

## Original Paper

# Critical Factors of Aquatic Products in Cross Border Ecommerce Operation

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### **Abstract**

*Cross-border e-commerce refers to international commercial activities in which different customs trading entities conduct transactions through e-commerce platforms, conduct electronic payment and settlement, and complete the delivery of goods through cross-border logistics and transactions. Cross-border e-commerce is the extension and expansion of e-commerce. In recent years, its scale has been constantly expanding, and it has become a new trend and an important part of the transformation and development of international trade.*

*As an important product of China's foreign exports, aquatic products rank the first among all agricultural products exported in China, accounting for nearly one third, and are an important growth point of China's foreign trade. Starting from the perspective of export enterprises of cross-border e-commerce of aquatic products and combining the bottleneck problems encountered in the development of cross-border e-commerce of aquatic products as a starting point, this paper analyzes the current situation of the development of cross-border e-commerce of aquatic products in China through the results of a questionnaire survey, and discusses the influencing factors that affect the sales of aquatic products enterprises. Finally, based on the above results and the aquatic product industry in which the target cross-border e-commerce enterprises are located, relevant strategies for the further development of cross-border e-commerce enterprises in this industry will be proposed.*

### **Keywords**

*cross-border e-commerce, Aquatic products, export*

## **1. Research Questions**

With the continuous expansion of China's opening to the outside world, the total volume of China's import and export has continued to grow, and foreign trade has become increasingly important in

China's national economy. With the further development of international trade and the widespread use of Internet technology, the role of Internet in international trade is increasingly prominent. Cross-border e-commerce is an international commercial activity in which transactions are concluded, electronic payment and settlement are made through e-commerce platforms, goods are delivered through cross-border logistics, and transactions are completed. It is characterized by digitalization, multilateralization, high frequency, small batch size, and directness. The recent executive meeting of the State Council clearly pointed out that supporting the development of cross-border e-commerce and other new forms of business is an important measure to adapt to the new trend of the industrial revolution and promote the stability and quality of import and export. In recent years, the rapid expansion of cross-border e-commerce has become a highlight in the growth of foreign trade, promoting the upgrading of domestic industries, releasing the potential of market consumption, promoting the development of logistics and other logistics industries, and having a positive impact on innovative employment.

China has always been a big country in water products import and export trade, production, processing and consumption. Data shows that the total trade volume of aquatic products in China accounts for 16.3% of the total trade volume of agricultural products. In terms of export, the export volume of aquatic products ranks the first among all agricultural products, accounting for nearly one third, and has become an important growth point of China's foreign trade. The use of cross-border e-commerce lowers the threshold for aquatic products to enter the global market, which is conducive to more small and medium-sized enterprises to go abroad, expand market channels and expand sales. Due to the large market demand for aquatic products, as well as the necessities of life, and the large supply elasticity and small consumption elasticity, aquatic products industry has become a hot industry of cross-border e-commerce. As China's largest aquatic products trading center and far-sea fishing distribution center, Fuzhou economic and technological development zone has many advantages in the development of cross-border e-commerce. However, due to the changing foreign trade environment, the growth trend has slowed down in recent years, and the core competitiveness in industrial development is insufficient. In order to further promote the development of cross-border e-commerce of aquatic products in China, based on the analysis of the current situation and existing problems of the development of cross-border e-commerce of aquatic products in Fuzhou economic and technological development zone, this paper proposes countermeasures and Suggestions to promote the development of cross-border e-commerce of aquatic products in the development zone.

## **2. Literature Review**

To explore in B2C exit aquatic products industry cross-border electricity business difficulties and problems encountered in development, cross-border commercial export of aquatic products enterprise was studied the influence factors of sales, and from the industry standard, brand construction, the platform construction, cold-chain logistics, talent introduction, etc., put forward pertinent Suggestions,

this section will combine the existing cross-border electricity related theory and the actual situation of the current aquatic products industry development, for the development of cross-border export of aquatic products industry provides the theory basis for problems and solutions, and on the basis of this hypothesis is put forward.

Guan Hongbo and Yang Baoan (2009) believe that although e-commerce of aquatic products is a blue ocean of future development, its development will be restricted by many factors, such as e-commerce trading platform, electronic trading technology, logistics distribution, national policies, consumers and payment system. Cui Yanhong (2015) pointed out that the export cost of agricultural products in China was on the rise. In particular, the export enterprises of agricultural products did not pay enough attention to cross-border e-commerce platforms, and it was still difficult for them to play a positive role in improving logistics distribution efficiency, expanding export channels and reducing export costs. Wang Youli and Zhu Pengyi (2013) argue that because of high water content of aquatic products, their characteristics such as the strong body organization mold class activity, the circulation system of relationship between the quality and safety of aquatic products, aquatic products in the process of logistics needs rapid flow, but because of the cold chain logistics China starts relatively late, far from forming a complete cold-chain logistics system, lead to weak cold chain of aquatic products quality guarantee, aquatic products circulation loss rate is higher, serious economic loss.

Yang Derong and Ma Shangping (2016) believe that the development of aquatic products e-commerce should be promoted from the following aspects: to build a logistics distribution center specializing in cold chain products e-commerce; Secondly, the safety system of aquatic products should be improved and the traceability system of aquatic products should be established. Third, we need to raise the level of integrity and ethics of citizens and enterprises and reduce the risk of buying and selling. Fifth, we should give full play to the role of grassroots governments and village-level organizations in expanding publicity, and encourage the establishment of cooperation between fishery production subjects and e-commerce. The development of cross-border e-commerce of aquatic products must be important in product quality, and only by ensuring quality can sustainable development be achieved. Wang Yin and Qian Zhuozhen (2014) believed that the quality and safety management of aquatic products should be carried out on the basis of risk assessment, and the emphasis should be put on the implementation of market access system and the establishment of traceability system, so as to effectively control the quality of aquatic products. First, strengthen the law enforcement of aquatic product breeding; Second, the establishment of aquatic product quality safety accident emergency plan; Third, improve the aquatic product quality supervision system; Fourth, cultivate brand awareness of aquatic products; Fifth, establish a traceability system for aquatic products. Huang Bin (2010) put forward the relevant countermeasures to promote the export of aquatic products in China. The second is to strengthen the HACCP system construction of aquatic products enterprises and improve the quality of products. Third, vigorously cultivate leading enterprises, the implementation of brand marketing strategy; Fourth, strengthen the research of aquatic products and promote the deep processing of aquatic products; Fifth,

strengthen the role of the government and industry associations, support the healthy development of aquaculture.

Integrated the existent literature research, can be found in the research of the development of the cross-border electricity has been relatively mature, which involves many factors, and the existent cross-border power business development strategy of aquatic products in literature research mainly focused on the quality of aquatic products, industry standards and other hardware conditions on the influence of some present situation, problem, for cold chain logistics, new retail model of the impact of cross-border electricity development of aquatic products research has yet to have a comprehensive and systematic exposition, for aquatic products in the research of the development of the cross-border electricity in the area is also less. Therefore, this research will attempt to from the perspectives of enterprise, demand, analysis of aquatic products cross-border power business development strategy, in Fuzhou economic and technological development zone as an example, a questionnaire survey, understand the current aquatic products enterprises in the status of the development of cross-border electricity, for aquatic product enterprises how to through the cross-border electric business platform to expand the international market to provide reference opinions, further innovation of aquatic products export trade development mode.

### **3. The Research Methods**

Guided by the theory of economics, this study adopts literature research, questionnaire survey and depth interview method, the Fuzhou economic and technological development zone aquatic products business enterprises to carry out investigation and interviews, aimed at the Fuzhou economic and technological development zone aquatic products cross-border power business development strategy study, further promote Fuzhou economic and technological development zone, through cross-border business platform for better development of aquatic products. The respondents are aquatic product merchants and enterprises in Fuzhou economic and technological development zone, whose types involve fishing, processing, breeding and sales, etc. The current, problems and opinions on the development of cross-border aquatic product e-commerce can reflect the actual situation to a large extent.

### **4. The Current Situation of Aquatic Products Cross-border e-commerce Export in Fuzhou Economic and Technological Development Zone**

A total of 60 questionnaires were distributed and 56 were recovered in this survey. After screening, 53 valid questionnaires were analyzed. Among the 53 questionnaires, 46 carried out cross-border e-commerce business of aquatic products, while 7 did not. Therefore, 53 or 46 questionnaires were taken as the total number according to the specific situation. In the questionnaire survey, 39 enterprises engaged in aquatic product sales, 21 enterprises involved in aquatic product processing, 11 enterprises involved in aquatic product breeding, 6 enterprises involved in aquatic product fishing and 3 others, so

the sample selection is somewhat representative. In terms of enterprise nature, private enterprises account for 92.45% (49/53), the proportion of Sino-foreign contractual joint ventures 5.66% (3/53), Chinese and foreign joint ventures account for 1.89% (1/53) of the aquatic products enterprises in Fuzhou economic and technological development zone are mainly private enterprises. In the questionnaire analysis results of this paper, except for multiple choices, the rest are single-choice topics.

When asked “what do you think of the overall situation of the development of cross-border e-commerce of aquatic products in Fuzhou economic and technological development zone?”, 66.04% (35/53) of enterprises think “average”, 16.98% (9/53) of enterprises consider “poor”, 13.21% (7/53) of enterprises think “good”, 3.77% (2/53) said “very good”, while no one chose “poor”. When asked “is your company engaged in cross-border e-commerce of aquatic products?”, 86.79% (46/53) chose “yes”, only 13.21% (7/53) of the enterprises choose “none”. Most aquatic products enterprises in Fuzhou economic and technological development zone choose to develop and sell their products through cross-border e-commerce platforms, but their development is not outstanding.

After asking “what do you think of the scale of cross-border e-commerce business of aquatic products in Fuzhou economic and technological development zone? As can be seen from figure 3-2, 9.43% (5/53) said “big”, 58.49% (31/53) said “average”, 28.31% (15/53) of enterprises consider “small”, 3.77% (2/53) said “very small” and no company chose “very big”. It can be seen that enterprises think the cross-border e-commerce business scale of aquatic products in the zone is small.

In the question “how much of the total trading volume of aquatic products through cross-border e-commerce does your company account for?” “Of the 46 enterprises that have carried out cross-border e-commerce of aquatic products, 52.17% (24/46) choose “10% (inclusive) -30%”; 23.91% (1/46) chose “below 10%”; 17.39% (8/46) choose “30% (inclusive) -50%”; Only 6.53% (3/46) choose “50% (inclusive) -70%”. It can be seen that currently, aquatic products enterprises in the development zone are involved in a large number of cross-border e-commerce businesses. However, cross-border e-commerce business accounts for a low proportion in the sales share of the whole enterprise, and has not yet become the first choice for enterprises, and its development space is broad.

## **5. Problems Existing in Cross-border e-commerce of Aquatic Products in Fuzhou Economic and Technological Development Zone**

### *5.1 Lack of Industry Development Norms*

Cross-border e-commerce platform is an important foundation for aquatic products enterprises to carry out cross-border e-commerce. It plays the role of an integrated service provider, providing platform users with comprehensive services such as ordering, ordering, settlement and logistics, involving customs, inspection and quarantine, customs, cross-border electronic settlement and other links. Though China has been issued on the cross-border e-commerce retail export tax policy to meet to know “on the implementation support for cross-border e-commerce retail outlet’s opinions on relevant

policies concerning the cross-border trade e-commerce announcement of inbound and outbound goods and articles about the regulatory issues in cross-border e-commerce payment institution” foreign currency payment business pilot instruction opinion, such as series of files, but seen from the actual operation process, and cross-border electricity there is still a big gap between the actual demand. As for cross-border e-commerce services, there is no specific authoritative guidance and document in China. Due to the absence of normative policy guidance for cross-border e-commerce platform enterprises and service industry, water supply products enterprises bring a lot of inconvenience on the practical level, and even they are prone to disputes and lead to the breakdown of cooperation.

### *5.2 Insufficient Investment in Cold Chain Logistics Infrastructure Construction*

Most of the cold-chain logistics enterprises in the zone are mainly engaged in leasing refrigerated warehouses and refrigerated vehicles. Currently, the three refrigerated warehouses under Mingcheng group in the zone are the largest refrigerated warehouses with a total storage capacity of 150,000 tons and more than 30 refrigerated vehicles, but these are not enough to meet the needs of carrying out cross-border e-commerce business of aquatic products. In addition, other small and medium-sized cold chain logistics companies have equipment that is old and technology that has not been updated in a timely manner. For the refrigerator cars that are on the verge of being scrapped are still in use, and the temperature and humidity of the refrigerator cars still rely on manual Settings and follow-up maintenance of facilities and equipment and lack of professional mechanics and other problems. From the output of aquatic products to the hands of consumers, the most important thing is to maintain “freshness” and “quality”, and the above-mentioned infrastructure problems will have a great impact on the transportation process of aquatic products, and it is difficult to realize the fresh and quality of aquatic products to reach the hands of consumers.

### *5.3 Aquatic Product Enterprise Brand Consciousness is Weak*

Fuzhou economic and technological development zone enterprises to export products of aquatic products, packaging, logo and not the name of the unified marketing, the product brand of market awareness, acceptance, improve the value of aquatic products, ensure product quality, improve enterprise management level to drive sales of aquatic products, such as good aspects, such as understanding does not reach the designated position, has not been set up to establish the enterprise brand strategy awareness. On the one hand, aquatic products belong to primary products, and there are many uncertain factors in the process of processing and production, which make it difficult to promote the branding of aquatic products. On the other hand, the domestic market is still the main consumer facing the aquatic product enterprises in the region, and domestic consumers have low requirements on the recognition degree of aquatic product brands and have weak awareness.

### *5.4 Companies Lack Cross-border e-commerce Professionals*

In the questionnaire, 83.02% (44/53) of the enterprises have no professional staff to carry out cross-border business, most companies use general trade marketing personnel to carry out cross-border business, this kind of staff to the traditional aquatic products sales, familiar domestic trade business, on

cross-border business basic don't understand, also at groping stage, for: each process slower business operations, how to promote the enterprise of aquatic products, marketing should relearn, enterprises in the development of aquatic products caused by cross-border electricity when business is slow. In addition, these marketing personnel should also consider offline traditional aquatic product trade activities while carrying out online business. Due to the familiarity of business, they are more likely to focus on traditional trade activities that they are good at. Due to the lack of cross-border e-commerce professionals, it is difficult for enterprises to explore the international market and seek target customers, which increases the difficulty in expanding the market and makes it difficult to improve the scale of cross-border e-commerce of aquatic products.

#### *5.5 There are Few Professional Platforms for Cross-border e-commerce of Aquatic Products*

In recent years, the Fuzhou economic and technological development zone aquatic products export trade volume increasing, cross-border electricity business enterprise rapid development, but mainly rely on aquatic products enterprise mass electric business platform for cross-border e-commerce business, now in aquatic products of professional cross-border electric business platform is missing, the association of south-east Asian nations (Asian) only by a platform, and in the face of the international market area has its limitations. Due to the lack of professional e-commerce platforms, aquatic products enterprises cannot find targeted customers, so they can only passively choose sellers by consumers. Faced with more competitors in the market, they cannot effectively analyze their advantages and disadvantages by comparing with competitors, so as to improve their business policies.

### **6. Strategic Suggestions on the Export of Aquatic Products through Cross-border e-commerce**

Based on the empirical analysis in the previous chapter, we can summarize some factors that affect the sales of cross-border e-commerce enterprises of aquatic products. Through the regression analysis of the data, it is found that some factors jointly affect the export sales of cross-border e-commerce enterprises of aquatic products. Product quality, independent brands, export channels, cold chain logistics and retail mode all have a significant impact on the export sales of aquatic products. According to the results of regression analysis and the interviews with relevant enterprises, we come up with the following Suggestions.

#### *6.1 Standardize Quality Standards for Aquatic Products*

With the development of the world economy, the export trade market of aquatic products is also more and more extensive, but at the same time, consumers of various countries have higher requirements on the quality of aquatic products, and the inspection of exported aquatic products in the international market is more and more strict. Chinese aquatic products inevitably encounter technical barriers to trade in the international market. In recent years, aquatic product poisoning and aquatic product trade disputes have occurred from time to time, which not only reduced international consumers' confidence in China's aquatic product consumption, but also greatly affected the export trade of aquatic products. To ensure the industrial and competitive advantages of aquatic products and further expand the

international market of aquatic products, the industry must aim at the quality of aquatic products, check the international standards, strictly control and effectively improve the quality of aquatic products in the region.

#### *6.2 Improve the Comprehensive Capability of Cold Chain Logistics Enterprises*

There are many aquatic products enterprises in China, which have a large demand for cold chain storage, transportation and distribution. Domestic third-party cold chain logistics has a good development space, and large foreign cold chain logistics enterprises are constantly introduced. Therefore, the development of cold chain logistics industry should be actively promoted. At the same time, cold chain logistics is an indispensable and crucial link in carrying out cross-border e-commerce business of aquatic products. The high management level, low transport loss and high information level of cold chain logistics enterprises can reduce the cost of aquatic products enterprises and improve the quality of aquatic products.

#### *6.3 Adopt Omni-channel Retail Mode*

The full retail model is regarded as an emerging format that can break the traditional online and offline models, and the fresh sales and consumption model is the category that most conforms to the development of the new retail model. No matter online delivery or offline in-store food, what is sold is no longer a simple commodity but a service. The core of its function is convenience, which will promote the change of people's lifestyle. If the vitality of this mode is guaranteed, the scene of aquatic product consumption will no longer be limited to farmers' markets and chain supermarkets. Providing goods and services is also a way of life. The combination of business brings the coverage of the scene. The positioning of multi-channel sales is restaurant + supermarket + distribution. Centering on the theme of food, the experience almost covers most of the consumption habits.

#### *6.4 Improve the Talent Pool for Cross-border e-commerce Merchants*

Another prominent problem in the aquatic product industry is the shortage of specialized talents in cross-border e-commerce. Most enterprises, especially the relatively small private enterprises, face obstacles in carrying out cross-border e-commerce business due to the lack of relevant expertise and talents. Cross-border e-commerce business development needs of aquatic products processing of aquatic products breeding, cross-border e-commerce, cold-chain logistics and other kinds of talent, single professionals in its development is limited, and the establishment of the free-trade area for talent introduction provides greater policy support, enterprise to mark their own development needs, clear type needed talents, through multiple channels, the multimode cultivate conforms to the enterprise strategy development comprehensive professional talents. Aquatic product enterprises should introduce professional talents of cross-border e-commerce, better adapt to the change of current trade pattern, promote the transformation and upgrading of foreign trade, and bring broader space for the internationalization development of enterprises.

#### *6.5 Accelerate the Development of Cross-border e-commerce Platforms for Aquatic Products*

E-commerce platform is the infrastructure and premise to promote the development of cross-border



e-commerce of aquatic products. Through the cross-border e-commerce platform, enterprises can directly contact with the consumption target, understand the needs and preferences of consumers, and help enterprises determine the main export markets and export products. Under the background of the transformation of traditional aquatic products industry, the number of cross-border e-commerce enterprises in China has increased sharply. However, how to promote the cooperation between processing and sales of aquatic products and cross-border e-commerce enterprises, improve the business level of cross-border e-commerce of aquatic products, and promote the construction of professional platform for cross-border e-commerce of aquatic products is particularly critical and urgent. Therefore, it is necessary to accelerate the development of professional cross-border e-commerce platform for aquatic products, expand the existing comprehensive cross-border e-commerce platform's export service scope for aquatic products enterprises, and provide professional e-commerce services for aquatic products export.

## 7. Conclusion

In this article, through combing the development status quo of cross-border electricity exports of aquatic products, using theoretical analysis tools it is concluded that the underlying factors affecting the development of aquatic products industry, and combining with visited many companies and large electric business platform during the practice achievement of aquatic products production base, sums up the relationship between the logic between various potential factors, which found that the current cross-border electricity business of aquatic products exports the problems in the process of operation.

According to the survey, the current aquatic product industry lacks unified and scientific industrial development norms, aquatic product quality management system lags behind, aquatic product enterprises' comprehensive service ability of cross-border e-commerce platform is weak, brand operation and marketing ability is insufficient, the management mechanism of transnational logistics enterprises is backward, and enterprises lack cross-border e-commerce professionals. Cross-border electricity as a result, aquatic products industry needs to carry out the policy of strategic synergy, to discuss and make the country recognizes, the entire industry can abide by the laws and regulations, conform to the international market and offline online unified industry standards of aquatic products, and raise their comprehensive ability, cold chain logistics enterprise joint overseas to take positions, to realize scale management and transportation, improve customer experience, use the modern science such as multi-channel marketing approach to marketing, B2C platform for cross-border electricity makers into huge traffic at the same time, to improve China's aquatic product reputation in the international consumer heart.

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