The Impact of O2O on Store Operation Model and Consumption Behavior—A Case Study of POS APP

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Abstract. The O2O business model is not only a consumption model, but also a new operation model. In the new retail era, what use considerations, function considerations and use benefits will online store POS and traditional hardware POS bring to physical stores applying the O2O model? Therefore, this study takes online store POS and traditional hardware POS as the research scope to investigate the use motivation, perceived value and use satisfaction of POS App. For the purpose of this study, a questionnaire survey was used. A total of 400 copies of the questionnaire were distributed and 400 valid copies were recovered. The valid recovery rate of the questionnaire was 100.0%. SPSS software was used for data statistics and analysis. The results show that:

(1) POS App's "use motivation" has a direct and significant impact on "perceived value";
(2) POS App's "use motivation" has a direct and significant impact on "use satisfaction";
(3) POS App's "perceived value" has a direct and significant impact on "use satisfaction".

It is hoped that the conclusions and suggestions provided in this study can be used as marketing adjustment strategies for physical stores when they implement O2O, so that the application of strategies can be more accurate and meets the needs of target customers.

Introduction

In addition to providing the goods required by customers, physical stores must also provide different services according to their different requirements, and must also understand the needs of customers' working environment and wearing habits, so that customers can have meticulous services. From the perspective of customers, the process of using creativity to improve services must create new values of services, as well as double guarantees of brand and quality. However, for consumers, non-customer loyalty and one-time consumption account for 85% of the total consumption. How to create customer value, customer loyalty and repeat purchase rate are the issues to be discussed in this paper.

The motivation of this study is to feel the growing trend in cloud technology, e-commerce, mobile commerce, local economy, e-wallet, and serial services, and to see many physical stores continue to invest in serial services, mobile payment and other cross-industry cooperation, coupled with the popularity of modern smart phones and tablets which has also created unlimited business opportunities for many websites and applications and brought unlimited possibilities to many industries and business.

O2O (Offline to Online) is a newly emerging mobile business model in recent years. The main consumption pattern is that "consumers enjoy services or obtain goods in physical stores, but pay for them on the Internet". The main motivation of this paper is to discuss the use intention of O2O from the perspective of consumption value through the study on the application of O2O business model in physical stores.

The purpose of this study is as follows:
To understand the operation status, business transformation, market planning and marketing strategy of physical stores.

What is the current status of the application of the O2O business model? What is the current status of the application of the O2O business model to physical stores? It mainly studies shopping decisions and operation strategy factors based on operation.

What are the use considerations, function considerations and use benefits will online store POS and traditional hardware POS bring to the current status of application of O2O model to physical stores?

**Literature Review**

**O2O Model and Operation Innovation**

The definition of O2O is online to offline, which mainly focuses on the power of customer attraction and the integration of virtuality and reality.

Physical stores must be combined with 3D simulation printing, online stores, third-party payment, mobile payment, digital applications program and other information applications, which is very suitable for the technology, goods, and services of physical stores.

The advantages of chain operation lie in "rapid expansion through replication, cost reduction through large-scale purchase, and efficiency improvement through uniform operation and management".

The innovation of physical marketing aims at customizing personalized goods for different customers. Using online trial and online ordering can save the cost of stores and provide fast and convenient services for consumers.

The operation strategy of physical stores is to adhere to their own positioning and the operation concept of the four guarantees of quality, skill, satisfaction and service, and to position prices at the consumer groups of fair, low, medium, high and luxury prices.

Experiential marketing of physical stores takes design, story and service as the core of marketing, which plays an extremely important role in customer consumption. As long as consumers feel something, the impression is to provide experience.

Online customer service provides a channel to provide online support services for customers. Problem solving ability is the key factor for the success of this type of website. It takes the shortest time to find the required product and service information and solve customer problems in real time, rather than to call the customer service center and find satisfactory solutions.

**Perceived Value**

Perceived value is the meaning of feeling, feeling and cognition, that is, the evaluation and comparison of functions, qualities, experiences and usages that are perceived after consumption and use. Monroe & Krishnan (1985) pointed out that if positive emotions are generated for products or services, evaluation will positively affect purchase intention. Therefore, Zeithaml (1988) suggested that perceived value is the comparative cognition obtained through giving.

**E-commerce**

E-commerce refers to the business transaction of online exchange of information, products and services and making payments through the Internet. E-commerce has become the most noticeable mode in the Internet trend. For many enterprises, E-commerce saves the cost of market opening. In addition, network can reach and cover everywhere in the world and allow enterprises to obtain business opportunities.

**Mobile Commerce**

Mobile Commerce has upgraded business activities from the electronic services via Internet that use desktop computers to the use of any handheld mobile devices. It has changed the business activities into mobility through high-speed wireless Internet environment.
Customer Satisfaction

Phillip et al. (2003) pointed out that customer satisfaction is the degree to which customers are satisfied with the service process as a whole. Kolter (2000) considered that satisfaction is the degree of customers’ pleasure or disappointment caused by the expectations of the functional characteristics of the product. Therefore, customer satisfaction is simply defined as: to find out the needs of customers and then satisfy them.

Methods

![Diagram of Technology Acceptance Model]

Use Motivation (Price Preference)
- Perceived value (Function Perception, Service Perception)
- Use Satisfaction (Function Satisfaction, Service Satisfaction)

Does POS App's "use motivation" have a direct and significant impact on "perceived value"?
Does POS App's "use motivation" have a direct and significant impact on "use satisfaction"?
Does POS App's "perceived value" have a direct and significant impact on "use satisfaction"?

This paper mainly investigates use motivation, perceived value and use willingness of physical stores. 400 questionnaires were sent out to fill in, and then a questionnaire survey was conducted.

Results

According to the hypothesis of the study and the verification results after using statistics,

H1: POS App's "use motivation" has a direct and significant impact on "perceived value".
Moreover, POS App's price preferences and use convenience have a direct and significant impact on "function perception"
POS App's price preferences and use convenience have a direct and significant impact on "service perception"

H2: POS App's "use motivation, use consideration, perceived value" all have a direct and significant impact on "use satisfaction"
POS App's "use consideration, function perception" have a direct and significant impact on "service satisfaction"
POS App's "use convenience, function perception, service perception" all have a direct and significant impact on "function satisfaction, service satisfaction"

Conclusions

Online marketing has gradually shifted from website to Apps. It has also shifted to experiential marketing, so consumers are mostly informed of the existence of restaurants by reputation and brand. O2O e-commerce must be marketed through virtual and real integration. With the support of Apps, community websites and trial sharing, how to make good use of joint marketing and online activities to attract potential customers?
The rise of the new retail form leads to eight functional modes of stores, finance, trial, activities, lottery, promotion, data, cash flow, etc. Online stores must also have differentiation and clear market positioning. Both market leaders and latecomers must have superiority and differentiation. Only with distinguishable features and unique market positioning can stores continuously gain users' favor and not be eliminated by competitors flooding into the market.

References