

# Impact of Cross-Border e-Commerce on Fujian's Import and Export Trade

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**Abstract:** with the Rapid Development of China's Economy and the Development and Application of New Internet Technologies, in Recent Years, Cross-Border e-Commerce and International Trade Have Received Increasing Attention, and People's Attention Has Also Increased. Because of This, Research on Cross-Border e-Commerce and Its Impact on Traditional Import and Export Trades is Very Important. in the Context of This New Era, Cross-Border e-Commerce Has Become an Indispensable Part of International Trade. in Recent Years, Fujian Province Has Seen Explosive Growth in Cross-Border e-Commerce. in Contrast, the Growth Rate of Traditional International Trade Has Been Slowing Down. through Cross-Border e-Commerce, Enterprises Can Reduce the Intermediate Links of Trade, Thereby Significantly Reducing Such a Company's Transaction Costs, Allowing Relevant Companies to Have Unimpeded Information, and Constantly Expand the International Market. in the International Competition, a More Fair Competitive Opportunity. At the Beginning, the Connotation and Characteristics of Cross-Border e-Commerce Are Explained and Analyzed, and the Literature Search Method, Theory and Data Combination Analysis Method, and Case Analysis Method Are Used to Analyze Cross-Border e-Commerce. First, the Current Industrial Development Environment and Current Market Situation of Cross-Border e-Commerce Are Analyzed and Discussed in Depth, So That the Importance of Cross-Border e-Commerce in International Trade Can Be Found. At the Macro Level, the Current Problems Faced by Enterprises in Using Cross-Border e-Commerce Are Raised, Mainly Including: Related Disputes and Disputes Caused by Infringement of Intellectual Property Rights, and Credit Security Caused by Cross-Border Payments. Aiming At These Problems, This Paper Proposes Corresponding Solutions from the Perspectives of Government and Enterprises, So as to Provide Reference and Relevant Theoretical Support for Promoting the Innovation and Development of Traditional Import and Export Trade.

## 1. Introduction

At Present, with the Determination of the Core Status of the Maritime Silk Road and the Establishment of Fujian Free Trade Zone, Cross-Border e-Commerce in Fujian Province Has a Very Rapid Development Momentum, Pointing out and Opening Up a New Direction for the Development of Import and Export Trade in the New Era. Cross-Border e-Commerce Can Also Be Used in Various Aspects of Import and Export Trade, Breaking through the Original Trade Barriers, Thus Shortening the Space and Time Distance between Domestic Producers and Foreign Consumers; At the Same Time, It Can Shorten the Industrial Chain and Reduce the Cost in the Process of Foreign Trade. to Innovate the Internal Management Mode and Business Operation Mode of Foreign Trade Enterprises and Optimize the Resource Allocation of Foreign Trade Enterprises. the Development of Cross-Border e-Commerce Not Only Deepens the International Division of Labor, But Also Accelerates the Development of Foreign Trade. According to the Monitoring Data of China e-Commerce Research Center in 2017, by December 2017, the Total Transaction Volume of Cross-Border e-Commerce Market in Fujian Province Had Increased and Reached More Than 800 Billion Yuan, an Increase of 31% Compared with 2016, Far Exceeding the Growth Rate of Traditional Import and Export Trade. the Proportion of Fujian's Total Import and Export Trade Increased to 22.4% from 6.4% in 2010. This Proportion is Still Increasing, Reflecting the Increasing Proportion and Status of Cross-Border e-Commerce in Fujian's Foreign Trade. Based

on the Definition of Cross-Border e-Commerce, This Paper Analyzes That Cross-Border e-Commerce Has More Advantages Than Traditional Foreign Trade in Terms of Trade Link Simplification and Trade Process Upgrading. This Paper Systematically Analyzes Several Typical Operation Modes of Cross-Border e-Commerce, and Comprehensively and Systematically Analyzes Cross-Border e-Commerce. It Lays a Foundation for the Following Analysis of the Impact of Cross-Border e-Commerce on Import and Export Trade in Fujian Province. Secondly, Based on the Development Environment and Market Development Status of Cross-Border e-Commerce Industry, This Paper Points out the Relevant Problems Existing in the Current Use of Cross-Border e-Commerce by Enterprises, Analyzes the Causes, and Puts Forward Relevant Solutions.

## **2. in Related Concepts of Cross-Border e-Commerce**

### **2.1 connotation of Cross-Border e-Commerce**

In the Narrow Sense, Cross-Border e-Commerce Refers to Trade Activities That Use the Current Internet and Computer Technology to Complete Online Trading, Cross-Border Payment and Other Related Trade Processes, and Then Deliver Goods and Commodities Directly to Consumers through Transportation Methods Such as Express Delivery and Small Parcels. In a Broad Sense, Cross-Border e-Commerce Refers to the Application of e-Commerce in International Trade, and Business Entities between Different Countries and Regions. Use Network Technology, Modern Communication Technology, and Computer Technology to Complement the Links between Product Displays, Trade Negotiations, Contract Signing, and Order Payment for Traditional Import and Export Trades.

### **2.2 Typical Operating Model of Cross-Border e-Commerce**

#### **2.2.1 Cross-Border Bulk Trading Platform (B2b) Model**

The cross-border bulk trading platform (B2B) model refers to the B2B e-commerce model of large-scale import and export services. In particular, the website of the Inter-Enterprise Cross-Border Trading Platform (B2B) is a transaction website that provides services for the final transaction between the two parties based on the goods delivery, demand information and credit information of the import and export trade parties.

#### **2.2.2 Cross-Border Retail Transaction Platform (B2c) Model**

The cross-border retail platform model (B2C) is a B2C e-commerce model for small foreign trade services. Under this model, domestic and foreign buyers and sellers use cross-border retail platforms to showcase their products and services. Marketing promotion, information transfer, contract signing, commodity payment, logistics, online tracking, etc. In particular, national companies engaged in import and export trade publish information about their products or services through third-party retail platforms or B2C websites. Attract buyers, conclude deals for online transactions and pay online (by entrusting a third-party payment system or self-built), using international third-party logistics (or self-built logistics) to directly connect foreign or wholesale and retail supplies of products and services in the value chain Business to end consumer users.

#### **2.2.3 Professional Third-Party Service Platform (Generation Operation) Model**

The third-party service professional platform model is a new model for the development of cross-border e-commerce. This platform is different from the traditional cross-border electronic platform, which focuses on the application of innovation and e-commerce business practices, but does not participate in the buying and selling process of cross-border e-commerce. Provide customers with market research, analyze the plasticity of the online market, supply and demand opportunities, brand positioning, etc. establish an information platform suitable for foreign consumer habits. Provide customers with overseas marketing solutions and explore foreign markets; In addition, it also provides back-office payment, customer service, logistics and foreign legal consulting services.

### **3. The Development Environment and Market Development Status of Fujian's Cross-Border e-Commerce Industry**

#### **3.1 The Scale of Transactions in the Cross-Border e-Commerce Market Continues to Expand**

In recent years, representatives of e-commerce companies, Alibaba, JD.com, Suning Tesco, etc. have developed rapidly, and the total transaction volume of goods has continuously exceeded new highs. Internet technology applications and e-commerce models have gradually expanded and deepened in all areas of society. At this stage, e-commerce online transactions are fully integrated into the traditional real economy, entering a period of explosive growth and development, which has an increasing impact on economic life and personal shopping behavior. Cross-border e-commerce is the last area of e-commerce development and has become the latest and fastest area of Fujian trade. From 2012 to 2016, the volume of cross-border e-commerce transactions in Fujian increased year by year. From 2015 to 2016, cross-border e-commerce transactions in Fujian Province exceeded 200 billion yuan and 300 billion yuan, respectively. Therefore, in the context of rapid economic development, information globalization and global economic integration, and the very popular global e-commerce, Fujian enterprises should seize these opportunities to complete their transformation and upgrade.

#### **3.2 Unbalanced Scale Structure of Cross-Border e-Commerce Import and Export**

Before 2012, the cross-border e-commerce import and export structure was distributed, and over 90% of the transaction size was dependent on exports, and the share of imported e-commerce was relatively low. In recent years, the share of imports has gradually increased, reaching 15.8% in 2016, but there is still much work to do to balance the import and export structure of cross-border e-commerce.

The imbalance in the number of imports and exports of cross-border e-commerce is caused by many factors. First, Fujian's cross-border e-commerce is in its infancy, and security, customs, cross-border logistics, and after-sales service systems need to be further improved. Second, cross-border imports of e-commerce are strongly influenced by national policies and consumption habits, and its growth will remain stable and slow. However, professionals believe that the Chinese import market crosses borders and e-commerce will gradually increase in the future. This is inseparable from the improvement of national infrastructure, consumer cross-border online shopping habits, and the continuous development and expansion of the international online shopping market.

#### **3.3 Cross-Border e-Commerce Exports Are Concentrated in the United States and Eurasia**

According to the statistics of the Fujian Provincial Bureau of Statistics, Fujian's cross-border e-commerce exports in 2017 were mainly distributed in the United States, the European Union and neighboring countries and regions around Asia. The United States and the European Union share 21.9% and 21.5%, respectively. The e-commerce cross-border exports to Asian neighbors and regions were 49.1%, of which China, Hong Kong and ASEAN were 20.3% and 15.2% respectively; in other regions, Japan and South Korea were 8.6% and 8.4% and 5.6% respectively.

Encourage the development of cross-border trade and e-commerce. The growth of Fujian's cross-border e-commerce exports has reached a new level this year. This is not only thanks to the active domestic cross-border e-commerce policy, but the gradual penetration of the cross-border e-commerce consumption model. And more benefit from the high quality of Chinese products and the increasingly active foreign markets. In recent years, developed markets represented by the United States, Germany, France, etc., have effectively promoted cross-border e-commerce exports due to their high per capita income, with their strong per capita purchasing power, mature consumption habits and comprehensive logistics facilities. Development of the retail industry.

## **4. The Problems of Fujian Enterprises Using Cross-Border e-Commerce**

### **4.1 Issues That Arouse Customs Supervision**

In cross-border e-commerce, the fragmentation of foreign trade is becoming increasingly apparent. Part of the traditional trade in goods has been fragmented into cross-border e-commerce. Entry and exit by mail and courier. Cross-border e-commerce customs clearance has the characteristics of small batches, high frequency and short cycle, which brings many new regulatory issues to customs supervision.

### **4.2 Disputes over Intellectual Property Rights**

Currently, many cross-border e-commerce companies lack their own brands, and among them, there is almost no international brand. Due to the lack of independent research and development capabilities in the production of these products, these enterprises can only rely on the production of imitation products in order to obtain greater benefits and develop the market in production operations, and they are mainly concentrated in primary manufacturing and labor-intensive manufacturing. The fierce competition in the market makes it easier for low-priced products to win, which is undoubtedly an absolute advantage for cheap textiles. Misappropriation of other people's brand trademarks is almost a recognized hidden rule in the entire industry. This is a problem retained by many cross-border e-commerce enterprises in Fujian, which has also contributed to many cases of violation of knowledge products.

### **4.3 Credit Security Problems Exist in Cross-Border Payments**

A key link in the cross-border capital flow of e-commerce is cross-border payments. Because of this, the development of the third-party cross-border payment industry is fast. However, compared with domestic third-party payments, it has more complicated business models and processes. And currently there is no standardized and unified cross-border payment management system in China. This makes cross-border third-party payments have many potential risks and problems under the current development and business development model.

### **4.4 Lack of Professional Foreign Trade Talents**

The lack of personnel specialized in foreign trade has become a major obstacle to the development of cross-border e-commerce. This mainly happens in the following areas: first is small online retailers. Most people engaged in cross-border e-commerce come from traditional industries or other foreign trade departments. They can usually communicate with foreign customers in simple English, but they may not know anything about other languages. In addition, you need to know the transaction characteristics rules of cross-border e-commerce platforms, relevant laws and regulations in different countries, and knowledge in the fields of international supervision, logistics, insurance, and declaration. Under the current circumstances, qualified talent is still very scarce.

## **5. Research on Countermeasures of Cross-Border e-Commerce to Promote Trade Development in Fujian**

### **5.1 Innovate the Customs Supervision Mode and Improve the Efficiency of Customs Clearance**

First, we must innovate from the customs supervision model, especially from the policy level. As a pilot city for cross-border e-commerce, Hangzhou has established and owned the country's first exemplary and typical cross-border e-commerce park, and a cross-border e-commerce service platform has also been established. In terms of cross-border imports, it is necessary to improve and support the development of an innovative model, such as direct express import and bonded import, and a fast customs service model, to establish and guide domestic consumers to carry out cross-border online shopping activities through convenient, efficient and efficient channels And strengthen product traceability management and provide related electronic

information technology.

Secondly, we must combine today's most advanced technologies to create innovative information technologies and improve customs clearance efficiency. Optimize the business processes between the customs, national tax, commodity inspection, e-commerce companies and logistics companies in the park, and realize "on-site customs clearance" in the park, thereby reducing customs clearance costs and improving customs clearance efficiency. Thereby optimizing the development path of cross-border e-commerce enterprises.

## **5.2 Improve Relevant Legislation on Intellectual Property Protection in the Cross-Border e-Commerce Field**

The government can strengthen the protection of intellectual property rights in the field of e-commerce. First, prepare a relevant law and regulation on the protection of intellectual property rights in the field of e-commerce in order to provide relevant legal and management foundations for cross-border e-commerce protection of intellectual property rights. Second, in accordance with the responsibility of the competent authority, a reasonable division of labor and cooperation in the handling of related intellectual property disputes should be considered, and in handling these intellectual property disputes, strict observance of existing laws and regulations and strengthening of law enforcement should be considered. Strengthen sanctions against IPR infringement and increase the cost of IPR infringement.

## **5.3 Strengthen Payment Security and Improve Cross-Border Payment Models**

The risk control of cross-border payments must be handled from the technical level of the network. Through technical improvements and improvements and remedies for loopholes and design flaws, the risk of virus intrusion and phishing is reduced. At the same time, prevent the system from being attacked by network hackers. Reduce page jumps with HTMLS technology. Cross-border payment service providers need to cooperate with Internet technology providers to ensure the security of order payment. During the payment process, it is best to carry out data transmission through the bank's encrypted channel, so that the interests of consumers can be protected to the greatest extent. To avoid or reduce the credit risk of cross-border payments, cross-border e-commerce platforms need to establish a more complete and secure cross-border payment model.

## **5.4 Attach Importance to Cross-Border e-Commerce Education and Cultivate Compound Talents**

Fujian Province should attach importance to cross-border e-commerce education and foreign trade talent training, which is of great practical significance to fill the gap in cross-border e-commerce talents. First, the government should support and help vocational schools and universities to strengthen the construction of cross-border e-commerce disciplines, establish a rational and scientific teaching and education plan, rationally arrange curriculum systems and training programs.

Second, innovation is a very important topic at present, and cooperation between schools and enterprises can make the training of talents more comprehensive. In this regard, the innovation of universities in this area is very important. Let teachers and students increase their connections with the company and learn from their outstanding leaders and employees.

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