

## Research on the Application of Internet+ in Cross-border E-commerce

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**Keywords:** Internet information technology; Internet+; cross-border e-commerce

**Abstract:** Cross-border e-commerce is an international business activity that combines Internet technology with e-commerce platform and cross-border logistics. Under the background of the “Internet+” era, cross-border e-commerce faces enormous challenges and opportunities. After briefly introducing the meaning of cross-border e-commerce, the author analyzed the problems in the application of “Internet+” in cross-border e-commerce and discussed the countermeasures.

### 1. Introduction

At present, with the development of economic globalization and Internet information technology, people have entered the era of “Internet+”. Their consumption mode and consumption concept have undergone tremendous changes under this new era background. The continuous development of international logistics and Internet payment supported by Internet technology promotes the unprecedented development of cross-border e-commerce. The smooth development of cross-border e-commerce is indispensable to several elements, namely information, logistics, network and economic globalization. That people use cross-border e-commerce to buy things can avoid the intermediate trade links; this effectively reduces the cost in the purchasing process, makes it possible to trade easily between different countries, and thus continuously improves the profits of enterprises participating in cross-border e-commerce<sup>[1]</sup>. That the cross-border e-commerce seizes the opportunity under the background of “Internet+” and makes good use of the “Internet+” can effectively promote economic and trade exchanges among countries and optimize the allocation of resources. At present, this new way of consumption is favored by many young people. However, there are still many problems in cross-border e-commerce in the actual operation, such as the lack of professional talents, outdated management model, and so on. These factors will directly affect the healthy and long-term development of cross-border e-commerce in the era of “Internet+”. Therefore, relevant staff should have a comprehensive understanding of the problems existing in the application of cross-border e-commerce under the background of “Internet+” and put forward reasonable solutions.

### 2. What is cross-border e-commerce

The so-called cross-border e-commerce is an internationalized commercial activity in which the subjects in different environments can choose goods, complete corresponding order transactions and online payment on an e-commerce platform, and then use cross-border logistics to smoothly get the goods they have ordered<sup>[2]</sup>. Therefore, cross-border e-commerce must rely on the Internet to realize the profits by allowing people to choose and buy goods in an Internet-based virtual environment. At present, there are two main modes of cross-border e-commerce in China: one is enterprise-to-enterprise (B2B) mode, and the other is enterprise-to-consumer (B2C) mode. In the B2B mode, the main role of cross-border e-commerce is to take the advantage of network to promote and publicize products, while related payments and transactions are conducted in accordance with the traditional offline model. In the B2C mode, the role of cross-border e-commerce is to enable enterprises to directly face consumers and offer goods to them for purchase through the network. Consumers complete order transactions, payment and other activities on the network platform, while offline work of businesses is mainly to deliver the goods that consumers have ordered to the designated destination.

### **3. Problems in the application of “Internet+” in cross border E-commerce**

#### **3.1 Lack of security and standardization on the network payment platform**

Cross-border e-commerce provides people with online payment methods, which greatly brings convenience to their life and speeds up the pace of their life to a certain extent. However, there are still many problems in cross-border e-commerce in the process of actually using online payment. With the continuous development of Internet technology, people use Internet is more and more frequent in their daily life. The network platform is an open platform, so that any enterprise can utilize it to participate in the cross-border e-commerce; however the lack of relative security and standardization of network payment has seriously hindered the development of cross-border e-commerce<sup>[3]</sup>. In recent years, despite the increasingly close ties between China and other countries, cross-border e-commerce has not established a management model for the foreign exchange management and foreign trade in the era of “Internet+”, so that the payment method of cross-border e-commerce on electronic platforms in China is not standardized.

#### **3.2 Inadequate supervision**

At present, a general problem in the cross-border e-commerce in China is the inadequate supervision of product quality in the actual operation process, especially in the B2C mode. Since there is no strict check on the quality inspection of products and related inspection mechanisms, the products that consumers purchase through cross-border e-commerce may have quality problems. When consumers receive products with quality problems, cross-border e-commerce will not provide a satisfactory solution to them, so that consumers cannot enjoy their legitimate rights and interests. Products purchased through cross-border e-commerce are generally shipped to designated destinations via shipping or land-based logistics. However, the customs declaration subject of a product is the person who is included in the customs registration. Therefore, once the product being transported has any problem, it is extremely difficult to find the relevant responsible person. Cross-border e-commerce lacks supervision on the quality of products and relevant responsible persons in the process of transportation. In addition, the after-sales service is not treated seriously. These problems will seriously affect the sustained and stable development of cross-border e-commerce in the market.

#### **3.3 Incomplete relevant laws and regulations**

With the advent of the Internet era, “Internet+” is applied more and more frequently and widely in cross-border e-commerce, leading to the fact that the traditional laws and regulations on cross-border e-commerce have been unable to adapt to today's development in the Internet era. At present, there have not been perfect and complete relevant laws and regulations for the development of cross-border e-commerce under background of “Internet+”. And therefore, cross-border e-commerce operations cannot be effectively monitored and managed, and problems and disputes arising in this process cannot be handled reasonably and normatively.

#### **3.4 People's insufficient trust in online consumption**

China's economic development is relatively late compared with western countries. At present, China has not yet formed a complete set of market economy system, and people's trust in online consumption is not enough. In the development and promotion of cross-border e-commerce, it is necessary to cooperate with companies with high credibility, so as to continuously improve people's trust in online consumption. However, with the continuous development of Internet technology, there have been many deceptive ways in the society which are based on the use of the Internet, such as online fraud, telecom fraud, and so on, which has once again led to a decline in the creditworthiness of online consumption<sup>[4]</sup>. In the operation under the background of “Internet+”, cross-border e-commerce must always ensure the good credit of cooperative enterprises, so as to pave the way for its own good development.

### **3.5 Imperfect cross-border logistics system**

As China continues to deepen economic exchanges with other countries, the market for cross-border e-commerce is also expanding towards more developed countries. However, the implementation of cross-border e-commerce in some countries need some prerequisites in some aspects like the Internet, payment platforms and logistics, and these have seriously hindered the development of cross-border e-commerce. Cross-border logistics is much more complicated than domestic logistics, and it generally requires higher logistics costs. In terms of transportation, storage and distribution of goods, the related process is also much more complicated than domestic logistics, resulting in very slow arrival time and high cost. In addition, if a sold product is damaged during the return process and the consumer requests a new one, cross-border e-commerce has to not only compensate the price of the goods, but also bear high logistics costs. Therefore, if there is not a complete cross-border logistics system, it will result in the closure of cross-border e-commerce.

## **4. How to solve the problem of “Internet+” in the application of cross-border e-commerce**

### **4.1 Improve people's trust in online consumption**

The improvement of the market economy needs the establishment of a good credit environment. In the process of cross-border e-commerce operations, relevant national departments should establish a public credit service platform to disclose the subjects' information of cross-border e-commerce transactions; in the cross-border e-commerce transactions, these subjects need to confirm their own information to create a truly good credit trading environment<sup>[5]</sup>. At the same time, it is also feasible to divide consumers into different credit ratings according to their consumption record. To some merchants and businesses with poor credit ratings, it is feasible to adopt some punishment such as issuing fines or prohibiting them from using cross-border e-commerce transactions, with the purpose to jointly raise the trust of consumers in online consumption.

### **4.2 Improve the service of cross-border logistics**

To improve the service level of cross-border logistics, the most important thing is to find some logistics enterprises with professional logistics technology and skills. Cooperation with these professional logistics companies can effectively improve the service level of cross-border logistics. For some overseas products, cross-border e-commerce can establish a storage center overseas according to actual conditions, so as to improve the speed of transportation. This storage center is essentially a transit station. Merchants put their products into this storage center and then cross-border e-commerce can quickly transport the products out through the logistics, which can not only effectively improve work efficiency, but also meet consumer demand for high logistics speed<sup>[6]</sup>. In the Internet age, cross-border e-commerce must be skilled in applying Internet technology into actual work. It is significant to utilize the relevant software developed by Internet technology to collect and analyze the feedback of consumers, so as to better improve the service level of cross-border e-commerce and promote its continuous development.

### **4.3 Improve the payment system for cross-border logistics**

In a cross-border payment system, related payment businesses must undergo strict review in all aspects before they participate in the cross-border e-commerce, such as the creditworthiness of the enterprise, the identity information of the leader, the credit status of the enterprise, etc. For those enterprises that do not meet the requirements, they are absolutely not allowed to conduct cross-border business. In order to implement this standard effectively, cross-border e-commerce should look for a third-party company to conduct professional supervision, which can not only improve the payment system of cross-border logistics, but also enhance the safety of consumers in the payment process. There are problems in the foreign exchange management of cross-border payments. Therefore, relevant departments in China should formulate some relevant laws and regulations to restrict the behavior of payment enterprises, such as prohibiting the use of consumers' deposits, continuously improving the security of customer reserves, and so on.

#### **4.4 Continuously to strengthen the development of enterprises**

With the continuous development of China's economy and the continuous improvement of people's living standards, quality is no longer the only focus of people's attention to products. As a special symbol system, the brand has gradually been valued by people. Under the new era, enterprises related to cross-border e-commerce should continuously enhance their own development and increase their own value<sup>[7]</sup>. In order to attract the attention of consumers, they should participate in some internationally-renowned exhibitions and promotion conferences, so as to better expose their own products. Service attitude is a very important part in the operation of enterprises today. In order to make consumers satisfied with its products, the enterprise should recommend products suitable for customers and introduce some related shopping activities to them according to their characteristics. This will, to a certain extent, enable customers to be more willing to buy products of this enterprise, due to its enthusiastic service attitude.

#### **4.5 Perfect relevant laws and regulations**

The steady development of cross-border e-commerce is inseparable from the legal construction of cross-border e-commerce systems. With the advent of the Internet era, the past cross-border e-commerce laws have been unable to adapt to the current market situation. Therefore, relevant departments in China should strengthen the establishment of relevant laws and regulations on cross-border e-commerce under the background of "Internet+" to effectively regulate the process and behaviors of cross-border e-commerce and conduct unified national certification for products involved in cross-border e-commerce; this will not only improve consumers' trust in the product quality of cross-border e-commerce, but also guarantee the quality management of these products<sup>[8]</sup>.

### **5. Conclusion**

With the continuous development of China's Internet technology, a new type of commercial activity has emerged in the market, namely cross-border e-commerce. It is a close integration of Internet technology and market economy. At present, cross-border e-commerce has many problems under the background of "Internet+", such as insecure online payment, lack of relevant laws and regulations, incomplete cross-border logistics system, etc. These problems have seriously hindered the stable development of cross-border e-commerce. However, there are many solutions to these problems, such as enhancing the security of online payments, improving relevant laws and regulations, establishing a complete logistics system, and so on. In order to make cross-border e-commerce develop in a healthy and sustainable way, it is necessary to put these corresponding measures in place, so as to continuously improve the service level of cross-border e-commerce in China.

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