An analysis of the impact of cross-border e-commerce on China's international trade and macroeconomy

Jingze Li1,*, Yifei Zhou2, Mo Guo3, Mingyan Li4, Hang Chen3

1School of economics, Qingdao University, Qingdao, China
2School of Tourism, Haidian Campus, Hainan University, Meilan District, Haikou City, Hainan Province, China
3Tiangong University, Tianjin, China
4School of Qilu University of Technology, Jinan, China

*Corresponding author: lijingze818@126.com, 1772940606@qq.com, 1677801760@qq.com, beidaogujing@qq.com, 2236921280@qq.com

Abstract. In the background of the environment of economic globalization, the strengthening of China's economic strength, comprehensive national power, the development of the national economy, is the cross-border e-commerce has been widely developed, cross-border e-commerce of overseas exchanges more and more frequent. This form of trade has also facilitated people's lives to a certain extent, while bringing economic benefits to many enterprises, reducing the difficulties of enterprises and customers brought about by geography and making transactions more convenient. This form of trade also has an impact on the macroeconomic economy of the country and accounts for a large proportion of the social economy. Economic globalisation is the process by which the world's economic activities transcend national borders and form a global organic economic whole through foreign trade, capital flows, technology transfer, service provision, interdependence and interconnectedness. And in the context of economic globalisation, the world is witnessing increasingly close trade exchanges, the emergence of multinational enterprises, cross-border e-commerce and a range of economies, where companies from various countries are beginning to face the world and where companies from various countries are competing and cooperating with each other. International trade is becoming more and more popular and developed, and in this general environment, the economies of various countries around the world have been affected to some extent, and cross-border e-commerce is an adaptation to this general environment.

Keywords: economic globalisation; firms and customers; trade exchanges; impact.

1. Analysis of companies and customers under cross-border e-commerce

1.1 Businesses change from physical to virtual

Because of the emergence of cross-border e-commerce, the business entity has changed. The business entity has changed from a physical enterprise to a "virtual enterprise", and because the business method of cross-border e-commerce is based on the Internet, the operation of the enterprise has been changed, and because of the development of the Internet, the "virtual enterprise" also needs to develop with it. In the meantime, because of the development of the Internet, "virtual businesses" also need to be developed, so that cross-border e-commerce can be developed in conjunction with real businesses. Because of the global development of enterprises and economic exchanges with foreign enterprises, the emergence of this form better fits the needs of cross-border external development, while providing convenience for customers.

1.2 Changes in the way companies and customers deal with each other

Cross-border e-commerce is built on the Internet, so it provides a trading platform for businesses and customers. The trading platform for businesses and customers is converted from reality to online, buyers and sellers do not need to buy and sell face to face, and a lot of hassle is saved for both sides of the transaction through the Internet. The cross-border e-commerce trading method is cheaper, more efficient and less prone to errors than traditional trading methods, and the goods are clearly priced so
that consumers can make purchases according to their needs. At the same time, this type of transaction also crosses national boundaries, as consumers between countries can trade via the Internet, independent of time and geography, and make direct face-to-face purchases in a virtual network, which not only meets the needs of customers, but also provides convenience for them, while reducing transaction costs for businesses.

1.3 Changes in the way companies sell

The traditional sales methods used by companies are generally to have the company directly to the consumer, in this case, the company needs to invest a lot of sales costs, as well as a lot of human and material resources. In this case, the company has to invest a lot of money in sales and a lot of human and material resources. This method of sales gives the company an absolute advantage to a certain extent, while the consumer is at a disadvantage and cannot choose the goods according to his own thinking. The cross-border e-commerce sales method is to directly put the pictures and prices of goods and details of goods on the Internet, consumers can go online to buy their own, according to their own ideas and needs for the purchase of goods, do not need to be mentally oppressed by the enterprise sales, and can be returned according to the good or bad goods, so that consumers can buy what they want without leaving home. At the same time, enterprises can save a large amount of human and financial resources through this sales method, shortening the transaction time and reducing the cost of international trade transactions.

2. The current state of trade exchange under cross-border e-commerce

Due to the development of the global economy, economic exchanges between countries are very close and the cooperation and exchange between different enterprises is concerned with the development of the world economy. Cross-border e-commerce further enhances global trade exchange. Traditional trade exchange of foreign products needs to be imported by domestic importers and then sold by domestic enterprises to reach customers, which is inefficient, costly and time-consuming. Cross-border e-commerce transactions can be placed directly by customers on the Internet, eliminating many of the cumbersome processes in between, resulting in lower transaction costs and more secure goods. Through this method, global trade exchanges have become closer, the flow of world goods is more convenient and trade exchanges between countries have been enhanced. In terms of the current economic situation in the world, there is a big gap between the economies of developed and developing countries, and as developed countries establish production bases in developing countries, many commodity raw materials in developed countries need to be imported from developing countries, trade exchanges have to be developed so that countries are linked up by their economies. Cross-border e-commerce has facilitated the import and export of products between countries. The Internet then weaves global trade exchanges into a network covering all countries, and cross-border e-commerce has eliminated some of the barriers in international trade exchanges, making economic exchanges between countries smoother, eliminating many cumbersome processes for trade exchanges, and providing convenience for interactions between countries.

3. The impact of cross-border e-commerce on the domestic economy

3.1 Growth in domestic consumption and higher transaction volumes

With the development of the times, the domestic economy has received a span of leap, the socioeconomic level has continued to improve, domestic enterprises have increased and there are more and more types of industries. In the era of internet development, traditional forms of economy have begun to lag behind, and the rise of the internet army has brought about a new round of economic development. E-commerce has used the internet to develop the economy, and transactions between businesses and customers are no longer limited to reality, with businesses implementing a combination of online and offline sales to increase the volume of transactions and expand the scope
of transactions and the population. The traditional economy relies mainly on offline purchases, where consumer purchasing power is low, while online shopping has increased consumer desire to buy, resulting in an increase in domestic transactions. The domestic economy has also been greatly enhanced by cross-border e-commerce, and the occupational choices of the social population have expanded, responding to the needs of customers, increasing consumer happiness and raising domestic GDP.

3.2 Structural development of the domestic economy

The development of the international situation in recent years has led to some changes in China's economic structure. The emergence of a series of new enterprises in cross-border e-commerce has given some traditional enterprises a sense of crisis and promoted the economic transformation of traditional enterprises, while the competitive pressure on enterprises in the domestic market is growing and the gap between the rich and the poor in society will gradually widen. The upgrading and transformation of industries can, to a certain extent, solve some of the problems of the domestic economy. Cross-border e-commerce is a new impetus for the upgrading of new industries, promoting the development of domestic export trade and creating conditions for the marketing of international brands, while the development of cross-border e-commerce is also an inevitability of the times. For the domestic economic structure to be successfully developed, high-end industries are needed, and high-end industries need high-end talents, but they account for a small proportion of society, so the development of cross-border e-commerce cannot stand still, but can only keep moving forward. The continuous adjustment and development of the domestic economic structure, the role of cross-border e-commerce accounts for a relatively large proportion of the international economic situation in recent years is not optimistic, and as a product of the Internet, e-commerce along the line of the network to be able to trade directly with foreign countries, not blocked by anything. The economy has not been cut off, the domestic economy has been affected to some extent by the international situation, but the domestic economy has also been remedied to some extent, the domestic economic structure has changed and cross-border e-commerce has had a profound impact on this.

3.3 Raising the level of China's opening up to the outside world

Cross-border e-commerce is a product of economic globalisation, a carrier of international trade, which has developed globally and is closely linked to all countries in the world, and its existence has inevitably increased China's openness to the outside world. Since 1978, China has been reforming and opening up to the outside world, and in recent years the Belt and Road Initiative has been introduced as an implementation of this policy. In the implementation of the Belt and Road Initiative, cross-border e-commerce has played an important role, linking countries along the route and communicating business and economic exchanges between countries along the route, with economic exchanges and the circulation of goods through e-commerce. Cross-border trade links the economies between countries directly through the internet, breaking through the contradictions that exist in international trade, removing obstacles to the world market and facilitating the flow of international business.

4. Concluding remarks

To sum up, cross-border e-commerce has a profound impact on China's international trade and economic development, and how to correctly develop cross-border e-commerce is the key. International trade exchanges are built on the economic foundation and cultural exchanges of each country, and the correct use of cross-border e-commerce can promote the development of international trade and improve exchanges between countries, while maintaining the peaceful development of the world and the international situation. Cross-border e-commerce is a new model in a new era, with a greater influence in social industries, greatly promoting the development of industries, raising the country's consumption levels and enhancing the consumption power and
happiness of our people. It has also given a boost to my macro-economy. Compared to China under traditional businesses, China's economy under the new business and sales model has grown faster and its comprehensive national power has increased. It is clear from this that the development of cross-border e-commerce is a must in the Internet era, which covers the world and bridges the global economy. With the development of technology, cross-border e-commerce also requires continuous improvement and innovation to adapt to the changing section of the times and the advancement of technology. At the same time, with the development of society, cross-border e-commerce will play an increasingly important role in constantly promoting the development of the national economy, improving China's comprehensive national strength, maintaining the development of society and providing a better life for the people.

References


