

# The Impact of Cross-Border e-Commerce Development on China's International Trade and Economic Development

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**ABSTRACT.** As China's economy enters the new normal period, cross-border e-commerce plays an active role in stimulating the growth of trade economy and adjusting the layout of industrial chain. However, from the perspective of the impact of cross-border e-commerce development, it not only presents opportunities, but also brings more challenges to traditional international trade, which requires traditional international trade to adopt effective development strategies. This study will make a brief introduction to the development of cross-border e-commerce, study the performance of traditional international trade affected by it, and put forward relevant suggestions for the development of traditional international trade under the new normal of economy.

**KEYWORDS:** New normal of economy, Development of cross-border e-commerce, Traditional international trade, Influence

## 1. Introduction

It is generally believed that the emergence of cross-border e-commerce is closely related to the outbreak of the international financial crisis in 2008. After the outbreak of the subprime crisis in the United States, the market demand in Europe and the United States shrank, and trade protectionism rose. However, China is facing multiple pressures, such as the rising cost of labor and raw materials, and the appreciation of RMB. Small and medium-sized foreign trade enterprises urgently need to reduce foreign trade costs, break trade barriers, achieve precise marketing, and get rid of foreign trade difficulties. In this context, since 2010, China's cross-border e-commerce import and export platforms have developed rapidly, including cross-border e-commerce platforms such as "Haitao", "Haidai", cross-border e-commerce zones of large supermarket stores, etc.

## 2. Introduction to Cross Border e-Commerce Development

### 2.1 Basic Overview of Cross Border e-Commerce

As for cross-border e-commerce, it is also known as cross-border e-commerce. In a narrow sense, it refers to cross-border payment settlement and goods cross-border distribution activities completed by means of cross-border online retail. In a broad sense, it refers to all cross-border international trade activities completed by means of e-commerce. No matter what kind of concept, cross-border e-commerce is a trade form derived from the development of Internet. From the current cross-border e-commerce operation mode, cross-border e-commerce is the same as ordinary e-commerce, with C2C, B2C, B2B and other modes. If the flow direction is divided, including two forms of import and export, and based on the type of business entity, there are self operated, platform and hybrid types. From the perspective of cross-border e-commerce market structure in recent years, it maintains a relatively fixed operation mode, such as B2B and export market, which is relatively centralized and monotonous [1].

### 2.2 Development Status of Cross-Border e-Commerce

There are different stages in the rise of cross-border e-commerce in China, including the embryonic period from 1999 to 2008, the development period from 2008 to 2014, and the outbreak period after 2014. In the development of cross-border e-commerce, it accounts for a large proportion of China's international trade. It is estimated that the cross-border e-commerce transactions will maintain 37.6% of the total import and export expenditures in 2020. All of these can reflect the ideal achievements of cross-border e-commerce development

and play a key role in promoting the development of cross-border trade [2].

### **3. The Influence of Cross-Border e-Commerce Development on China's Traditional International Trade**

#### ***3.1 The Development of Traditional International Trade in China under the New Normal of Economy***

Since the reform and opening up, China's economy and science and technology have made rapid progress. Especially in recent years, with the formation of world economic integration, cross-border trade has become more prominent, and the development of cross-border trade has more driven the development of China's economy. Especially in recent years, with the rapid development of economy and science and technology, the economic system among countries has also changed, and the economic mode among countries has also changed. Under the general situation of the world economy, China has also made some changes, especially in the new economic normal, economic development and economic model have changed a lot. However, because of the development of the new economic model, China's trade economy also has a certain downward trend. The most obvious reason is that China has always adhered to the traditional form of trade, which is not suitable for the emerging economic model, which directly leads to the obvious decline of China's economic model, which is very important for China's economic development Adverse [3].

#### ***3.2 Cross Border e-Commerce Has Become an Important Means for Foreign Trade Enterprises to Improve Their International Competitiveness***

Compared with the traditional international trade, the development of cross-border e-commerce is a new way of trade. Moreover, compared with the traditional offline trade mode, the development of cross-border e-commerce belongs to the online trade development mode. This online trade mode is more convenient, faster, more suitable for people's life style, and can also be combined with the current science and technology economy, which can further promote the development of China's economy. Under the online trading mode, the online foreign trade transaction can find the relative partners through the online information dissemination and exchange, and then promote the transaction, rather than the traditional offline trade, which costs a lot of human and material resources. In online cross-border e-commerce transactions, whether in the selection of partners or in the transaction time, the cost will be greatly reduced, which is very conducive to the acquisition of corporate profits, and then can promote the development of China's economy. Especially nowadays, with the rapid development of economy and technology, the development of cross-border e-commerce can become a major driving force for the development of international trade economy [4].

#### ***3.3 Cross Border e-Commerce Can Improve the International Trading Environment and Bring New Opportunities to International Trade***

In the period of high-speed economic development, due to the high-speed economic development, the market volatility is also relatively large. For the development of market economy, there are certain opportunities, and naturally there will be certain challenges. But in the era of rapid economic development, in the case of large market volatility, it is very easy to appear the situation of economic crisis. At the time of economic crisis, the development of traditional trade will be affected to a certain extent, and the development of this kind of trade will continue to be depressed, which is extremely unfavorable for the economic development, especially for the promotion of the economy. However, in the cross-border e-commerce mode, especially in the case of low-cost and high transaction, it will further promote the development of trade market, which will play a certain role in promoting the market economic crisis, not only promoting the economic development, but also enhancing the confidence of the people to a certain extent, which is very beneficial for the economic crisis. In a word, with the development of cross-border e-commerce, it can further promote the economic development, which is very beneficial for the development of China's economy, especially for the world economy [5].

### **4. Traditional International Trade of China Uses Cross-Border e-Commerce to Promote Its Own Development**

#### ***4.1 Using Online and Offline e-Network Mode to Enhance e-Commerce Competitiveness***

In terms of cross-border international trade in China, there are often two extremes: one is in the traditional

international trade, which is carried out in the traditional offline mode; the other is the emerging international trade of e-commerce. There is little intersection between the two kinds of trade. In the process of using them, they are generally extreme. They only use a single way, but not combine the two ways. This is very unfavorable for the development of China's trade. Therefore, if we want to make cross-border international trade develop faster, to change many disadvantages brought by traditional cross-border trade in China, and also to improve the use of cross-border e-commerce in China, we can combine the two, and use the online and offline mode in combination, which can promote the development of cross-border trade in China. Especially in today's social and economic life, the pure online mode or the pure offline mode generally has a fixed population, and the number of users is not too many, which fundamentally limits the development of cross-border trade in China [6].

#### ***4.2 Improve the Core Competitiveness of Enterprise Products and Attract Customers to Conduct Electronic Transactions***

Whether for online enterprises or for offline enterprise development, the most important thing for enterprises is to improve the core competitiveness of their products, which is very necessary for enterprises. However, in terms of actual enterprise development, no matter for offline traditional cross-border international trade or for cross-border e-commerce, there is no great concern on the core competitiveness of enterprise products, especially for cross-border e-commerce, in order to improve the core competitiveness of enterprise products, there is a need for some improvement. As far as the development of cross-border e-commerce is concerned, most of its products are relatively single and lack of certain brand awareness, which to a certain extent makes the product quality problems of e-commerce not guaranteed, thus making consumers lack trust in the products of e-commerce, which also makes the sales of e-commerce more low-value, small object products, no matter for e-commerce For development, or for the economic development of our country, it is very unfavorable. Especially in the era of high-speed development of network information, the spread of information is particularly rapid. Once there are certain problems in the quality of products, its spread speed is very fast, which is very unfavorable for enterprises. After all, the spread under the network public opinion is extremely unfavorable. On the contrary, once an enterprise has a certain sense of brand and strengthens the core competitiveness of its brand, this will guarantee the quality of its products to a certain extent, and also enhance the trust of consumers, and then attract more consumers and promote consumption [7].

#### ***4.3 Establish and Improve the Laws, Regulations and Measures Related to the Transformation of Traditional Foreign Trade Enterprises***

Today's society is a society of legal system. Especially for the emerging industry, the law has a certain guarantee for it, which is very beneficial for the development of the emerging industry. Especially for China, cross-border e-commerce is a new industry, which lacks in the improvement of legal system, in some aspects of trading means, trading methods, etc., and in some aspects, there is no legal basis, no relevant guarantee, which makes residents lack in the use of e-commerce. Because there is no guarantee, there is a lack of trust and trust in the use of e-commerce It makes less use of e-commerce, which is very unfavorable for the development of cross-border e-commerce. Therefore, in order to make cross-border e-commerce have a certain development, first of all, we need to establish and improve relevant laws and regulations, have a certain degree of legal protection, strengthen the trust of consumers, and give consumers enough protection, so that we can make cross-border e-commerce have a better development, and then promote the development of cross-border e-commerce, and promote the economic development of our country [8].

### **5. Conclusion**

The development of cross-border e-commerce is like a double-edged sword, which brings more opportunities and challenges to China's traditional international trade activities under the new economic normal. In this context, we should consider how to promote the development of international trade in the cross-border e-commerce development environment, such as the introduction of online and offline integration mode of enterprises and the development of core products, so as to promote the smooth development of trade activities.

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