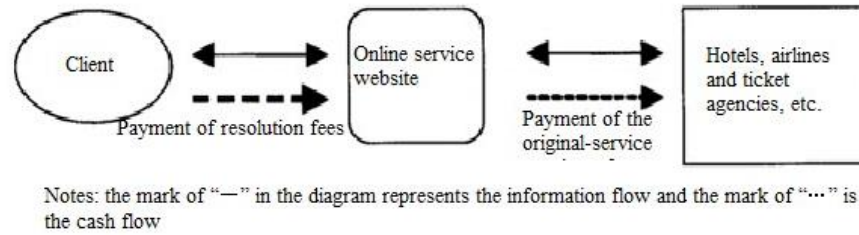
Notes: the mark of "—" in the diagram represents the information flow and the mark of "···" is the cash flow

Figure9: Profit mode of "solution" type

3 Case company – Lvmama

3.1 Lvmama profile

Lvmama as the tourism network was created in 2008 with headquarters set in Shanghai of China and has already set branches in 64 cities including Beijing, Guangzhou, Shenzhen, Chengdu, Hangzhou, Tianjin, Chongqing, Wuxi, Suzhou, Ningbo, etc. As the leading comprehensive tourism service company in China, Lvmama integrated successfully partial high-tech industries and covered the traditional tourism of partial industry chain to provide abundant all-around services such as booking of hotels, holiday villages and vehicles and commercial travel management, etc. At present, Lvmama conducts the cooperation with more than 5000 scenic spots, more than 5000 characteristic hotels, hundreds of travel bureaus home and abroad and the airlines, etc. and covers each province and direct-controlled municipalities of the whole country and 5 continents, more than 50 countries and regions. The tourism website Lvmama obtained the angel investment upon establishment in 2008, completed A-turn financing of tens of millions yuan in September 2009, obtained B-turn investment of 100 million yuan from Sequoia Capital and CDH Investments in November 2010 and completed C-turn financing from South River Capital and Sequoia Capital (Lvmama 2016).

3.2 Profit mode elements of Lvmama

1. Lvmama's main profits are obtained from the middle profit of transaction through provision of booking, transfer or direct payment by tourists.

2. Obtain the service return through provision of vacation and tourism product service. At present, the most common products in the market are DIY travel and timesharing

products. As people approve the DIY travel and leisure travels, etc. gradually, the vacation and tourism products will become one profitable item with the most possible development opportunity of the online tourism from the aspect of the trend of long-term development.

3. Obtain the revenue from the ads companies or products suppliers through provision of ads information service platforms. The network ads as the most stable profit modes of internet portals have become one key revenue source of all portals as well as one method of online tourism profits.

3.3   Analysis of Lvmama main profit points

Lvmama adopts the service mode of "internet calling center" to improve the service quality comprehensively and the hotel booking is the main income source of Lvmama, which started based on the internet and possessed advantages of the information and network technology, but such online consumption form has not been popularized wholly and the internet infrastructure construction in partial areas has not been completed, where the business consultation and communication through the traditional phone dialing is more convenient. Therefore, Lvmama also started to establish the off-line calling center and selected Shanghai as the calling center basis, which supplemented partial public demands of internet booking and obtained the good achievement upon existence and made almost half of business volume produced from telephone communications. Lvmama developed almost 2/3 personnel for exclusive work of answering, formulated relevant service regulations with the official replies to impossible clients' questions, trained all personnel and made the phone answering quality good to produce good influence on the turnover. But the turnover of the calling center will decrease gradually in the future as the internet popularizes and people's living standards develop(CHINA PRNEWS 2009). Some routes operated do not possess the competitive advantages on the number and price due to lack of strong tourist bureaus as the support of traditional resources, whose profit sources shall be extended further with adoption of network through integration of the traditional tourism.

The rapid development of the ticket booking business causes the decrease of the revenue scale of the hotel booking business. The constant expansion of the ticket booking business revenue is one of the main sources for the revenue of Lvmama in the future. The profit space of the airline market in China is small, Lvmama as the agency thereof cannot make a difference within the extremely-small profit space, the profit space for the international market is relatively large with relatively-rich clients and the agency fee and profit will both increase in certain degree as the sales volume increases in such profit space.

At the same time, the huge change for the tourist market in China already occurred, the individual tourist becomes more and more, the independent travel becomes more with proposition of requirements for private service customization and Lvmama with the profit mode of hotels and tickets booking as the main revenue will obtain more approval.

3.4 Analysis of Lvmama marketing strategies

As Lvmama entered into the online tourism market, the online tourism enterprises including Ctrip, eLong and Qunar, etc. were relatively mature with plenty of businesses including online booking of tickets and hotels, etc., which was competitive. Simultaneously, the tourism industry in China reflected the situation that the scale for the packaged travel was far higher than that of the DIY travel and no scale DIY service provider led the DIY travel market. Most scenic spots provide the standard and normal services and cannot meet the individual demands of tourists. Lvmama noticed that the DIY travel groups grew continuously, selected the segment market and defined the position in the DIY market. Simultaneously, Hong Qinghua as the founder of Lvmama also noticed that the tickets set for many scenic spots were too high causing the little dissatisfaction of many tourists and even adverse effects on the prestige of scenic spots. Therefore, Lvmama put the business focus on the scenic spot ticket distribution and provided the lower-price ticket for customers through cooperation with the scenic spots in the initial period and led more individual tourists to the scenic spots. At that time, such part business was blank in the industry and catered for the demand of purchasing much lower-price group tickets by most individual tourists, which developed rapidly and increased the pressure form the same industry.

3.5 Lvmama payment system

3.5.1 Pre-authorization by telephone

The information of bank account needs to be collected by the mobile telephone keyboard to make the pre-authorization transaction. The amount due will be frozen in the bank before 11p.m. on the day after the trading application is accepted. The blocked fund will be deducted when the purchase product is available, and the blocked fund will be unlocked otherwise.

3.5.2 Direct payment system

Users can also use the credit card to pay the product directly, which is not convenient for user who does not own credit card and such payment way also has some potential risks. A

number of people are worried about how to get their money back if they do not receive products after payment, which happens frequently for some older users. On the other hand, the leakage of account information exists in many cases as the online environment is more and more intricate nowadays.

4   Conclusion

4.1   Hints for improve Lvmama's network marketing service

4.1.1   Innovation of operation mode

The operation mode for the tourism e-commerce can be divided into two classes namely B2B and B2C. From the aspect of the tourism business and service suppliers based on relevant data summary, B2B is the premise and basis of B2C and B2C is one mode built after the good development of B2B and can integrate demands of multiple types of clients including but not limited to the tourism design of the tourism routers, etc. The development of online tourism cannot proceed without the support of internet, therefore the long contact among all entity enterprises shall be built firstly and B2C business will be introduced after formation of good transaction habit. Apart from both normal modes, the tourism e-commerce also has some special modes at present such as C2B and C2C. The private customization of unique service travel will become the trend in the future and the possession of those operation modes can satisfy demands of tourists. Lvmama can develop diverse operation models to satisfy the demands of more clients.

4.1.2   Innovation of online tourism products

The type and service quality of tourism products can only be improved through constant innovation and focus on the market changes and the online tourism can only attract more clients and retain more regular customers and the substantial development can be effective. The innovation needs the support of the top layer, the more important aspect of each-department cooperation as well as the scouting and cultivation of tourism technology professional talents and the more new products can only be launched based on the integration of those elements. In the future, people need more single tourism services and products and may produce the boring, etc. if their demands are not satisfied and the online tourism market needs more different products and services to attract tourists. And the online tourism market may need to create the special and individual service. As the human demands on the tourism product quality improve, the tourism products of individuation and differentiation become more and more popular among customers. Lvmama need to develop more personalized service to satisfy the demands of clients and extend large market.

4.1.3   Improvement and suggestion about collection of tourists' opinions

The website fail to pay attentions to collection of tourists' opinions and apply the network in low degree with recognition of importance of network propagation. The bi-directional communication about the scenic spots radioactive image and tourists' acceptance image only can be achieved with reaching the consensus if the company change ideas and the management methods and emphasize collection of network tourists' opinions. And, the Lvmama shall learn how to identify and select the tourists' opinions to guarantee the effectiveness and truth of obtained information.

4.2   Hints for improve Lvmama's website building

4.2.1   Third -party payment platform

In term of payment system, Lvmama owns pre-authorization by telephone system and direct payment system. For the safety considering, the third-party payment platform should using in Lvmama's payment system which will proving more convenience for both company and user. Since the main target user is Chinese, the suitable third-party payment platform should be Alipay which owns more than 300 million users in China. PayPal can also use to attracting more foreign customers since PayPal is the most popular payment platform in western countries.

In the transactions through a third-party platform, the buyer, after ordering certain commodity, will make payment by using an account provided on the third-party platform; then the third party will inform the seller of the payment performance and ask for consignment of commodity; later, the buyer can, after checking the commodity, notify the third party to formally pay the seller. In theory, the third-party payment platform can totally eliminate frauds in electronic transactions. In such third-party payment process, the seller cannot see its customer's credit card information, while the credit card information can be prevented from leakage or loss in repeated transmissions over the network.
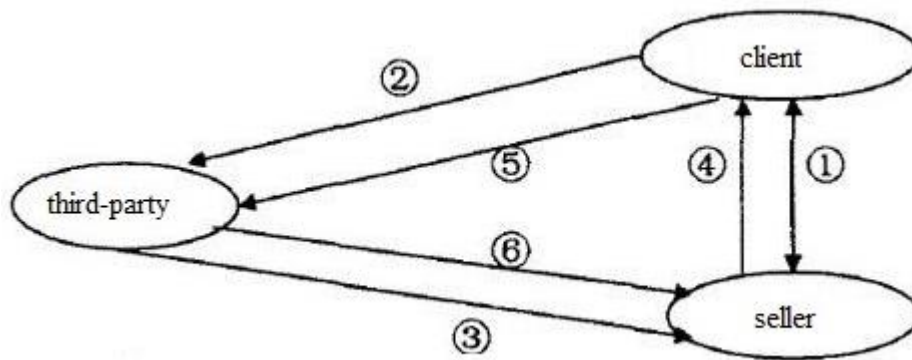
Figure 10: The third-party payment process. (source: BAIDU Website)

4.2.2   Lead the networking of Lvmama

Guide actively Lvmama in network connection and the scale shall be expanded with formation of unique operation idea and culture. The tourism enterprises will be benefited from such revolution of internet. Therefore, Lvmama shall adapt to the trend and fuse into the internet era. Lvmama shall conduct the online sales through active attitude, establish the business operation management information system and build the electronic distribution system of agencies and online sale system of tourists. Lvmama shall emphasize the establishment and innovation of characteristics and brand creation and cannot copy the content of existed websites. Lvmama can blend into the e-commerce dealers based on the good advantages, become the online tourism head and combine the network and off line mutually with mutual perfection to obtain more development opportunities.

4.2.3   Provision of tourism pages in multiple languages

If Lvmama develops the tourism webpage in multiple languages, it will produce key meanings for aspects including popularity improvement and international tourism market expansion, etc. of Lvmama. The tourism websites aim to provide the key channels for tourists of different language codes about tourism information acquisition and develop the tourism market in areas with different language codes in better way based on design of tourism webpage in multiple languages. The current condition of language version of Lvmama cannot satisfy demands of international tourism market development. The official website of Lvmama only provides one version of simplified Chinese, which is not contributed to the acquisition of relevant information on Lvmama tourism by tourists in areas out of China, or the outbound tourism tourist market expansion of Lvmama either. Lvmama shall add the tourism webpage in relevant languages(such an English, Japanese and Korean) based on the geographical distribution of the global culture zones with consideration of the language codes to satisfy different demands of international tourists.

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Figures

Tables