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## **The Development Situation and Strategies of Cross Border E-commerce in China**

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### **ABSTRACT**

With the quick development of E-commerce development, Cross Border business activity via the Internet which was as the complicated business model now has the new development situation and strategies in China. In this paper, we divided the business process of Cross Border E-commerce into five parts. They are marketing capability part, logistics part, payments part, tariff policy part and transaction rules part. We analyze each part development situation, advantage aspects, and problems in nowadays. Based on this analysis and case study, we try to find more effective development strategies for Cross Border E-commerce of China in the worldwide competition. Therefore, five kinds of strategies which most of them from the government perspectives we have found in the following parts. For the government, we advise them to create favorable environment for Cross-Border E-Commerce, to vigorously promote the development of electronic payment industry, to optimize logistics and distribution services of electronic commerce, to make the e-commerce credit service system perfectly and to improve the information infrastructure and security system.

### **Marketing Capability in Cross Border Ecommerce**

It refers to enterprises' market activities such as supply and demand analysis, parity ability, customer recognition and quick judgment, international sales and other capabilities. Many cross-border companies believe that the current international e-commerce platforms can't fully meet the needs of cross-border e-commerce enterprises, and can't significantly enhance the import and export capacity through the platforms online. Now it's urgent to cultivate the local cross-border service platforms to guide more and more small and medium enterprises to settle in these platforms, to expand the scale and enhance the efficiency of the import and export through the Internet.

### **Logistics in Cross Border Ecommerce**

In the cross-border logistics, the electronic logistics, the transfer speed and the transaction cost are all far from expectation, which seriously affect the development of cross-border e-commerce in China. Therefore, if we could integrate domestic and international logistics resources and take their advantages, these measures will enhance the speed of development of the cross-border e-commerce and lead to larger scale of cross-border transactions.

### **Payment in Cross Border Ecommerce**

As the development of the electronic settlement, third party payment, transaction security, electronic credit development, in particular, Paypal, Alipay and other online financial instruments, cross-border payments are no longer bottlenecks that restrict the development of cross-border e-commerce.

### **Tariff Policy in Cross Border Ecommerce**

At present, most of the cross-border e-commerce platforms export through express parcels. Thus export enterprises can only obtain the transport bills, but they cannot provide Customs Export Declaration and other legal documents. Under the guidance and support of the government, the tax exemption policy for small bills not only provides a policy support for the export of these products in a standardized and orderly environment, but also attracted a large number of small and medium enterprises to involve in and thus promote the development of cross-border e-commerce in China.

### **Transaction Rules in Cross Border E-commerce**

Business rules of cross-border e-commerce transactions is imminent, which includes the rights and obligations of both parties, the standard level of cross-border trading platform services, the information security of cross-border e-commerce transactions, online contract mechanism and disputes, the legal and regulatory services in cross-border transactions, the trade body, the specification of credit rating and evaluation behavior, the laws and regulations supervision of the third party payment platform, the punishment of the transaction order destruction, the standardization of cross-border e-commerce poundage and the needs for cross-border e-commerce disputes processing.

### **The Strategies of Cross Border E-commerce in China**

***To create favorable environment for cross-border e-commerce***

We should create a favorable environment is important to the development of cross-border e-commerce. We can expand China's discourse right in the cross-border e-commerce through organizing cross-border e-commerce professional meetings that have international influence, we can organize professional training for the transformation from traditional foreign trade enterprises and e-commerce enterprises to cross-border e-commerce, create good environment for innovation and entrepreneurship and encourage college students to enter the field of cross-border e-commerce venture, in order to form the good development environment of cross-border e-commerce in the whole society.

***To vigorously promote the development of electronic payment industry***

We can cultivate a group of leading third-party payment companies in China, innovate the mode of products and services and build electronic payment platform for the application of e-commerce in the various fields. We can also study on the formulation of electronic payment management of cross-border trade and promote the construction of electronic payment interoperability and security system.

***To optimize logistics and distribution services of electronic commerce***

We can deepen the construction of logistics distribution system, strengthen the guidance of the various distribution subjects, improve circulation efficiency of city distribution logistics, and enhance the service quality of e-commerce logistics. We can also support the development of professional services of logistics information platform, promote the outsourcing of logistics information service and promote the logistics information system to be widely used.

***To perfect e-commerce credit service system***

We can study the establishment of network operators' credit index system, promote the collection and management services of network operators' credit information, encourage social intermediary institutions to carry out network operators' credit evaluation activities.

***To improve the information infrastructure and security system***

We can improve the online service quality and access speed, speed up the construction and coverage of a new generation of mobile communication network and urban wireless broadband network, accelerate the construction of Internet data center and the optimization of price structure and promote e-commerce enterprises to reduce network operating costs. We can also establish and improve the information security system of e-commerce enterprises, promote the storage system construction of the third party electronic data and strengthen the construction of security authentication infrastructure.

*Keywords:* Development, strategies, cross-border e-commerce.

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## REFERENCES

(\*Full reference list is available upon request from the corresponding author.)