

Research of Development Situation, existing problems, strategy, countermeasure and supporting policy for Ningbo Cross-Border Electronic Commerce

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Abstract. Small and medium-sized foreign trade enterprises play the decisive role in improving Ningbo's economy forward. This paper analyzes the main problems faced by small and medium-sized foreign trade enterprises while developing cross-border electronic commerce, proposes the constructive countermeasure, conducts the research of how the small and medium-sized foreign trade enterprises apply the third-party service-oriented architecture to realize the construction of cross-border electronic commerce platform in the perspective of the present reality, as we seek to boost the transformation and upgrading of Ningbo's small and medium-sized foreign trade enterprises.

1. Research Objectives

As we are entering an era of Internet Plus, cross-border electronic commerce is becoming increasingly important in the field of foreign trade. In recent years, the China's traditional foreign trade has been facing drawbacks in competitive edge, and international financial crisis and debt crisis have been deepened and expanded, which lead to the obvious decline of trade demand, increasingly intensive industry competition and more complicated environment of trade. Whereas cross-border electronic commerce is growing among the environment of foreign trade against the overall trend of financial downturn, and this newly emerging commerce has become the new path for mainland enterprises developing international market and the updated method for accelerating the development of foreign trade.

Ningbo is one of the first batch pilot cities for launching cross-border electronic commerce in China, and about 22600 enterprises of export and import trade are located in here. In 2015, Ningbo's total volume of import and export trade has reached over 100.33 billion dollar, which can effectively demonstrate that small and medium-sized foreign trade enterprises play the decisive role in improving Ningbo's economy forward. Since 2012, Ningbo has established the pilot for launching cross-border electronic commerce service, and accordingly small and medium-sized foreign trade corporations have been gradually involved into the cross-border electronic commerce. The enterprises involved into the cross-border electronic commerce are displaying the large number, but the related existing problems are inevitable.

2. Development Situation of Cross-border Electronic Commerce Conducted by Small and Medium-sized Foreign Trade Enterprises

Since 2008, China's total amount of cross-border electronic commerce has increased annually by more than 40%, and accordingly the volume of trade in 2013 reached over 2 trillion Yuan representing a growth rate faster than any other traditional trade. Ningbo has sufficient resources and abundant conditions to develop cross-border electronic commerce and enjoys an enormous potential of industries. The industrial cluster and the rapid boosting of small and medium-sized foreign trade enterprises have built a well, sound and favorable foundation for developing vertical internet transactions. What's more, Ningbo has developed and advanced logistics industry in port and other

transportation sites, has high degree of information construction and has obvious advantages in talents, technology and the environment of electronic commerce.

According to the statistics, from January to April of 2016, Ningbo's customs has approved about 8.898 million import and export declaration forms of cross-border electronic commerce, accounting for total value of 8.57 billion Yuan, with the year-on-year growth of 3.6 times and 15.6 times successively. The amount of new consumers increased 3.1113 million. Ningbo now has gradually fostered the cross-border electronic commerce industrial pattern of bounded area-centered and Lishe bounded logistics center, airport logistics park, Haishu cross-border electronic commerce industrial parks and Ningbo electronic commerce city Jiangbei parks assisted, as to realize Ningbo's development integrating electronic commerce and characteristic industry.

3. Development Bottleneck and Strategy of Ningbo Cross-border Electronic Commerce

3.1 Payment Problems of Cross-border Electronic Commerce

Due to the development of foreign exchange cross-border payment platform, the efficiency of foreign exchange settlement and sale can be promoted, and the electronic commerce enterprises international payment can be accelerated. As the cross-border electronic commerce develops, the requirement of civil cross-border settlement is increasingly higher. The profit model of domestic third party payment is simple, and the homogeneous competition is serious and severe. The payment institution must constantly carry out the cross-border electronic commerce service with high efficiency and practice use as to attract the customers, develop the potential customers and create development space for payment institution. The products paid in the form of cross-border payment by the third party payment institution, the service and the market shares can not be mentioned in the same breath with enormous commercial bank. However, as the third party payment has advantage in network platform, transaction flow and customer's paying habits, it has already had the differentiation advantages in certain business area. In the face of the pressure of third party payment institution cross-border payment transaction, commercial bank should advance with the times, innovate and change, and discover the change of customers' demand, carry out individual service in a more convenient and close way and constantly develop the finance on the perspective of original business and advantages.

3.2 Credit Problems of Cross-border Electronic Commerce

Compared with domestic electronic commerce, the cross-border electronic commerce has more fragile credit system required to be perfect. The complex trade environment should be supported by cross-border and cross-culture credit system. In the practical operation, due to the different laws and regulations in different countries, the differences of credit remain, and there is no united credit standard. Credit management system in different regions and in different countries can not effectively be applied into the cross-border electronic commerce.

In China, as market still requires to be cultivated, and the corporations' reputations are relatively low, government shall be closely engaged into the process while building the credit system of cross-border electronic commerce. For example, electronic certification requires to be supplemented by government reputation. Government and enterprises shall jointly establish the credit rating incentive mechanism as to motivate individual, enterprise and international customer to participate into the online assessment of credits. Beside the legal framework restriction, the trust evaluation mechanism and credible third party can be the indispensable part of constructing credit system of cross-border electronic commerce. Through establishing the perfected social credit safeguard mechanism, the credible business environment can be fostered, and accordingly the cross-border electronic commerce deal's dependability and security can be effectively guaranteed as to strengthen the development of cross-border electronic commerce payment means.

3.3 Logistics Development Problems of Cross-border Electronic Commerce

The cross-border electronic commerce is featured with small order form, multiple wholesale and short term purchase, and requires high speed of logistics. The transportation should be realized

through international express. At present, the logistic patterns adopted by cross-border electronic B2C commerce are international small packet and express, oversea storage and large-scale transportation after assembling. The international small packet has long transit time, while international express cost has high cost. The express delivers from China to other places on the globe, accounting for 7 to 15 days, and sometimes more than a month. Currently, many enterprises set up storage overseas as to shorten the deliver time. However, small and medium-sized enterprises have can not afford the cost of setting oversea storage due to their small scale and low ability in cost bearing.

Thus, logistics is still the major challenge for small and medium-sized enterprises developing cross-border electronic commerce service. In recent years, the logistics service of cross-border electronic commerce has boosted, and the logistics enterprises of cross-border electronic commerce has the huge upside potential as the cross-border electronic commerce market gets increasingly matured. The logistics enterprises of cross-border electronic commerce should play the role of global supply chain integrator, integrate and optimize the resource for small and medium-sized enterprises and provide comprehensive supply chain solution for cross-border electronic commerce dealer through high-efficient processing storage, inventory, order sealing and logistic delivery.

Government shall reinforce the infrastructure construction of logistics, come up with layout plan, formulate policy promoting and accelerating the logistics development, optimize and overall plan for the construction of logistics infrastructure like central city, transportation junction, materials and commodities collecting and distributing center and port, take full consideration of the reasonable integration of materials and commodities collecting and distributing channels, various transportation means linking abilities and logistics functional facilities, take into account of the recent operation and prospective development requirement, integrate the self-characteristics and surrounding environments and facilities and pay much attention to the combination of hardware construction and software construction. Since 2013, Ningbo has set up the pilot for conducting cross-border electronic commerce customs clearance service, and in the next step, the government should also develop and optimize the cross-border electronic commerce integration and matching, and support and manage the third party logistics on the perspective of science.

3.4 Customs Clearance Problems of Cross-border Electronic Commerce

As the Cross-border Electronic Commerce develops rapidly, the efficiency of customs clearance should be further improved, the cost of trade should be reduced and problems of settlement and drawback of the Cross-border Electronic Commerce should be settled. In the meantime, as the cross-border express and the mails are increasing rapidly, the customs supervision is facing new challenges. Since we launched the cross-border electronic commerce pilot import and export service a year ago, Ningbo customs and CIQ have taken measures to reinforce the investigation of fake merchandise, series of goods, import goods replacement, China-made goods adulteration and other breach of law, organize the cross-border electronic commerce service platform as to shorten the customs clearance period, reduce the logistics cost and promote the benefit space and resolve the gray customs clearance for cross-border electronic commerce, provide customs clearance and overall logistics service for cross-border electronic commerce enterprises and resolve the settlement of exchange and drawback problems. Thus, the supervision model of government towards cross-border electronic commerce import and export goods has been gradually fostered as to positively carry forward the healthy and normative development of cross-border electronic commerce and formulate the related regulations for customs clearance.

4. Conclusion

As small and medium-sized enterprises of Ningbo seek to develop sustainably, they must catch up the trend of cross-border electronic commerce. At present, small and medium-sized foreign trade corporations have launched the cross-border electronic commerce in succession. However, as enterprises are facing difficulties in capital and talents factors, this paper mainly discusses how to effectively develop cross-border electronic commerce and mobile electronic commerce. Ningbo's

“13th Five” project has emphasized to strive to develop the smart city, and accordingly the cross-border electronic commerce is the major reflector of smart city. Thus, finding out the related solution has significance for Ningbo developing cross-border electronic commerce.

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