US Cross-Border E-Commerce Marketing Analysis and Future Plans

Elaine Chen*
Syosset Senior High School, New York, United States
* Corresponding Author Email: chenela@syossetschools.org

Abstract. In recent years, as a result of the impact of Covid-19, the skyrocketing price of raw commodities, and labor costs have become increasingly expensive in America. Furthermore, the globe is a linked whole, it is difficult for all products to be self-sufficient, so many businesses choose to import goods from Southeast Asia or even just build their factories there. Some of them are in the US and some of them might not in the US. But the common thing is that a large part of them don’t know how to market and advertise their companies and products in the US. So, this paper is to aid them with their business. After researching, there are some following tips that can help them. Companies should choose the platforms that suit their budget and marketing goals best. Also, they should target their customers first. Furthermore, they ought to put the advertisements after analyzing users’ demographics. In addition, the choice of bloggers and vloggers should depend on American preferences.

Keywords: E-commerce; cross border; social media; search engine; video apps.

1. Introduction

In recent years, due to the impact of covid-19, the soaring price of raw materials, and Labor Costs become higher and higher in America. What is more, the world is a connected whole, so it is impossible for all products to be self-sufficient. That’s why Cross-border transactions are necessary. At present, the import to the United States increases rapidly. Much of the businesses and companies choose to import from South Asia because of their Cheap Labor and low-price raw materials. Based on this situation, online cross-border trade is also developing very fast, which means so many businesses start to sell their products to the U.S. and some of them even sell their own products by themselves without any middleman. In fact, because of the covid, a large number of people lose their daily jobs which make them afford their everyday life. So, with high inflation which makes the price of the product increase a lot and not steady salary, most of them who don’t have enough deposit to find some other ways to earn money and afford themselves or even their family. Many of them decide to do e-commerce and some of these people set their sights on American Market. And almost every people who try cross-border trading feel that it is too difficult and expensive to use ads to show their products to consumers. But they don’t know where to find the correct solution which can solve their problems though there are so many studies that investigate the relevant information. Actually, the studies which have Existed have only discussed what kind of products the U.S. is importing and why a lot of the US companies are continually trying to build their factories in South Asia. Also, there are several research that shows how widespread social media is, including social apps and video apps and what search engine most people use, and there is no doubt that the answer is Google. In addition, a few of them analyze the development of e-commerce. But only few of the research have talked about how to choose suitable channels for the business to market in the U.S. and how to market easily and effectively. This research aims to help business that try to enter the US market, and make their efforts become more effective. This paper uses the data and conclusions from other existing papers and the interview from a lot of bloggers or vloggers, focusing on how to combine these ad channels with the American conditions and determine how to choose the best channel. In addition, the interviews are about how they charge, how effective their different promotions are and then find out what causes the difference. After doing this, research will be able to help the cross-border trading company with electronic marketing.
2. Situations of US Cross-Border E-Commerce Marketing

In fact, the United States has very extensive fields which can be used to grow crops. Thus, the country can be self-sufficient in food so that it doesn’t need to import food from foreign countries. Instead, it can even export many products to make money. Take China as an example, the United States exported $25.2 billion of agricultural products to China in 2016 [1]. This is one of the natural advantages of the U.S. which is beneficial for the economics of the U.S. However, there is also some disadvantages for the U.S. For instance, labor in the U.S. is costly so a lot of business owners, including many big and famous companies, such as Apple, choose to import products from Southeast Asia and then sell the products in the U.S. In other words, most of them build their factories in Southeast Asia because of the Asian cheaper labor in order to reduce the cost. The business owners usually import daily household products, electronic products, sports equipment, common jewels and so on. For the sake of improving the awareness of their business, these companies or business owners use plenty of platforms to put their advertisements. There are two main marketing ways: traditional and digital. Nowadays, our 21st century is called the Information Age [2]. So there is no doubt that digital marketing is much more effective. The impact of digital technology on the way businesses and individuals organize production and work is great [3]. To be more specific, most of companies now choose to market online, and digital marketing can be divided into three major types: Social, Search and Display. Through these diverse methods, they can not only just help sell the products to people, but also increase the brand and products awareness. As a result, more and more people will become their customers or their potential customers and might decide to buy their products in the future.

3. Analysis on Key Marketing Strategies

3.1. Social Media

Instagram, Facebook, Twitter, Snapchat and the Red Book from China are the main places for advertisers to put advertisements. Nowadays, almost all people can’t live without social media. For instance, they know the current news, show their post to others, chat with other people, like with their friends and so on through social media. Currently, social media has permeated in every communication form and internet [4]. Through social media, people can know the trend of the society. As a result, it is significant for businesses to put them ads in social apps to introduce their products or services to their potential customers. This is one of the reasons why social media can be a focal point for advocacy. The other reason is that by using social targeting, advertisers can know the demographics of people, the pages which people like to read, the location of where the people live and some activities of the people. All of these can help advertisers know where to put their ads and determine who are their potential customers and more interested in their products. Definitely, the most important thing to advertise on social media is choosing the correct apps. As it is known to all, there are so many social apps that exist and used very often, which provide so many options for us. However, it is much more difficult to make the right decision. Fortunately, the suitability of the apps can be analyzed through many ways. As the data of 2018 shows, the most teenager used social media is Instagram, but they said that they used Snapchat more often [5]. So, if the business wants to do the advertising, both apps are good choices. Native ads are inserted into social media posts, such as sponsored posts on Facebook [6]. The choice of blogger that the business decides to choose is also very important. According to the result of online opinion, which is Gogoboi, it demonstrates that the leaders of brands influence consumer behavior and view of the brands or product [7]. So, it can be inferred that the bloggers for advertising influence the perceptions of customers. There are so many different purposes of ads, including increasing instantly sales and expanding awareness. If the company want to improve their recognition, choosing a blogger with richer professional knowledge, the advertising effect will be more significant. Informative posts are more effective when the intent of the ad in Facebook is to increase trials rather than awareness [8]. Because the market mentioned in the previous text is the U.S., so it is better for business to choose bloggers who can change the
mind of American people. Instead of giving money to the bloggers, the company also have other option. The company can choose to offer their products to bloggers for free. In return, these bloggers need to put an ad about the products in their account [8]. Through this way, the company can reduce the cost of marketing while the effect doesn’t decrease and put the saved money into other ads.

3.2. Search Engine

In addition, Search engines also is a strong way to advertise products. In the 2020s, 87.35% of the search engine market was taken by Google [9]. Even at present, Google still is the most popular Search Engine all over the world. Google uses search algorithms to show the pages which most relevant to what users are searching for through the things like keywords and location, which can improve search accuracy. Therefore, the business will be able to target people who are in the US. To make the ad more effective and to save money, businesses can only show the ad to these people. And then it will rank the pages or websites by comparing what users click more or how much the content suits what users’ type. Search's ranking algorithm will lower the rank of the content if the content is identified as misinformation, making it appear lower in the search results [9]. After that, Search Targeting will show the ads to people who have searched for the relevant information. It is clear that these people are interested in this kind of information, so it is much more possible for them to click the ads near the search results. The ads in Google can be put inside the articles or can be put in the list of articles. In addition, the ads in the list mean that businesses can make their websites or products higher ranking and be in the top of the search results. Where the AD appears depends on ist serial number ranking position [6]. There is no doubt that people are more likely to click the websites at a high ranking, because they will consider it as a “recommendation” from Google and other people who also search the same information. Thus, if the advertiser chooses to pay to have their ad in front of the recommendation, more people will see the ad. In most circumstances, there exists a direct relationship between the amount of money that the company pay for the ads, and the possibility of potential customers can be aware of and remember the company [10]. Unlike bloggers advertising on social media which need to pay exact money to bloggers no matter how much influence the ad makes, advertisers only need to pay when the consumers click the ad. This can also reduce the cost because people who don’t interested in the relevant information in ads will not click the ad, and the company don’t need to pay for these people who never click the company’s ad other than the fixed base price [10].

3.3. Video Apps

In order to pass their leisure time, a lot of people, especially the young generation, usually viewed through the video streaming apps. With the development of technologies, more and more video apps come out to the public, such as TikTok which rapidly develops in recent years and occupies a huge market in the US, it is easier for everybody to make and publish videos. Through the people who share their daily life, many business opportunities have emerged. However, the business cannot just create and put the ad simply. They need to find their target audience before developing a content strategy [11]. Businesses can determine whether people are their potential clients by analyzing which bloggers people are following, what types of videos that people choose to watch and what relevant videos or ads that people have already viewed. Meanwhile, the choice placements for the ads are important. From the data of 2018, the most used video app is YouTube [5]. Thus, YouTube is a good choice for businesses to sell products in US. And TikTok is also a suitable choice due to its great influence in the US. There are several ways to advertise in this kind of app. For example, the ad can be placed within video content. Besides, the ads can be hidden in the description of the video: The lipstick I'm using today is from XXX brand... [6]. As well as that, ads can also be placed in a list of recommendations that appear after the video finishes playing. The business can also pay the bloggers in the way mentioned in the preceding text to save money. In apps like YouTube, bloggers can not only share their videos but also do live streaming. Just to give an example, bloggers can play games live. In the live, the ads can be put everywhere: The exact game, the things that bloggers use in the
real life, and the things they use during the game. This is very possible because it takes a lot of time for people, especially teenagers to play or watch others play the game. The young people in Iran spend a lot of time on the Internet. So, they always follow the game live bloggers. This gives the business an idea that they can put something that attracts Iranian people to gain the market of Iran [12].

4. Suggestions

In conclusion, there are plenty of choices for businesses to choose to market. The business can choose to advertise either in one kind of platforms or in all kinds of platforms and apps that be mentioned in the preceding text. Supposing the company choose to market in social media and apps, they should target their potential customers by analyzing the online activities of consumers. Other than just that, they also need to consider the bloggers who can easily affect people’s thoughts and opinions. Notice, it doesn’t mean that bloggers and vloggers ought to have a large base of fans. In fact, they just need to have a group of fans that will listen to their recommendations. And the company also need to consider the types of bloggers through the market goal. If the company is in the early stages and does not have enough adequate marketing budget, the advisors can choose to communicate with the bloggers to discuss whether they can use the free products in return for advertising.

The business can also market in search engine, such as Google. They can put the ads anywhere of the pages. But it is better for them to choose the place where most people can see it. The ranking of the websites and pages will also affect the result of how many people will see and click through them. In order to improve the ranking, the most important thing that the business should do is to make sure their content is totally correct, and the pages need to be clear and concise, which will make more people be willing to click on it and give a high score of the webs. It is also quite necessary for the business to spend money to put their ad at the top of other relevant ads because people always click the thing at the top of their search results. Furthermore, the description of the ad is significant, too. The suitable sentences, including keywords, locations and so on. By doing this, it helps the business not only make more people find it, but also save money because people will not click it if they don’t interest in the description and the business doesn’t need to pay for the people who don’t click its ad. There is also one advantage that most of the other market methods don’t have: they put the ads on pages that have relevant information like them, so the people who can see this ad are more likely to click the ad.

For video apps, the way to analyze consumers and choose the place to put ads is very similar to the way of social media. They can determine whether people are in their target by analyzing what consumers do on the internet. And they can choose the exact kind of bloggers that can finish their market aims. Due to so many people viewing videos to pass their free time, advertisers can choose the vloggers that many people in their target region will view. Also, they can use free products to pay for the vloggers if the vloggers agree. Depsides these, the business can put the ads in the playlist. This is kind of like advertising in the search engine. The business can reduce much of its cost in advertising because they only need to pay the bloggers and vloggers of people who click the ad. And people who see the ad might be interested in the ads because they have already viewed the videos that have the same kind of content.

5. Conclusion

According to the research, this paper finds out that diverse marketing channels have so many varied results. In addition, different regions use different software and websites, so this is a big point when considering the app to advertise. Also, the impacts of different bloggers or vloggers that the business chooses to use are very different. What’s more, whether targeting the correct potential has a great impact. As a result, here comes several tips that each business wanting to sell its products to the U.S. can use. First of all, if companies prefer to put their advertisements on social media. It is better
for them to choose the apps like Instagram, Twitter and so on. In addition, they need to do investigation about people’s demographics and choose to advertise the people who are in the U.S. and might buy the products. Remember, the choice of bloggers depends on the marketing goals. Secondly, these companies can also use a search engine for marketing. The best choice for them is Google due to the largest number of users in the US. After analysing users of Google, including locations and consumption habits, then they can put “recommendations” to their target customers. Last but not least, advertisements can also be put in video apps which are quite similar to social media. There is no doubt that the business should put ads on people who are in the US and are very possible to buy their products. Also, companies can pick the bloggers whom Americans like to watch. For the greatest results, the bloggers or vloggers that are relevant to the content of products are better. All in all, the purpose of this paper is to fill the gap in overseas marketing methods. What’s more, it will also help the companies who want to sell the products to the US people. Still, there are also a lot of other problems or questions for these companies exist, such as how to exactly communicate with bloggers or the platforms. The research or papers in the future ought to mention these kinds of problems or even focus on them.

References