

Analysis of Optimization Path for Cross-border E-commerce Business Environment from the Perspective of Collaborative Governance

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Abstract: The swift expansion of China's cross-border e-commerce sector has emerged as a pivotal driver for the modernization of international trade and the rejuvenation of conventional industries. This evolution has captured notable interest from the global stage. Nevertheless, the holistic advancement of the cross-border e-commerce ecosystem is presently confronted with a multitude of obstacles, such as imperfect legal systems, inadequate communication, and lack of close cooperation, all of which have become bottlenecks for the deep development of China's cross-border e-commerce. This article analyzes in depth the current development trends and governance challenges faced by the cross-border e-commerce industry from the perspective of collaborative governance theory. By combining a comprehensive consideration of the current cross-border e-commerce business environment, it explores the future trends and model construction of cross-border e-commerce environmental governance, forming a comprehensive understanding of the construction of the governance mechanism for the cross-border e-commerce business environment and providing beneficial suggestions for promoting the sustained and healthy development of China's cross-border e-commerce industry.

Keywords: cross-border e-commerce; collaborative governance; business environment; optimization path

1. Current Situation of Cross-border E-commerce Environment in China

Cross-border e-commerce refers to the transaction activities of goods and services conducted internationally through the internet. It breaks the traditional geographical restrictions, enabling consumers to conveniently purchase goods from all over the world and businesses to easily enter the international market for globalized operations. The main forms of cross-border e-commerce include B2B (business-to-business), B2C (business-to-consumer), and C2C (consumer-to-consumer). Cross-border e-commerce covers a wide range of product categories, including clothing, electronics, household items, cosmetics, food, and other fields. In recent years, with the continuous development of the internet, electronic payment, logistics technology, and digital marketing tools, the concept of cross-border e-commerce has gradually emerged, rapidly grown, and flourished, sparking a new economic boom. For consumers, cross-border e-commerce allows them to purchase goods from all over the world through cross-border e-commerce platforms, greatly enhancing their shopping experience and choice diversity.

Since China's accession to the WTO, import and export transaction volumes have increased year by year, and by 2012, China became the country with the largest import and export trade volume in the world[1]. According to statistics, as of 2022, the global cross-border e-commerce market has exceeded 8 trillion US dollars, showing a rapid growth trend. In the realm of cross-border e-commerce, nations and territories like China, the United States, and the United Kingdom have emerged as significant forces, propelled by their robust economic prowess and well-established e-commerce frameworks. Over the past years, the Chinese government has implemented a range of policy initiatives, such as tax breaks, financial backing, and streamlined market entry procedures, aimed at bolstering the rapid expansion of cross-border e-commerce. The implementation of these policies has not only reduced the operating costs of cross-border e-commerce enterprises but also provided broader development space for them. At the same time, Chinese cross-border e-commerce enterprises have actively explored and innovated, continuously improving service quality and user experience. By introducing advanced technological means such as big data analysis and artificial intelligence, they have achieved precise

marketing and personalized services. At the same time, they have continuously improved their logistics systems, product quality, and after-sales service levels, thereby enhancing their core competitiveness. Through these endeavors, Chinese cross-border e-commerce companies have distinguished themselves in a highly competitive market and emerged as industry leaders. With the extensive execution of the 'Belt and Road' initiative, these enterprises have proactively broadened their presence in international markets and engaged in trade collaborations with nations and regions along the route. This has not only provided broader development space for Chinese enterprises but also injected new vitality into the economic development of countries and regions along the route.

2. Collaborative Governance and Cross-border E-commerce Business Environment

Collaborative governance theory refers to a theoretical framework in political science and public administration that emphasizes cooperation and coordination among governments, markets, social organizations, and other relevant stakeholders to address public issues. It underscores a governance model that involves the active participation of multiple parties, including governments, markets, and society, to provide feedback and suggestions, and jointly promote the improvement of the business environment. The proposal and improvement of collaborative governance theory have important reference value for improving governance effectiveness and achieving the governance goal of "good governance[2]."

Combining cross-border e-commerce with collaborative governance can form a diversified internet governance model of "unified government guidance, comprehensive supplier responsibility, increased social participation, complementary advantages, and collaborative governance[3]." Addressing complex public issues requires the joint participation and cooperation of various stakeholders, including governments, enterprises, non-profit organizations, citizens, and others, rather than unilateral actions by the government alone. Based on the actions of government network users, the country's internet development strategic planning should be adjusted, and internet laws should be implemented, with network restrictions enforced and supervision conducted throughout the entire process ("before, during, and after"). This paper puts forward actionable recommendations aimed at enhancing the governance and growth of China's cross-border e-commerce sector in light of prevailing challenges. It advocates for integrating cross-border e-commerce with collaborative governance principles to effectively address the issues at hand and propel the sector's advancement.

3. Analysis of Cross-border E-commerce Business Environment

The global cross-border e-commerce market has reached the trillion-dollar level and is expected to continue to grow strongly in the next few years. The growth trend of the cross-border e-commerce market is continuously improving, especially influenced by the increasing degree of global digitization, continuous innovation in logistics and payment technologies, and the growing demand for cross-border shopping among consumers. The market has a wide geographical distribution, mainly concentrated in developed countries and regions, but it is also rapidly rising in emerging markets such as India and Southeast Asia. The significant differences in market sizes and consumer purchasing power among different countries have an impact on market selection and positioning strategies for cross-border e-commerce.

The Chinese government actively advocates and supports the development of cross-border e-commerce. Since 2012, the State Council has introduced a range of supportive and regulatory policies aimed at fostering a conducive environment for development. These policies include pilot initiatives designed to stimulate industrial clusters and self-selection dynamics. They also aim to facilitate the convergence of traditional sectors with cross-border e-commerce, drive the transition of conventional foreign trade and manufacturing to online platforms, and empower small, medium, and micro enterprises to effectively tap into global markets.[4].

The policy and regulatory environment refers to government policies, international regulations, and relevant legal frameworks that affect the development of cross-border e-commerce. These policies and regulations span across various domains such as trade, taxation, payment systems, intellectual property rights, and data protection, exerting considerable influence on the practices and rights of both cross-border e-commerce businesses and consumers. Governments actively oversee cross-border e-commerce operations and foster their sustainable growth by enacting policies and regulations related to cross-border trade, tax frameworks, import-export guidelines, and other pertinent measures. For

example, the Chinese government has issued the "Regulations on the Administration of Cross-border E-commerce Retail Import Commodity Lists," specifying the regulatory requirements for cross-border e-commerce retail import commodities and promoting the quality and safety of cross-border e-commerce import goods.

The sociocultural environment primarily considers consumer preferences, cultural differences, and social customs. Consumers in different countries and regions have varying preferences for product quality, brand recognition, and shopping habits, which affect the positioning and marketing strategies of cross-border e-commerce products. The global cross-border e-commerce landscape exhibits a diversified and intense competitive pattern. Traditional e-commerce giants such as Amazon, Alibaba, and JD.com possess strong competitive advantages in the cross-border e-commerce field. With a large user base, comprehensive supply chain systems, and powerful brand influence, they are the main players in the global cross-border e-commerce market. Enterprises need to continuously optimize their supply chain and logistics systems, improve service quality and efficiency, strengthen brand building and marketing promotion, enhance market recognition and influence, innovate and optimize products, technologies, and services, maintain competitiveness, and expand market share and business scope.

The technological environment is the most crucial aspect of cross-border e-commerce, with electronic payment, logistics technology, and digital infrastructure serving as vital supports. Nowadays, the application of artificial intelligence in cross-border e-commerce is becoming increasingly widespread, encompassing search recommendation algorithms, intelligent customer service, personalized marketing, fraud detection, and other areas. The utilization of these technologies holds significant importance for the advancement and competitiveness enhancement of cross-border e-commerce. Enterprises need to continuously pay attention to and apply these cutting-edge technologies to enhance their innovative capabilities and market competitiveness.

4. Issues Existing in the Cross-border E-commerce Business Environment from the Perspective of Collaborative Governance

Firstly, the legal and regulatory framework remains insufficient. The existence of differences in legal systems among countries creates a complex legal environment for cross-border businesses. Significant disparities exist in legal systems, principles, and interpretations among different countries, necessitating switches between various legal frameworks to ensure the legality of their actions. This often results in cross-border businesses facing difficulties in applying the laws of a particular country when confronted with legal conflicts. Additionally, regulatory gaps pose a significant challenge for cross-border operations. Differences in legal systems across countries may lead to regulatory voids in certain areas, meaning that certain behaviors or industries may not be explicitly regulated in a particular country, thus exposing businesses to legal risks due to a lack of clear guidance[5].

Secondly, internal communication and collaboration are not smooth. The cross-border e-commerce logistics chain involves numerous departments, including procurement, warehousing, transportation, and customer service. Each department has its unique responsibilities and operational methods. However, the lack of effective communication mechanisms often leads to severe information silos. Furthermore, the absence of unified goals and conflicting interests among departments often results in weak willingness to collaborate and inefficient collaboration. In practical operations, when faced with problems, departments tend to blame each other rather than jointly seeking solutions, significantly affecting the overall efficiency and service quality of cross-border e-commerce logistics.

Lastly, external international cooperation is not sufficiently close. The optimization of the cross-border e-commerce business environment requires concerted efforts from governments, businesses, and various sectors of society in different countries. However, current international cooperation remains loose, lacking a powerful coordination mechanism and a unified cooperation platform. This hinders the formation of a synergetic effort among countries in optimizing the cross-border e-commerce business environment, and may even lead to conflicts and contradictions. This absence of coordination not only hinders the progress of cross-border e-commerce but also poses potential threats to the stability and growth of the global economy.

5. Countermeasures and Suggestions for Optimizing the Cross-border E-commerce Business Environment from the Perspective of Collaborative Governance

Strengthen international cooperation and jointly establish a cross-border e-commerce rules

system. Cross-border e-commerce involves laws and regulations, business practices, and cultural differences from different countries and regions. Therefore, governments of various countries should strengthen international cooperation and jointly build a cross-border e-commerce rule system. By signing bilateral or multilateral agreements, countries can clarify trade rules, regulatory standards, and service norms for cross-border e-commerce, ensuring fairness, transparency, and efficiency in trading activities. This not only helps to reduce trade barriers and minimize trade frictions caused by cultural differences and regulatory conflicts, but also enhances the level of trade facilitation and promotes the free flow of global goods and services.

Improve domestic laws and regulations to provide legal guarantees for cross-border e-commerce. Governments of various countries should improve domestic laws and regulations and establish unified industry standards[6]. They should clarify market access conditions to ensure that participants possess legal qualifications and good reputations. At the same time, they should regulate business conduct, establish clear industry standards and codes of conduct, and prevent unfair competition. The protection of consumer rights and interests should also be a priority, safeguarding consumers' rights such as the right to know, the right to choose, and the right to complain. In addition, it is necessary to strengthen the supervision of cross-border e-commerce, combat illegal acts such as fake and inferior products and intellectual property infringement, maintain market order and fair competition, and provide solid legal guarantees for the healthy development of cross-border e-commerce.

Promote data sharing and information security to enhance the effectiveness of cross-border e-commerce governance. Cross-border e-commerce involves a large amount of sensitive information such as personal information, transaction data, and intellectual property rights. Governments of various countries should strengthen the protection of cross-border e-commerce information security, adopt effective technical means and management measures to ensure the security and integrity of data, including strengthening technical prevention measures such as data encryption, access control, and audit monitoring. By establishing a unified cross-border e-commerce information platform, we can achieve information sharing and regulatory coordination, thereby enhancing the transparency and traceability of cross-border e-commerce activities. Concurrently, it is imperative to reinforce the safeguarding of cross-border e-commerce information security, ensuring the prevention of data breaches and misuse.

Optimize the cross-border e-commerce service system to improve service quality and efficiency. Governments of various countries should optimize the cross-border e-commerce service system to improve service quality and efficiency. In particular, governments should focus on simplifying approval processes, reducing unnecessary procedures and time consumption, and providing more efficient and transparent services. Through innovative measures such as implementing e-government and one-stop services, approval efficiency can be effectively improved, creating a favorable environment for the rapid development of cross-border e-commerce. Additionally, measures such as reducing operating costs and providing convenient financial services can provide more efficient and convenient service support for cross-border e-commerce. Concurrently, it is essential to intensify training and guidance for cross-border e-commerce enterprises, aiming to enhance the professional proficiency and service standards of their personnel.

Strengthen consumer rights protection to enhance the reputation of the cross-border e-commerce market. Consumers are important participants in the cross-border e-commerce market. Governments of various countries should strengthen consumer rights protection to enhance the reputation of the cross-border e-commerce market. By establishing a comprehensive consumer complaint handling mechanism, strengthening product quality supervision, and providing return and exchange services, the legitimate rights and shopping experiences of consumers can be safeguarded. Meanwhile, it is imperative to enhance the credit evaluation and management of cross-border e-commerce enterprises, and foster the establishment of a market credit system.

6. Conclusion

As the pace of market-oriented reforms steadily increases, enhancing the business environment holds paramount importance for the high-quality growth of cross-border e-commerce. Within the context of collaborative governance, optimizing the business climate for cross-border e-commerce has evolved from a standalone responsibility to a collaborative endeavor that necessitates the participation and concerted efforts of multiple stakeholders. The core of this process lies in building an efficient

governance coordination mechanism, thereby achieving continuous improvement and enhancement of the regional business environment. Through collaborative governance, different entities can form positive interactions and effective cooperation, jointly committed to the continuous optimization of the cross-border e-commerce business environment. This cooperation is not only reflected in policy formulation and implementation, but also extends to multiple aspects such as the improvement of market mechanisms, the sharing of information resources, and the enhancement of service levels. Such collaborative endeavors will not only foster the healthy growth of the cross-border e-commerce industry, but also breathe fresh energy into the development of the domestic and international dual-cycle economy, thus strengthening the country's overall competitiveness. Consequently, it is imperative to actively encourage the participation of diverse stakeholders, unite forces, and collectively foster a more open, transparent, and efficient business environment for cross-border e-commerce, thereby providing robust support for its thriving development.

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