

# *Research on China's International Trade and Economic Development under the Environment of E-commerce*

Haojie Lan<sup>1,\*</sup>, Kang Ouyang<sup>1</sup>, Xiaotong Gu<sup>2</sup>, Zihan Wang<sup>3</sup>

<sup>1</sup>School of Business, Beijing Institute of Technology-Zhuhai, Zhuhai, 519088, China

<sup>2</sup>School of Foreign Languages, Jiaying University, Meizhou, 514015, China

<sup>3</sup>International Business Faculty, Beijing Normal University-Zhuhai, Zhuhai, 519085, China

\*Corresponding author

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**Abstract:** In today's society, with the continuous development of Internet technology, e-commerce has emerged and gradually become a key link in the field of economic trade. The rise and development of e-commerce will inevitably have a huge impact on the development of China's traditional international economic and trade economy, and also bring about huge changes in international trade and economic development. In this case, China must understand the development of e-commerce, promote the innovation of China's international economic and trade development model, and lead the development of international economic and trade. With the continuous development of economic globalization, international trade has become an important trend in modern economic development. Therefore, further exploring specific strategies for innovating international trade under the background of e-commerce is of great practical significance for promoting the effective improvement of China's modern economic level.

## 1. Introduction

With the rapid development of internet technology and information technology, cross-border e-commerce has become a new model of international trade. Cross-border e-commerce breaks through the geographical and temporal limitations of traditional trade models through the application of the internet and digital technology, providing enterprises with a broader market and more convenient trading methods, as well as offering consumers a wider range of choices and greater convenience [1,2]. The rise and development of e-commerce have brought enormous benefits to China's economy and international trade. With the support of e-commerce and international trade enterprises, the economic benefits of the industry have also significantly improved, but the application process has also brought new problems to the development of international trade enterprises. International trade enterprises hope to achieve long-term and stable development in the e-commerce environment, which requires strengthening development, attention, and research, and seeking effective development measures to make significant progress in the e-commerce environment. E-commerce is a new type of business activity formed in the process of modern economic development, and it is a business model that utilizes the open environment of the

internet. Depending on the region and era, traditional business models are somewhat outdated. The scientific application of internet platforms can effectively reduce enterprise operating costs; therefore, it is of great practical significance to further clarify how to innovate China's international trade economy more scientifically under the background of modern e-commerce.

## 2. E-commerce Theory

### 2.1 Definition of E-commerce

The current definition of e-commerce mainly refers to the process of a series of business-related activities conducted by two or more parties using computer networks. One significant characteristic of e-commerce is that it eliminates the need for face-to-face contact and manual procedures during the completion of business activities. In fact, there are many concepts related to e-commerce today, but they can be roughly categorized into two: online shopping and business-to-business e-commerce [3]. Online shopping mainly refers to consumers purchasing products on e-commerce platforms. This requires businesses to upload various aspects of product information onto the e-commerce platform, allowing consumers to choose and purchase products according to their needs. Online shopping originally emerged from internet companies that did not engage in retail or offline sales, but now almost 95% of companies in the country have online stores. In some developed countries, people only need to have a computer, internet access, and a bank card to conveniently and quickly purchase various products online. At the same time, the development of e-commerce is already a certainty. This indicates that in the future, the use of e-commerce will become more frequent and diverse, as human needs are fundamentally limitless and technological development should also be boundless.

### 2.2 Characteristics of E-commerce

The main characteristics of e-commerce today are as follows: commerciality, serviceability, integrability, scalability, and security.

(1) Commerciality. Commerciality can be said to be the most basic and important characteristic of e-commerce today. The commerciality of e-commerce mainly refers to a form of commodity transaction on e-commerce platforms based on the Internet, which is more convenient, labor-saving, and time-saving for consumers. Therefore, current online e-commerce is an extremely important and rare opportunity for every enterprise, regardless of its size, development, or prospects. At the same time, according to the current commercial characteristics of e-commerce, this form of online transaction is more conducive to business cooperation between enterprises, which can enable enterprises to expand their consumer markets quickly and efficiently, increase the audience for their products, and make their products more widely known.

(2) Serviceability. The most important characteristic of e-commerce is its serviceability. E-commerce platforms are commonly understood as platforms that serve consumers and merchants, providing convenience and guarantees for both. Users on this platform are not limited by factors such as geography and time. This platform is aimed at all current consumer groups. Therefore, the guarantee and quality of service on this platform become even more important. In physical stores, some people may continue to repurchase because they frequently visit a store or use a particular brand and find the quality to be good, without considering the lowest price. The same applies to e-commerce platforms. The quality of products and the service of the platform will also affect consumer behavior, rather than simply focusing on the lowest price.

(3) Integration. In today's world, e-commerce is a booming industry that has developed in recent years with the growth of the Internet. Many people have joined e-commerce to conduct research and development of new technologies. However, this doesn't mean that all previous technologies should be disregarded once new technologies are developed. The development of new technologies is often

based on the integration of all previous technologies. The ability of something to continue to evolve and develop does not mean that it is completely transformed into something new. Instead, it can utilize all previous technologies for further development. E-commerce is no exception. When developing new technologies, it integrates and elevates previous technologies. This is the integrated characteristic of e-commerce. This integration is also based on the consistency of e-commerce's development before and after. E-commerce is a whole, and while technology is developing, the specific processes remain unchanged. At the same time, the integration characteristic of e-commerce is also reflected in its ability to integrate automatic information processing with manual platform operations into an inseparable entity. This not only fully utilizes human and material resources but also further examines e-commerce technology.

(4) Security. Security is actually one of the most important features in shopping and all trades. If a transaction does not have sufficient protection, even if the product is perfect, most people would not choose to purchase it. Therefore, in the early stages of e-commerce platform development, some users were hesitant to shop online. Today, e-commerce platforms have become relatively mature and provide certain guarantees, so the number of customers engaging in transactions on e-commerce platforms is gradually increasing. However, there are still some fraudulent practices and virus invasions that pose a threat to network security, which in turn threatens the security of e-commerce platforms [4]. As a result, many measures have been taken to maintain network security, such as firewalls and security nets, allowing platforms to operate in a green, healthy, and secure environment. Currently, many companies have introduced network security solutions to protect e-commerce platforms, with the aim of creating a trustworthy e-commerce trading platform. It is believed that as technology continues to advance, the security of e-commerce will also improve. The two can even be integrated to a great extent, eliminating security risks and providing a comfortable and secure platform for users to buy and sell with peace of mind.

### **3. The Impact of E-commerce on International Trade and Economy**

#### **3.1 The Environmental Impact of E-commerce on International Trade Economy**

##### **3.1.1 Positive impact**

(1) We need to reduce the economic cost of international trade. In traditional economic trade models, most complex processes require face-to-face communication between trading parties. This directly increases transaction costs and even wastes time and energy. Traditional trading methods are limited by space and time, making it easy to miss the best trading opportunities and incur unnecessary costs. In the e-commerce environment, trading parties can conduct transactions on internet platforms, reducing transaction time and saving a lot of transaction costs.

(2) We need to improve economic responsiveness and international trade. With the rapid development of internet information technology, the speed of document and goods transmission has greatly increased, greatly enhancing circulation convenience. Buyers and sellers can use the internet as a trading platform to carry out relevant trading activities. E-commerce technology also allows buyers and sellers to accurately understand market developments and formulate sound trading strategies [5].

(3) We need to extend the global trade economic industry chain. The e-commerce environment has brought about significant changes to the logistics industry, promoting innovative and efficient logistics trading models. Based on e-commerce platforms, the number of transactions and the distance between trading parties in trade activities are greatly reduced, and both parties can obtain more information during the transaction process. This makes economic and trade activities more price reasonable, helps build international trade industry chains, and promotes continuous growth.

(4) We need to increase the economic added value of international trade. Using e-commerce for international trade can reduce transaction costs for both parties, deducting the actual cost of goods

based on costs. In other words, while maintaining the original price of the product, the value added by the product greatly increases. This increases the profit margin for businesses. E-commerce traders can quickly identify potential customers while conducting transactions on service platforms. Then, effective measures can be taken to convert potential customers into real customers. This will also be a big step forward, as both parties will be able to gain more new sales or purchasing channels, enhancing economic benefits.

### 3.1.2 Negative impact

(1) Tax issues cannot be properly managed. In the e-commerce environment, all transaction information can be stored electronically. However, in practice, the storage of electronic data is subject to many factors. Computer viruses, operational errors, and other factors can cause transaction data to be lost or damaged. Some companies try to avoid taxes by using e-commerce platforms, which has imposed a tax burden on our country. In addition, as the scale of e-commerce transactions increases, transaction data also increases, making the work of tax officials more complex.

(2) The increasingly serious international economic inequality. Developing countries have long played an important role in international trade, but they have always been at a disadvantage in the production of raw materials and the sale of goods. With the rise and development of e-commerce models, the dependence on network information technology will also increase when both parties conduct transactions. Due to the relatively low level of technology in developing countries and the increasing use of e-commerce using Internet technology in the international market, developing countries are in a passive and marginalized state. At present, China's Internet technology is developing relatively fast, but in order to better ensure the good development of international trade under the e-commerce model, it is necessary to ensure the development of Internet technology and strengthen Internet technology research and development [6].

(3) The e-commerce sector is not well regulated. At present, e-commerce has made significant progress in China and needs to improve the legal norms related to e-commerce. However, in reality, this point has been neglected. Without good e-commerce laws and regulations, it is impossible to effectively handle and resolve e-commerce disputes and prevent e-commerce risks. Unlawful elements will seek benefits in the loopholes of the legal system, causing turmoil in the entire e-commerce industry. From the perspective of international economics and trade, when this problem occurs, the crisis of enterprise trust not only affects the international image but also causes unnecessary accidents

## 3.2 The impact of cross-border e-commerce on international trade and the economy

With the popularity of information technology, e-commerce has been promoted in international trade. In recent years, cross-border e-commerce has entered the public's view and has become a new growth point for China's foreign trade due to its high efficiency and other characteristics. In recent years, global cross-border e-commerce has grown rapidly, and the number of cross-border e-commerce consumers has continued to increase, forming a strong consumer force. Compared with traditional trade, China's cross-border e-commerce trade is relatively small. The country has launched service pilot cities to provide corresponding tax incentives. However, at the current stage, there are many problems in the development of cross-border e-commerce in China. It is necessary to study the impact mechanism of cross-border e-commerce on international trade and macroeconomics, and explore countermeasures to promote macroeconomic development through cross-border e-commerce.

In the context of the weak traditional foreign trade situation, the rise of cross-border e-commerce has become an important tool to maintain stable economic growth, and the development of cross-border e-commerce is conducive to the development of China's international trade and

macroeconomics. The impact of cross-border e-commerce on international trade is mainly reflected in factors such as subjects, models, and operational methods. At the current stage, the development of cross-border e-commerce in China presents a broad market prospect, policy dividend support, and diversified innovation of e-commerce models. The rapid rise of cross-border e-commerce is due to the rapid development of communication networks, which has given birth to new business models. Due to the decline of traditional international trade, the government hopes to stimulate domestic consumption and stabilize economic trade growth through cross-border e-commerce. The impact of cross-border e-commerce on international trade mainly includes promoting logistics construction and accelerating marketing model innovation. At present, cross-border e-commerce occupies an important position in China's international trade and has become a new growth point for foreign trade [7]. The development of cross-border e-commerce has mainly reduced the transaction costs of import and export trade, generated agglomeration effects on foreign trade, and lowered the market access threshold for foreign trade enterprises. In traditional foreign trade, the trading chain involves manufacturers producing goods, foreign wholesalers acting as distribution agents, and trade entities including manufacturers, intermediaries, and consumers. The development of cross-border e-commerce reduces the importance of intermediaries and their role in the trade process of traditional foreign trade. Innovative small and medium-sized enterprises have great development opportunities. Traditional small and medium-sized foreign trade enterprises can expand overseas channels through the Internet, adapt flexibly to market changes under the development of cross-border e-commerce, and their importance in foreign trade is enhanced. Cross-border e-commerce can reduce foreign trade costs by leveraging the advantages of the Internet, such as marketing costs and intermediary costs. Cross-border e-commerce transactions conducted on the Internet have high requirements for the credibility of both buyers and sellers, and the Internet has high requirements for network infrastructure technology, increasing the risks of virtualized transactions in foreign trade for enterprises.

The impact of cross-border e-commerce on foreign trade economy is mainly reflected in changing the competitive advantage of goods, reducing transaction costs of import trade, and entering the value chain of imported goods. Reducing transaction costs includes obtaining information and communication costs for import trade, and changing competitive advantages is reflected in the development of independent brands for imports and improving product and service quality. The integration of cross-border e-commerce into the commercial value chain of imported goods mainly involves transforming the supervision of import trade, simplifying international trade business processes, and promoting diversification of trade entities and models. The current impact of cross-border e-commerce on China's import and export trade development is manifested in promoting the diversification of foreign trade regions, adjusting and optimizing trade structures, and continuously expanding the scale of foreign trade. Currently, there are still many deficiencies in the development of cross-border e-commerce in China, and there are many problems in promoting the development of international trade and macroeconomic development. Cross-border e-commerce opens the door to a broad market for Chinese manufacturing, but it still faces difficulties in guaranteeing product quality, low level of logistics informatization, and lack of comprehensive services. China's cross-border e-commerce has gone through a period of rapid development, and there are significant differences from traditional trade methods in terms of transaction payment methods. The existing market system cannot meet the needs of cross-border e-commerce development, and many problems have been exposed in customs clearance services, tax avoidance, and other aspects, mainly manifested as imperfect customs clearance services, and an incomplete legal and regulatory system. The cumbersome customs clearance procedures of cross-border e-commerce result in a lack of timeliness, and the wide variety of products sold on cross-border e-commerce platforms leads to a high degree of dependence on logistics. Import and export operating rights have become entry barriers for cross-border e-commerce enterprises, and some companies' trade activities without customs declaration forms result in the inability to claim tax refunds. Currently, the rapid development of cross-border e-commerce in China has led to a chaotic

market order and unfair competition in the cross-border e-commerce market. Due to the uneven strength of enterprises and difficulties in consumer rights protection, some companies rely on price wars to quickly occupy market share, which has a negative impact on the original goods market.

#### **4. The Suggestion to Develop our Country's International Trade and Economy under E-commerce Environment**

(1) We need to improve infrastructure and strengthen key technology research. The rapid development of e-commerce is inseparable from network technology, and the support of information infrastructure is an inevitable requirement in the process of e-commerce development. China should focus on building infrastructure and deepening understanding of key technologies. The government can provide funding to ensure the construction of e-commerce infrastructure with more advanced hardware, supporting and providing important guarantees for the healthy development of international trade. Only by formulating sound e-commerce policies can a good environment be created for the development and application of key technologies, making the e-commerce model more mature and promoting the development and progress of international economy and trade.

(2) Electronic commerce needs to be used to strengthen international trade controls. It is well known that e-commerce has a close relationship with international trade control. Therefore, it is important to use e-commerce to effectively manage international trade. First, it is important to improve the efficiency of international trade management. We should start with the export quota of goods to improve the overall quality of trade work, and facilitate the supervision and management of the relevant departments through subcontracting bidding. Supported by information technology knowledge, we should strengthen the tracking and management of enterprise qualifications and enhance the convenience of product information display, post-customization and feedback improvement [8]. Secondly, using e-commerce to carry out international trade activities simplifies the application for trade permits, reduces the cumbersome parts of the application process, and ensures the transparency of permit application operations. E-commerce can effectively strengthen customs quality control and reduce tax evasion. Finally, e-commerce can also improve the quality of import and export goods. Consistent inspection and management help improve and ensure the efficiency and quality of quality inspection operations.

(3) We should develop relevant laws and regulations. With the continuous development of e-commerce, there will also be many problems in international trade. In order to promote the healthy and stable development of international trade, it is necessary to thoroughly analyze the existing problems and adopt effective measures. The most effective measure is to develop sound laws and regulations. In today's high-speed development of international economic trade, the trading models have undergone significant changes, to the extent that the current laws and regulations have failed to adapt to the needs of the development of new trading models. Existing laws and regulations need to be formulated, improved, and developed. It is necessary to draft laws and regulations and comprehensively legislate to protect intellectual property rights and information security in e-commerce, based on the development of the situation.

(4) We need to improve the e-commerce distribution system and settlement system. In the process of economic development and international trade, e-commerce must also improve and update the transaction system and payment system. The e-commerce system can enhance the stability and security of the logistics system and payment system. At present, e-commerce service companies in our country can enhance the security and stability of the payment system through the use of third-party services. In addition, since the implementation and development of the logistics system are inseparable from information technology, it is necessary to strengthen the soundness of the logistics system, promote logistics technology updates, optimize transaction processes, and actively improve logistics efficiency.

(5) We need to strengthen the construction of e-commerce talent team. The international trade

economy in the e-commerce environment also requires a large number of e-commerce talents as support. Efforts should be made to strengthen the training of e-commerce talents. In this case, it is necessary to strengthen the education and training of e-commerce talents, continuously improve their information technology operation skills and communication abilities. Only high-quality e-commerce talents can contribute to the development of international trade and the economy. Only in this way can the comprehensive ability of enterprises to operate e-commerce be truly improved, and it will contribute to the stable development of the economy and international trade.

## 5. Conclusion

As a result of the influence of the modern e-commerce environment, international trade, and economic development, there have been significant changes in the way trade, management, and economic development are conducted, which also greatly impact the development of trade platforms. In this process, it is necessary to rationally change new ideas and concepts, improve the existing distribution system, update and optimize the trading model, improve the information exchange platform, strengthen core technology research, and enhance the ability of multi-country logistics cooperation. From the perspective of e-commerce, it is important to ensure that our country's international trade achieves high innovation, effectively combining e-commerce with the core technologies unique to economic and trade enterprises, so that enterprises can more scientifically respond to the increasingly competitive market environment, while also effectively reducing costs and achieving higher-level resource sharing. In order to share information and promote the further development of modern commerce in our country, it is necessary to adapt to the development needs of modern international economic integration and build an e-commerce system that is in line with our national conditions. In summary, compared to the traditional international trade and economic model of the past, e-commerce has many advantages. Therefore, in the current e-commerce environment, our country's international economic and trade development needs to seize this important period, create a better development environment and more development opportunities, explore more targeted response strategies, ensure that our country's e-commerce advantages are fully utilized, and promote long-term stable development of international trade and economy.

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