

The research of export enterprises implement the model of cross-border E-commerce strategy selection

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Cross-border E-commerce is becoming an important way of Chinese foreign trade enterprises to expand the international market. This paper aims to guide foreign trade enterprises from the traditional "offline trade" to "online transactions" cross-border e-business model changes and then to help enterprises choose a reasonable cross-border E-commerce model, through different typical representative of cross-border E-commerce mode of in-depth research and comparative analysis.

Keywords: Export enterprises; cross-border E-commerce; model; strategy.

1. Preface

Since 2008, the international financial crisis has led to the overall deterioration of foreign trade. Serious trade protection, increased export costs, decreased international market demand and many other unfavorable factors have emerged. But also it brought opportunities for the rapid development of cross-border E-commerce which put B2B, B2C cross-border trade as the core.

In recent years, with the progress of internet and communication technology, cross-border E-commerce is rising rapidly in the global scope and it has become a new mode of growth, bringing new vitality to the foreign trade market. With the rapid rise of the internet economy, cross-border E-commerce as a new force in the development of e-commerce has entered the public's vision and it is becoming an indispensable part of the public. Therefore, Chinese export enterprises implement cross-border E-commerce choice strategy research has great practical value. It can make the enterprise to avoid unnecessary loss,

reduce the waste of resources, and also can promote the development of enterprises better.

2. The Export of Cross-border E-commerce Model

At present, there are three types cross-border E-commerce model in China:

(1) Platform cross-border E-commerce model

They provide a unified sales platform. One side of the platform is domestic export trade enterprises, and the other side is overseas consumers. Aliexpress, Amazon, Wish, and eBay all belong to such foreign trade retail trading platform. As a third-party platform provider, it provides information flow, capital flow and logistics services for the foreign trade export enterprises, and its profit method is based on the transaction price to charge a certain percentage of the commission.

(2) Self-business cross-border E-commerce model

The most representative of this kind of cross-border E-commerce platform is Light in the box. Such enterprises contact their own domestic foreign trade enterprises as suppliers. The platform purchases goods directly from the foreign trade enterprises, buying out of supply and then the products are sold overseas through the self-built B2C platform. E-commerce platform itself is an independent vendor.

(3) Cross-border E-commerce agent operation service model

Agent operation service providers, such as BizArk and Enterprising & Creative, open overseas channels and professional market for export Enterprises. This model is not directly or indirectly involved in the service providers to participate in the sale of any e-commerce process, but to engage in cross-border E-commerce for the export of small and medium enterprises to provide different service modules, such as "market research module", "marketing business platform building module", "overseas marketing solution module" and so on. These e-commerce service providers help export enterprises to build an independent e-commerce website platform, and can provide a full range of e-commerce solutions to sale goods to foreign retailers or consumers directly. The service providers can provide one-stop e-commerce solutions, and can help foreign trade enterprises establish a customized personalized e-commerce platform. Its profit model is to earn the service fees paid by enterprises.

3. A Comparative Analysis of Cross-border E-commerce

The transactions of cross-border E-commerce grow every year, showing an upward trend of proportion in the import and export transactions in our country. The transaction volume of cross-border E-commerce in 2015 is about 4 trillion and 800 billion, the growth rate reached 28%. In the overall cross-border E-

commerce, export e-commerce accounted for a relatively large proportion, cross-border E-commerce transactions amounted to 4 trillion and 500 billion in 2015, accounting for 83% of the cross-border E-commerce transactions. The transactions of cross-border E-commerce will reach 5 trillion and 800 billion expected in China. Therefore, foreign trade enterprises how to seize the opportunity to develop cross-border E-commerce and select the appropriate cross-border E-commerce strategy is particularly important.



Fig. 1. Cross-border E-commerce trading volume and export-import volume changes



Fig. 2. Export transaction volume trend

At present, the existing cross-border E-commerce models in our country are platform cross-border E-commerce model, self-business cross-border E-commerce model and cross-border E-commerce agent operation service model. But in practical application, platform cross-border E-commerce model has a large percentage of all. The typical representative of the three cross-border E-commerce models are analyzed and compared in the following table.

Table 1. Analysis and comparison of different cross border E-commerce models

Type	Representative	Advantage	Disadvantage	Suitable enterprise
Platform model	Aliexpress	Full Chinese operation interface; parts category publish free; relatively high fault tolerance	High cost of publicity and promotion; no customer service	Vertical traders; traditional wholesalers
	Amazon	Huge customer base and traffic advantage; strong warehousing and logistics systems and services; Chinese registration interface	Demand high product quality; complex procedures; need foreign bank account;	Enterprises that have stable and reliable product resources; well-funded company
	Wish	High profit and fair competition; precision marketing, point to point personalized push; facebook diversion, marketing positioning clear	Long commodity audit time; higher cost; imperfect logistics solution; ambiguous rule	Brand dealers, factory that transform to B2C
Self-business model	Lightinthebox	Low cost; collection of domestic suppliers; advanced search engine optimization and competitive ranking technology	Few advertising channels; high order cost; low user viscosity; long protection period	Processing plant
Agent operation service model	Biz Ark	Freedom of design and easy show the characteristics of goods; rich function; easy to popularize	Single by the promotion of the search engine, the effect is poor; the customer diversion effect is not obvious	Characteristic enterprise, such as chemical industry

4. Strategies and Suggestions on the Selection of Cross Border E-commerce in Enterprises

Through the analysis and comparison of the above, we can see that three cross-border E-commerce models have both advantages and disadvantages. But, platform cross-border E-commerce model has already been in the existing cross-border E-commerce model, and have occupied the dominant position. Foreign trade enterprises need to weigh their own strength, in order to choose the most suitable model. Selection can be considered from the following aspects:

(1) Enterprise target market and product positioning

In the first place, foreign trade enterprises need to clear the target market, such as the United States market, the European market, the African market, etc. Secondly, to clarify the category, quantity and characteristics of enterprise products. Foreign trade enterprises should make reasonable choice according to

their own characteristics, for those with strong professional enterprise, it should choose third cross-border E-commerce platform model, and establish a unique platform website, the choice of comprehensive would not be suitable in contrast. For example, chemical industry, pharmaceutical industry, etc.

(2) Scale and influence of cross border E-commerce platform

Early start, big scale and influence of the electronic commerce platform, which have a wealth of experience in the operation of the platform, in membership management, information management, website promotion and other aspects have rich resources, can provide better service for the seller. For example, the first cross-border E-commerce model, suitable for small sellers and enterprises which are just starting to set foot in export trade.

(3) Electronic commerce platform promotion ability

E-commerce platform itself only to promote and promote, would allow more overseas buyers to know and understand, attract overseas buyers procuring through the platform. E-commerce platform to participate in international exhibitions, search engine promotion, advertising, foreign cooperation and other ways to promote. Foreign trade enterprises in the choice of E-commerce platform should consider the promotion of investment.

(4) Added value of electronic commerce platform

If the E-commerce platform provides a large number of additional value and preferential, then foreign trade enterprises can take full advantage of the added value and benefits to reduce costs, get a larger income.

(5) The current situation of E-commerce platform service items charging

To buy all kinds of goods or services, and finally to consider the price. At present, all kinds of E-commerce platform provide a variety of charging services, prices ranging from ten thousand or twenty thousand yuan. Although a variety of foreign trade E-commerce platform has free membership services, there are restrictions on photos, authentication, ranking and other services, enterprises should choose suitable platform and services according to the needs and the ability to buy.

5. Conclusion

The global economic depression has become the catalyst for the development of cross-border trade in E-commerce, the rapid development of E-commerce at home and abroad also provides experience and conditions for cross-border E-commerce.

Selection of cross-border E-commerce mode of foreign trade enterprises is a complicated and huge project. In the selection process, we must first understand the cross-border E-commerce marketing model, advantages and disadvantages, charging mode, information flow operation mode, suitable business types. And

then according to the content, enterprises need to analysis and study the enterprise's own products, the target market, and other aspects of the different characteristics of various dynamic models. Not only to make it comprehensive, but also conforming the enterprise's specific and detailed current situation; secondly, according to the cross-border E-commerce specific case research, enterprises should make comparative analysis, to understand its characteristics; finally, enterprises choose the most suitable model for cross-border E-commerce, to achieve maximize profits.

Acknowledgment

This work is supported by the Key Project of Practice Teaching Team of Beijing Institute of Fashion Technology in 2016(Grant No. ZDSJTD-1605)

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