

From “Traffic Harvesting” to “Value Coexistence”: The Digital Paradox and Strategic Reconstruction of Temu’s Cross-border Expansion

Yiwei Sun¹, Yuan Tian^{2,*}

¹ College of Applied Arts and Science, Beijing Union University, Beijing 100080, China

² College of Applied Science and Technology, Beijing Union University, Beijing 100080, China

*Corresponding Author

Abstract

In the context of the digital economy, the globalization of China’s cross-border e-commerce platforms has entered a deep transformation zone of high-quality development. Temu, leveraging a digital ternary leverage system, has achieved explosive expansion in the cross-border market, becoming a landmark case in the global e-commerce sector. However, its rapid growth has also exposed deep-seated contradictions such as insufficient user loyalty, internal competition within the merchant ecosystem, narrowing profit margins, and intensified compliance risks. This paper takes Temu as a single case study object, based on platform economy theory and value symbiosis theory, to deconstruct the digital underlying logic of its cross-border expansion and reveal the formation mechanism of its digital paradox of “empowerment-constraint” duality. Furthermore, it constructs a strategic reconstruction path from “traffic harvesting” to “value symbiosis” from four dimensions: users, industry, region, and system. The research not only enriches the theoretical research on platform globalization but also provides an operable practical solution for Chinese cross-border e-commerce enterprises to go global with high quality.

Keywords

Cross-border E-commerce; Temu; Digital Paradox; Value Coexistence; Platform Globalization.

1. Introduction

With the deep penetration of the global digital economy, cross-border e-commerce has become a core engine of China’s foreign trade growth and an important path for enterprise globalization. According to Customs data, China’s cross-border e-commerce import and export scale reached 2.36 trillion yuan in 2024, with a year-on-year growth of 15.6%. The industry has shifted from the stage of barbaric growth and scale expansion to a stage of high-quality development focused on improving quality and efficiency. Temu, as Pinduoduo’s cross-border e-commerce platform, has rapidly entered more than 50 countries and regions worldwide since its launch in September 2022, with global downloads exceeding 700 million times, becoming a benchmark case of Chinese platform overseas expansion in recent years. However, existing research mostly focuses on the surface-level analysis of Temu’s model, lacking systematic academic analysis of the inherent paradox behind its digital expansion and the transformation path from traffic-driven to value-driven. Based on this, this paper deconstructs Temu’s digital expansion logic, reveals the formation mechanism of its digital paradox, and proposes strategic reconstruction paths, providing theoretical reference and practical guidance for the globalization development of Chinese cross-border e-commerce platforms.

2. Theoretical Foundation and Analytical Framework

2.1. Research Progress on Platform Economy and Cross-border E-commerce Globalization

Platform economy is a new economic form supported by digital technology, with bilateral or multi-sided markets as its core, achieving value creation and distribution through network effects. Its core characteristics lie in the superposition effects of cross-side network effects, economies of scale, and scope economies. Existing research on platform globalization mainly revolves around four dimensions: driving factors of platform internationalization, entry modes, localization strategies, and risk management. In the field of cross-border e-commerce, existing research focuses on the efficiency mechanism of the full-consignment model, the empowering role of supply chain digitalization, and the traffic-driving effects of social fission[1]. In addition, the full-consignment model effectively lowers the threshold for small and medium-sized merchants to go overseas and improves the efficiency of cross-border transactions through unified platform management of operations, logistics, and after-sales services. Problems such as product quality, return rates, and compliance risks faced by Temu in overseas expansion suggest challenges to the sustainability of its model. Overall, existing research mostly focuses on the surface patterns and problems of cross-border e-commerce platform expansion, lacking in-depth academic analysis of the inherent paradox generated during the digital tool empowerment process and the value reconstruction of platform ecosystems, which constitutes the research entry point of this paper.

2.2. Core Connotation and Application Boundaries of Value Symbiosis Theory

Value symbiosis theory originates from the concept of symbiosis in biology and was later introduced into the field of management. Its core refers to the sustainable development state where different entities in an economic system achieve value co-creation, benefit sharing, and risk sharing through resource complementation and collaborative cooperation. Its core logic shifts from traditional unilateral value extraction to multilateral value co-creation. In the context of platform economy, value symbiosis theory emphasizes the collaborative relationship between multiple entities including platforms, merchants, consumers, partners, and regulatory authorities, believing that the long-term competitiveness of platforms comes not from unilateral harvesting of traffic and profits, but from cultivating the value creation capacity of the entire ecosystem. Existing research has applied value symbiosis theory to platform ecosystem governance, supply chain collaboration, and enterprise internationalization, believing that value symbiosis can effectively alleviate game conflicts between platforms and merchants and enhance the resilience and sustainability of ecosystems. For cross-border e-commerce platforms, their globalization expansion process is essentially the process of building a multi-entity value symbiosis ecosystem in different institutional, cultural, and market environments. This paper uses value symbiosis theory as the core analytical perspective, breaking through the traditional platform efficiency analysis framework, and examining the deep contradictions and transformation paths of Temu's cross-border expansion from the perspective of ecosystem sustainable development.

2.3. Construction of Digital Paradox Analysis Framework

The digital paradox refers to the phenomenon where digital technology, while empowering enterprises to improve efficiency and expand scale, conversely constrains their sustainable development due to its inherent operational logic, creating a dual contradiction of "empowerment-constraint." For cross-border e-commerce platforms, the core of the digital paradox lies in: the expansion system built by platforms relying on digital technology, while achieving rapid short-term scale growth, also forms path dependence and self-locking, ultimately eroding the core competitiveness of the platform's long-term development.

Based on Temu's case practice, this paper constructs an analytical framework for the digital paradox of cross-border e-commerce platforms, deconstructing the formation mechanism of its paradox from four dimensions:

First, the traffic growth paradox, where digital fission traffic acquisition achieves rapid user scale growth but also forms users' path dependence on low prices, leading to insufficient user stickiness and low repurchase rates.

Second, the low-price competition paradox, where the digital bidding system achieves ultimate cost control but also locks in the profit margins of platforms and merchants, falling into a vicious cycle of low-price involution.

Third, the supply chain management paradox, where digital flexible supply chains achieve improved fulfillment efficiency but also intensify vicious competition among suppliers, leading to merchant attrition and decreased ecosystem stability.

Fourth, the globalization expansion paradox, where the digital middle platform achieves rapid model replication but also intensifies the contradiction between globalization and localization, amplifying compliance risks brought by institutional distance.

This paper will conduct in-depth analysis of Temu's digital paradox based on this framework.

3. Temu's Cross-border Expansion Digital Practice and Model Deconstruction

3.1. Evolution History and Market Performance of Temu's Cross-border Expansion

Temu's cross-border expansion history can be divided into three core stages, showing evolutionary characteristics of "pilot breakthrough-rapid replication-local deep cultivation."

First stage: US market pilot period (September 2022 - February 2023). Temu chose the United States as its first market, with core motivations including the huge e-commerce market scale, relatively mature infrastructure, and a unified language and institutional environment. At the same time, the post-pandemic expansion of low- and middle-income groups in the US significantly increased demand for ultimate cost-performance products, providing a market foundation for its low-price strategy. Within just 3 months of launch, Temu topped the US AppStore shopping category download list. After the 2023 Super Bowl advertising investment, brand awareness achieved leapfrog improvement.

Second stage: Global market replication period (March 2023 - June 2024). Relying on its digital middle platform capabilities, Temu quickly entered more than 50 countries and regions worldwide, including Canada, Australia, Europe, Southeast Asia, and Latin America. In September 2023, global users exceeded 100 million, and in 2024, global downloads exceeded 700 million times, becoming the fastest-growing cross-border e-commerce platform globally.

Third stage: Model transformation and deep cultivation period (July 2024 to present). Facing growth bottlenecks and ecosystem contradictions, Temu launched a semi-consignment model, shifting from scale priority to equal emphasis on scale and quality, initiating the transformation process of model optimization and ecosystem reconstruction.

3.2. Deconstruction of Temu's Digital Ternary Leverage System

The core underlying logic of Temu's cross-border expansion is the construction of a "AI-driven + low-price fission + flexible supply chain" digital ternary leverage system. The three major levers are coupled with each other and mutually supportive, forming a synergistic and enhanced closed-loop mechanism, achieving the expansion effect of leveraging the global heavy market with an asset-light model.

The first major lever is the AI-driven full-link actuarial system. As the technical hub of the entire system, Temu achieves full-link digital management and control through AI algorithms, including front-end precise user recommendation, middle-end automated product bidding and sorting, and back-end intelligent logistics path optimization. With the support of the full-consignment model, the platform can dynamically adjust terminal prices to achieve the optimal balance between user scale and sales profits[2].

The second major lever is the collaborative traffic acquisition mechanism of ultimate low price and social fission. Temu lowers users' trial threshold through strategies such as first-order discounts and free shipping returns, while designing a social fission mechanism with tiered cash rewards and gamified tasks, combined with large-scale advertising investment such as the Super Bowl, achieving exponential growth in user scale.

The third major lever is the fulfillment support system of flexible supply chain and full-consignment model. Through the integration of C2M reverse customization and JIT on-time production models, consumer data from global users is fed back to upstream manufacturers in real time for on-demand production, effectively reducing inventory risks and providing supply chain support for the low-price strategy.

The synergistic effect of the three major levers constitutes the core competitiveness of Temu's cross-border expansion, with the synergistic mechanism shown in Table 1.

Table 1. Synergistic Mechanism of Temu's Digital Ternary Leverage System

Lever Type	Core Function	Technical Support	Synergistic Relationship with Other Levers
AI-driven	Full-link operation scheduling and precise decision-making	User behavior big data, algorithm recommendation, intelligent optimization system	Improves the conversion efficiency of fission traffic acquisition and the response accuracy of supply chain
Low-price fission	Rapid user scale expansion and traffic accumulation	Social platform interfaces, gamified incentive systems, advertising investment systems	Provides massive user behavior data for the AI system and scale effect foundation for the supply chain
Flexible supply chain	Product fulfillment guarantee and low-price sustainability	C2M reverse customization system, JIT production management, intelligent warehousing and logistics	Provides supply chain response data for the AI system and stable supply support for the low-price strategy

3.3. Efficiency Improvement Mechanism of Full-consignment Model

The full-consignment model is the core carrier of Temu's digital expansion and the core grip for achieving its "asset-light + heavy control" expansion logic. The full-consignment model is a new cross-border e-commerce operation model where the platform conducts unified management of product operations, logistics fulfillment, after-sales services, and other links, with merchants only needing to assume supply functions.

Temu's full-consignment model has formed a triple efficiency improvement mechanism, achieving short-term win-win-win for the platform, merchants, and consumers.

First, the user experience consistency improvement mechanism. Through unified customer service, fulfillment, and logistics standards, the platform solves industry pain points such as inconsistent service standards and difficulty in after-sales rights protection in cross-border e-commerce, effectively lowering consumers' psychological threshold for cross-border shopping and improving the stability of user experience.

Second, the merchant overseas expansion threshold reduction mechanism. Small and medium-sized merchants do not need to have cross-border operations, logistics, or foreign language customer service capabilities. They only need to complete product supply to participate in global market transactions, greatly lowering the threshold for Chinese manufacturing to go overseas and enriching the platform's product supply.

Third, the platform data closed-loop formation mechanism. Under the full-consignment model, the platform can obtain complete data across the entire link of user behavior, product performance, and supply chain fulfillment, breaking the data barrier between platforms and merchants in traditional cross-border e-commerce, providing complete data samples for AI algorithm optimization and iteration, forming a positive flywheel of "data-algorithm-efficiency." In 2024, Temu launched a semi-consignment model on the basis of the full-consignment model, opening partial operational autonomy to high-quality merchants, further enriching the flexibility of the model and laying the foundation for the platform's quality transformation[3].

4. Digital Paradox Manifestations and Formation Mechanisms of Temu's Cross-border Expansion

4.1. Traffic Growth Paradox: Marginal Diminishing Returns of Fission Traffic Acquisition and User Stickiness Dilemma

Temu has achieved explosive growth in user scale by relying on its digital fission traffic acquisition system, but its growth logic has also formed a typical traffic growth paradox: digital traffic acquisition tools, while achieving rapid short-term user scale expansion, also form users' strong path dependence on low-price subsidies, ultimately leading to insufficient user stickiness, continuously diminishing marginal benefits of growth, and falling into a vicious cycle of "subsidy-growth-subsidy reduction-user attrition."

From specific manifestations, Temu's user growth highly depends on low-price subsidies and advertising investment. The core driving force for user conversion is price stimuli such as first-order discounts and group-buying discounts, rather than recognition of the platform brand, forming weak user connections where user loyalty is entirely built on price advantages with extremely low switching costs. Morgan Stanley's 2024 survey data shows that nearly one-third of Temu users in the US market plan to reduce their consumption on the platform, with the core reasons being product quality not meeting expectations and price competition from similar platforms.

At the same time, Temu's social fission model faces adaptation challenges in overseas markets. Its fission logic relying on WeChat in China lacks a unified social platform carrier overseas, with fission efficiency continuing to decline. In the first quarter of 2024, Temu's conversion rates on multiple advertising platforms continued to decline, and customer acquisition costs continued to rise.

In addition, the platform lacks content ecosystem and emotional binding, with weak drivers for user repurchase. In 2023, Temu's 30-day user repurchase rate was less than 20%, far below the industry average, forming a traffic dilemma of "high downloads, low retention."

The core formation mechanism of this paradox lies in Temu using digital tools merely as means of traffic harvesting rather than carriers of user value creation, ultimately leading to the disconnect between traffic growth and user value creation[4].

4.2. Low-price Competition Paradox: Scale Effect of Ultimate Cost-Performance and Locked-in Profit Margins

The ultimate low-price strategy is Temu's core grip for leveraging the global market. Relying on the digital bidding system and scale effects, it has achieved the ultimate reduction of cross-

border product prices, but has also formed a typical low-price competition paradox: while the digital price management system creates ultimate cost-performance advantages, it also locks in the profit margins of platforms and merchants, falling into a vicious cycle of “low price-cost compression-quality decline-user attrition-lower prices.”

From specific manifestations, Temu has built an automated product bidding system through platform algorithms, where product exposure opportunities are entirely determined by indicators such as price, sales volume estimates, and conversion rates. Merchants can only continuously lower product prices to obtain traffic, forming vicious price involution. Although this bidding model achieves ultimate optimization of platform product prices in the short term, attracting a large number of price-sensitive users, it also leads to continuous compression of merchant profit margins, with most small and medium-sized merchants having gross margins of less than 5%, able to maintain operations only through volume.

At the same time, the platform's low-price strategy highly depends on early-stage subsidies. In 2023, Temu's subsidy investment in the US market alone exceeded 10 billion yuan. High subsidies and logistics costs have caused the platform to remain in a long-term loss state, with the profit model not yet viable.

In addition, to maintain low-price advantages, merchants can only continuously compress production costs, ultimately leading to product quality decline. In 2023, Temu's return rate reached 25%, far exceeding the cross-border e-commerce industry average of 15%, while high return rates further push up platform and merchant operating costs, creating new cost burdens. The core formation mechanism of this paradox lies in Temu using digital tools merely as price management means rather than carriers of industrial value upgrading, ultimately falling into the self-locking of low-price competition.

4.3. Supply Chain Management Paradox: Efficiency Advantages of Flexible Collaboration and Ecological Involution Dilemma

Temu has built a flexible supply chain system through digital technology, achieving significant improvements in cross-border fulfillment efficiency, but its management model has also formed a typical supply chain management paradox: while the digital supply chain management system improves fulfillment efficiency, it also intensifies vicious competition among suppliers, damages the stability of the supply chain ecosystem, and ultimately erodes the core competitiveness of the platform's supply chain.

From specific manifestations, Temu's flexible supply chain system relies on C2M reverse customization and JIT production models to achieve precise matching of demand and supply, effectively reducing inventory backlog risks and improving supply chain response speed. However, the platform's supply chain management logic promotes competition among suppliers through a “price-traffic-incentive” bidding mechanism. Although this model achieves optimization of supply chain efficiency in the short term, in the long term, it leads to vicious involution of the supplier ecosystem[5].

Merchants can only continuously lower quotations to obtain platform traffic, even engaging in vicious competition below cost prices, leading to a continuous decline in the overall industry profit level. In 2023, about 15% of Temu merchants considered switching to other cross-border e-commerce platforms due to thin profits and high fines.

At the same time, the platform controls product quality and fulfillment timeliness through strict penalty mechanisms. Once merchants experience delayed deliveries, excessive return rates, and other issues, they face high fines, further pushing up merchants' operating costs and intensifying game conflicts between the platform and merchants.

In addition, the platform's strong control over the supply chain leads to merchants lacking motivation and space for independent innovation, unable to conduct product research and

development and brand building, ultimately resulting in serious product homogenization on the platform and lack of core competitiveness.

The core formation mechanism of this paradox lies in Temu using digital tools merely as supply chain management means rather than carriers of supply chain value co-creation, ultimately leading the relationship between the platform and suppliers from collaboration to zero-sum games.

4.4. Globalization Expansion Paradox: Institutional Gap Between Rapid Model Replication and Local Adaptation

Temu has achieved rapid replication of its expansion model in global markets through its digital middle platform system, but its standardized replication logic has also formed a typical globalization expansion paradox: while the digital middle platform improves model replication efficiency, it also intensifies the contradiction between globalization and localization, amplifying compliance risks brought by institutional distance, leading to the platform facing adaptation difficulties in different regional markets.

From specific manifestations, Temu's digital middle platform standardizes the core operational logic of user-side, merchant-side, logistics-side, and data-side, enabling rapid entry into new national markets by only adjusting a small number of local adaptation variables, achieving an expansion effect of "light investment, rapid replication." However, this standardized replication model ignores cultural differences, institutional differences, and consumer habit differences in different regional markets, leading to the platform facing adaptation challenges in multiple markets[6].

At the cultural difference level, European market consumers highly value environmental compliance and brand loyalty, with deep-rooted perceptions that "low price = low quality." Temu's low-price strategy struggles to gain brand recognition from users. Southeast Asian markets have diverse religious festivals and highly fragmented mobile payments, making standardized operational models difficult to adapt to local consumer habits. Latin American market consumers highly rely on social community word-of-mouth dissemination, which significantly conflicts with Temu's centralized traffic distribution logic.

At the institutional compliance level, the EU's GDPR data protection regulations and DSA Digital Services Act impose extremely high requirements on platform data processing, product supervision, and intellectual property protection. The US market continues to upgrade data security reviews of Chinese platforms. Latin American market tariff policies and product certification systems are complex. Temu's standardized operational model struggles to quickly adapt to regulatory requirements in different regions, facing high fines and market entry prohibition risks.

Table 2. Core Manifestations and Formation Logic of Temu's Digital Paradox

Paradox Type	Core Manifestation	Formation Mechanism	Long-term Impact
Traffic growth paradox	High downloads, low retention, rising customer acquisition costs, low repurchase rates	Using digital tools as traffic harvesting means, ignoring user value creation	Diminishing marginal benefits of growth, intensifying user attrition
Low-price competition paradox	Thin merchant profits, continuous platform losses, declining product quality	Using digital tools as price management means, ignoring industrial value upgrading	Falling into low-price involution, damaged brand image
Supply chain management paradox	Intensifying merchant attrition, serious product homogenization, declining ecosystem stability	Using digital tools as supply chain management means, ignoring supply chain value co-creation	Insufficient supply chain resilience, loss of core competitiveness

The core formation mechanism of this paradox lies in Temu using digital tools merely as model replication means rather than carriers of local ecosystem embedding, ultimately leading to the disconnect between globalization expansion and local adaptation, with the core logic shown in Table 2.

5. Strategic Reconstruction Path from “Traffic Harvesting” to “Value Symbiosis”

5.1. User Value Symbiosis: From Traffic Fission to Trust Asset Accumulation

The core path to breaking the traffic growth paradox is to achieve the transition from unilateral traffic harvesting to value symbiosis between the platform and users, transforming digital tools from means of traffic fission to carriers of user trust asset accumulation, and building a positive flywheel of “value creation-trust accumulation-user loyalty.”

First, build a “platform-merchant” dual credit rating system to consolidate the institutional foundation of user trust. The platform should establish a dynamic merchant credit rating system based on multi-dimensional indicators such as product quality, fulfillment timeliness, service response speed, and user evaluations, providing substantive incentives such as traffic preference, commission reduction, and relaxed return tolerances for high-credit merchants, and implementing measures such as traffic restriction and expulsion for low-credit merchants to control product quality and service levels at the source. At the same time, the platform should establish a public and transparent credit disclosure mechanism, deeply binding merchants’ credit ratings with product detail pages, enabling users to clearly identify merchants’ service capabilities and reduce users’ decision-making costs[7].

Also, build a content-based user value ecosystem to strengthen emotional binding between users and the platform. Break through the single low-price fission logic and build a content ecosystem system of “product review-scenario seeding-community interaction,” encouraging high-quality merchants, KOCs, and ordinary users to produce high-quality content such as product reviews, usage tutorials, and scenario-based styling, using algorithms to provide traffic preference for high-quality content, transforming users’ shopping decisions from simple price comparison to value recognition.

Combined with the cultural characteristics of different regional markets, build localized content communities. For example, in Southeast Asian markets, combine local festivals to create themed content activities; in Latin American markets, combine football culture to create community interaction activities, strengthening users’ emotional recognition and community belonging.

In addition, establish a full-process user rights protection mechanism to improve users’ cross-border shopping experience. Address after-sales pain points in cross-border shopping, optimize return and refund processes, implement a “platform advance compensation” mechanism, and reduce users’ rights protection costs. For product categories with high return rates, establish a “product real-shot + third-party quality inspection” quality control mechanism to reduce problems of products not matching descriptions. Establish a rapid response mechanism for user feedback, setting up localized customer service teams for different regional markets to achieve 7×24-hour multi-language customer service, quickly responding to users’ questions and demands.

Through the above measures, transform users’ perception of the platform from “low-price shopping platform” to “trusted global shopping partner,” achieving symbiosis and win-win of user value.

5.2. Industrial Value Symbiosis: From Low-price Involution to Supply Chain Collaborative Upgrading

The core path to breaking the low-price competition and supply chain management paradox is to achieve the transition from zero-sum games between the platform and merchants to value symbiosis across the industrial value chain, transforming digital tools from price management and supply chain management means to carriers of supply chain collaborative upgrading and value co-creation, and building an industrial symbiosis ecosystem of “data sharing-collaborative innovation-benefit sharing.”

Optimize supplier governance mechanisms to shift away from cutthroat competition in bidding toward tiered incentive frameworks. Move beyond the bidding ranking system centered solely on price, and establish a multi-dimensional supplier evaluation system covering quality, price, service and innovation to implement tiered supplier management.

For top-quality suppliers, establish strategic partnership relationships, open platform user consumption data, R&D resources, and traffic resources, jointly conduct new product research and development and brand building, and share R&D results and profit benefits.

For small and medium-sized quality suppliers, provide incubation support policies, including operational training, traffic support, and supply chain financial support, to help them improve product quality and operational capabilities.

For suppliers engaging in malicious low-price competition and substandard product quality, establish strict expulsion mechanisms to maintain healthy competition order in the supply chain ecosystem.

Deepen the C2M reverse customization model to promote supply chain value upgrading. Relying on the platform’s massive user data and AI analysis capabilities, establish a global consumer demand insight center to precisely capture personalized needs of different regional markets and different consumer groups, synchronize demand data to upstream manufacturers in real time, and jointly conduct reverse customization product research and development.

For example, for European market consumers’ demand for environmentally friendly products, jointly develop eco-material household and clothing products with manufacturers. For Southeast Asian market consumers’ demand for small-capacity home appliances, jointly develop home appliance products adapted to local usage scenarios with manufacturers. Through reverse customization, help manufacturers break free from low-price homogenized competition, improve product added value and core competitiveness, while creating differentiated product supply for the platform, achieving win-win-win for the platform, manufacturers, and consumers[8].

Build a supply chain collaborative innovation ecosystem to improve the digital level of the entire industry chain. The platform should unite upstream manufacturers, logistics service providers, universities, and research institutions to establish a cross-border e-commerce supply chain collaborative innovation center, jointly research and develop supply chain digital management systems, intelligent warehousing and logistics technology, product quality detection technology, etc., promoting digital upgrading of the entire industry chain.

At the same time, build a supply chain financial service platform to provide financial services such as low-interest loans and accounts receivable financing for quality suppliers, alleviate the financial pressure of small and medium-sized suppliers, and improve supply chain stability and resilience.

Through the above measures, transform the relationship between the platform and suppliers from a “management-managed” game relationship to a “collaboration-co-creation” symbiotic relationship, achieving upgrading and value symbiosis of the entire industrial value chain.

5.3. Regional Value Symbiosis: From Model Replication to Local Ecosystem Embedding

The core path to breaking the globalization expansion paradox is to achieve the transition from standardized model replication to value symbiosis with local markets, transforming digital tools from model replication means to carriers of local ecosystem embedding, and building a regional symbiosis system of “local adaptation-ecological cooperation-value sharing.”

Establish localized operation and decision-making teams to improve local market response capabilities[9]. For different regional market characteristics, establish localized operation teams, customer service teams, compliance teams, and marketing teams, granting local teams sufficient decision-making autonomy to quickly adjust operational strategies based on local market cultural characteristics, consumer habits, and policy changes, avoiding adaptation problems caused by headquarters’ standardized decision-making.

For example, in European markets, local teams can formulate localized product admission standards and environmental marketing plans based on EU environmental regulations. In Southeast Asian markets, local teams can formulate localized marketing activities and product supply plans based on local religious festivals. In Latin American markets, local teams can formulate localized user fission and word-of-mouth dissemination plans based on local social ecosystems.

Deepen localized business ecosystem cooperation to build localized fulfillment and service systems. At the logistics fulfillment level, break through the single direct mail model from Chinese supply chains, establish deep cooperation relationships with local logistics service providers and warehousing enterprises, deploy front-end warehouses and overseas warehouses in core cities of core markets, improve local fulfillment timeliness, and reduce logistics costs.

For example, in the Brazilian market, cooperate with local logistics service providers Loggi and 99minutos to optimize last-mile delivery services. In Southeast Asian markets, cooperate with local logistics service provider Shopee Logistics to improve regional fulfillment efficiency.

At the product supply level, implement a dual supply model of “global supply chain + local supply chain,” while retaining Chinese supply chain advantages, actively introduce local quality suppliers to the platform, enrich product supply, adapt to local consumer habits, while driving local employment and industrial development to gain local market recognition.

Promote localized cultural adaptation and brand building to strengthen local users’ brand recognition. Abandon the single low-price marketing logic, combine local market cultural characteristics, consumer preferences, and value concepts to build a localized brand image.

For example, in European markets, focus on promoting the platform’s environmental concepts, sustainable development strategy, and product quality assurance to break the user perception of “low price = low quality.” In Latin American markets, cooperate with local football stars and sports IPs to create localized brand marketing activities, strengthening brand local recognition. In Southeast Asian markets, cooperate with local KOLs and religious groups, combine local festivals to carry out public welfare activities, improving the brand’s social reputation.

Through the above measures, achieve deep integration of the platform with local markets, transforming from an external market entrant to a co-builder and value sharer of the local business ecosystem, achieving value symbiosis in regional markets.

5.4. Institutional Value Symbiosis: From Compliance Avoidance to Global Governance Collaboration

The long-term competitiveness of cross-border e-commerce platform globalization comes not only from market and supply chain capabilities but also from the ability to adapt to and collaborate with global institutional rules. The core path to breaking the compliance risk

paradox in globalization expansion is to achieve the transition from passive compliance avoidance to proactive institutional value symbiosis, transforming digital tools from compliance management means to carriers of global governance collaboration, and building an institutional symbiosis system of “compliance front-loading-rule co-building-responsibility sharing.”

Establish a full-process compliance front-loading management system to achieve the transition from passive response to proactive prevention and control. For different regional market laws, regulations, and regulatory requirements, establish a global compliance management system. Before entering new markets, complete comprehensive compliance due diligence, including data security, consumer rights protection, intellectual property, taxation, product safety certification, and other dimensions, ensuring the platform’s operational model fully complies with local regulatory requirements.

For example, before entering the EU market, establish a data security management system complying with GDPR requirements, conducting full-process control over user data collection, storage, use, and transmission. Before entering the US market, establish a product safety certification system complying with FCC and FDA requirements, conducting strict admission reviews of listed products. Before entering Latin American markets, complete local tax number registration and tax compliance system construction to avoid tax risks.

At the same time, establish a global compliance management department and local legal advisory team within the platform to track changes in global regulatory policies in real time, timely adjust platform operational strategies, and ensure dynamic adaptation of compliance management[10].

Strengthen the intellectual property protection system to build an institutional environment for collaborative innovation. Address the common intellectual property infringement problems in the cross-border e-commerce industry, establish a full-link intellectual property protection mechanism. At the merchant admission stage, strictly review merchants’ intellectual property qualifications to prevent unqualified counterfeit products from entering. At the product operation stage, establish an AI intelligent infringement identification system to monitor platform products in real time and promptly remove infringing products. At the after-sales stage, establish a rapid response mechanism for intellectual property infringement complaints to protect the legal rights of intellectual property rights holders.

At the same time, the platform should proactively establish cooperative relationships with global intellectual property protection institutions and brand owners, jointly build a cross-border e-commerce intellectual property protection alliance, promote the establishment of industry standards for cross-border e-commerce intellectual property protection, reduce infringement problems from the source, and build an institutional environment that encourages and protects innovation.

Proactively participate in the formulation of global e-commerce governance rules to achieve the transition from rule acceptor to rule co-builder. Chinese cross-border e-commerce platforms have become important participants in the global e-commerce market and should proactively participate in the formulation of international rules related to global digital trade and cross-border e-commerce. For example, at international occasions such as WTO e-commerce negotiations and RCEP digital trade rule implementation, share China’s cross-border e-commerce development experience and promote the establishment of more fair, transparent, and inclusive global cross-border e-commerce governance rules.

At the same time, the platform should proactively assume social responsibility and promote sustainable development globally. For example, in the environmental field, implement a product environmental certification system to reduce carbon emissions from cross-border logistics. In the consumer rights protection field, promote the establishment of globally unified

cross-border e-commerce consumer rights protection standards. In the rural revitalization field, help characteristic products from developing countries enter the global market through cross-border e-commerce platforms, driving local economic development.

Through the above measures, achieve value symbiosis between the platform and global regulatory systems and the international society, building a stable and sustainable institutional environment for the globalization development of Chinese cross-border e-commerce platforms.

6. Conclusion

Temu's cross-border expansion history is a typical microcosm of Chinese platform enterprise globalization in the digital economy era. Its explosive growth achieved through the digital ternary leverage system demonstrates the powerful competitiveness of the combination of China's digital economy and Chinese manufacturing. However, the digital paradox exposed behind its rapid growth also reflects the universal difficulties faced by Chinese cross-border e-commerce platforms in going overseas.

This study shows that the long-term competitiveness of cross-border e-commerce platform globalization comes not from unilateral harvesting of traffic and blind expansion of scale, but from cultivating the value symbiosis ecosystem of multilateral entities. The strategic reconstruction from "traffic harvesting" to "value symbiosis" is not only the inevitable path for Temu to break through growth bottlenecks and achieve sustainable development but also the core direction for Chinese cross-border e-commerce platforms to shift from scale expansion to high-quality development.

In the future, Chinese cross-border e-commerce platforms should rely on the empowering role of digital technology, with value symbiosis as the core logic, build a globalized ecosystem with four-dimensional coordination of users, industry, regions, and institutions, and truly achieve the leapfrog development from "Chinese products going overseas" to "Chinese platforms going overseas."

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