

Analysis of the Impact on International Trade through the Operation Mode of E-Commerce and Countermeasures

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Abstract. With the gradual popularization of the Internet in the mass family, the continuous deepening of the information technology revolution, and the gradual improvement of people's daily consumption level, a new type of business model - e-commerce has emerged. In view of the unique trade means of e-commerce, the development speed of e-commerce exceeds most people's imagination. Starting from the positive and negative impacts of e-commerce on international trade, taking the development of cross-border e-commerce for small and medium-sized enterprises in Yiwu as an example, this essay is researched and explained by SWOT and STP analysis methods. In addition, in-depth research has been carried out, extended to the research of small and medium-sized enterprises in China. The advantages, disadvantages, opportunities and threats they face when developing e-commerce are analyzed and discussed. In the end, some strategic and reasonable development opinions are given according to the impact of China's current e-commerce operation mode on international trade. The study found that e-commerce plays an unexpected role in the development of international trade. The emerging e-commerce model has two different impacts on international trade, positive and negative, but without exception, it promotes the development of international trade. The negative impact can be come up with reasonable countermeasures for improvement and self-improvement, and the positive impact can continue to be maintained and developed steadily.

Keywords: E-commerce; international trade; transnational e-commerce; SOWT.

1. Introduction

In today's world, people prefer to buy online rather than offline. For clothing, the choice of online shopping is wider, and clothes with different styles, colors and prices can be presented on one webpage or computer screen. People only need to swipe the screen or click the mouse to realize shopping without leaving home, which is very convenient. For the purchase of food, online shopping is a good choice, whether it is buying fresh fruits and vegetables or packaged snacks. Because the current logistics speed is getting faster, the efficiency is getting higher and higher, and the packaging is more practical, greatly reducing the loss of fresh vegetables during transportation. In addition, people now like to buy imported goods and some brands. The commodities can only be found in foreign countries which realize international trade. The original international trade was out of reach for ordinary families, but now it is not only accessible but also satisfies cross-border trade without leaving home. Demand is all thanks to the development of e-commerce. This is a topic directly related to personal lifestyle. Another factor is that traditional international trade is cumbersome for businesses. To conduct interviews with one or more companies, sign a contract, and finally reach trade cooperation, it is necessary to send salespeople abroad. Face-to-face discussions abroad are accomplished through a labor and time-intensive process that also requires a lot of financial and material resources. There is no doubt that the rise of e-commerce has greatly facilitated global trade, and it has enabled different types of real-time online negotiations, which can be conducted through e-commerce technologies such as telephone or video conferencing and email. The cost of starting a meeting is reduced by holding the meeting. The most important thing is that it is not affected by time, space and geography [1]. In the current business environment, it is difficult for companies to provide customers with consulting services around the clock. Customers worldwide can access various e-commerce information of export companies connected to the Internet anytime and anywhere. Enterprises' international e-commerce transactions provide continuous and efficient operation. In this

way, customers of export companies can obtain necessary e-commerce transaction information at any time, which makes it easier for export companies to increase customer order services. It can significantly improve the success rate and security of transactions simultaneously [2]. Lastly, since e-commerce has played an important role in global trade, some paper documents that international trade needs to produce have been digitized and networked. This speeds up the circulation of information processing in customs, taxation, insurance and other departments and simplifies office procedures to save money [1]. E-commerce can handle paperless and networked transactions in international trade so that enterprises engaged in import and export business can directly manage electronic invoices and documents related to banking, insurance, taxation and transportation parts online and complete all reconciliations in part of the process and complaint work, saving a lot of time and money [3]. This research will analyze the business model of the obligatory commodity market, use the SWOT method to analyze the market, study the impact of e-commerce on international trade, and think about corresponding countermeasures.

2. Case Description

Yiwu Small Commodity Market is inseparable from e-commerce, and the convenient influence of e-commerce on international trade makes Yiwu Small Commodity Market develop rapidly. According to incomplete statistics, about 218 countries and regions have imported commodities from Yiwu Small Commodity Market. Companies from 83 countries and regions have set up representative offices in Yiwu Small Commodity Market to facilitate the purchase of commodities. In the first half of 2020, Yiwu's top two import and export markets were the EU and ASEAN, with total import and export volumes reaching 13.23 billion yuan and 12.28 billion yuan, respectively. Yiwu's exports to the EU increased by 10.4% year-on-year, while exports to ASEAN increased by 9.2%; the import and export of these two places have maintained steady growth. Imports and exports to the "BRIC countries" also maintained a good momentum, with a total import and export volume of 15.28 billion yuan, an increase of 23.7%, higher than the city's average export growth rate. From the perspective of trade mode, in Yiwu's export trade, general trade export has always been dominant, and it is mainly small commodities whose export volume accounts for 95.2% of Yiwu's total export value. In the first half of 2019, Yiwu's exports of products through general trade exceeded 100 billion yuan for the first time, reaching 102.54 billion yuan, a year-on-year increase of 2.4%. These general trades are carried out by merchants purchasing and exporting in the market, accounting for 83.9% of Yiwu's foreign trade; the import and export of general trade are 20.98 billion yuan, an increase of 14.8%, accounting for 17.8% [4].

Given the rapid development of the Yiwu small commodity market in recent years, this essay now conducts a SWOT analysis of it from four aspects: strengths, weaknesses, opportunities and threats.

First of all, from the perspective of advantages, there are the following points. From ancient times to the present, Yiwu merchants have continuously accumulated capital. Thus, the current Yiwu small commodity market has been expanding its business scale, and almost all major cities in China have opened Yiwu small commodity sub-markets. The accumulation of hundreds of years of experience, the growth of business acumen, and the development of e-commerce today have given Yiwu small commodities the opportunity to go out of China and be exported to the world [4]. Since Yiwu Small Commodity Market is a collective name of many enterprises, it is indispensable to benefit from the concentration of capital. Capital concentration is a process in which many small capitals are merged into a small number of large capitals, and it is not a form of a single capital increasing its size. Compared with capital accumulation, capital concentration has the following characteristics: capital concentration is premised on the change in the distribution of capital that has formed and performed functions, so its function is not limited by the absolute growth of social wealth or the absolute limit of accumulation. The concentration of capital plays a major economic role in the development of capitalist production. First, concentration complements the role of accumulation, enabling capitalists to rapidly expand their own business scale and promote production and technological development.

At the same time, the mass of capital united through concentration increases accumulation by means of its enlargement and its ever-increasing reproduction. Concentration becomes the new powerful lever of capital accumulation. Secondly, the increase of individual capital caused by accumulation is an extremely slow process, and concentration can greatly speed up the process of increasing individual capital. Finally, while capital concentration strengthens and accelerates the accumulation function, it also expands and accelerates the transformation of the organic composition of capital, reduces the variable part of the capital to increase the constant part, and thus makes the relative reduction and absolute reduction of labor demand more severe.

Then the point is the marketing model of Yiwu Small Commodity Market from the perspective of disadvantages. Due to the development of international trade and the reform of e-commerce, it is inevitable that there will be more orders for goods in remote areas that need to be delivered, which greatly increases the requirements for the logistics industry. The connection in the logistics distribution process is still a problem. Because the degree of development of each country is different, the development progress and speed of the logistics industry in different countries are also different. Therefore, different distribution systems mean an increase in redundant time and an increase in logistics costs. The integration of international logistics is a problem that remains to be solved [5].

Then there is the opportunity which is very important for an enterprise. The proposal of China's "One Belt, One Road" strategy provides a special opportunity for the development of Yiwu's small commodity market. It expands the international market and provides opportunities for the development of international trade. There are many countries along the "Belt and Road", from Asia to Europe; Yiwu has been an important stop in this important economic hub since ancient times. The economic cooperation between countries has brought many potential merchants and markets to Yiwu Small Commodity Market. The establishment of the "Belt and Road" transportation network will also make it easier for Yiwu small commodities to be sold to countries along the route. At the end of 2014, the opening of the "Yixinou" train made it easier for Yiwu's small commodities to be sold to the Middle East and the EU market. This is also an important reason why the EU and the Middle East market have become the main export areas of Yiwu's small commodities in recent years. In the ensuing two years, the cross-border railway lines continued to expand. The "One Belt, One Road" strategy is equivalent to a brand-new reform and opening up in Yiwu, which has brought many new business opportunities for Yiwu's small commodities, and also played an important role in eliminating trade barriers [4].

Finally, analyze from the aspect of threat. With the rise of e-commerce and modern logistics in Yiwu, the demand for modern talents, especially those specializing in information technology and data statistics, has greatly increased. As a traditional commercial city, Yiwu has increasingly highlighted its talent shortage [4].

3. The Influence of E-Commerce on the Yiwu Small Commodity Market

The development of e-commerce has had a great impact on Yiwu's small commodity market, and it also had an impact on the traditional market. E-commerce impacts the traditional international trade development model with its subversive innovation model, causing huge changes in the traditional international trade development model and production form, making it unable to adapt to today's economic development. The emergence of e-commerce is, to a certain extent, an impact on the traditional commercial economy. Moreover, to engage in cross-border e-commerce trade, one must know basic foreign languages and professional e-commerce and international trade knowledge. These comprehensive talents are still in short supply in the Yiwu market at present [6]. Under this impact, traditional international trade must carry out continuous innovation and development to adapt to the new situation of trade development that is also changing with each passing day [5]. The first point is the impact on transaction methods. In e-commerce, the transaction methods of enterprises are mainly reflected in electronic procurement. E-procurement is an important link for enterprises to realize e-commerce. This transaction method means that business owners can save many costs. The second

point is the impact on marketing concepts. With the popularity of e-commerce, the global market has become an inevitable trend. Generally speaking, e-commerce needs to be carried out through the Internet; and because the Internet has the openness of interconnection, time continuity and space expansion; it can make economic activities get rid of national boundaries, thereby making the market global; this means that Yiwu enterprises will have Unlimited potential market and customer sources. Secondly, e-commerce reduces the number of product sales links, avoids the additional cost caused by the layer-by-layer transfer of products, and can even provide a platform for business owners to face consumers directly, such as the B2C (Business to Customer) model.

4. Impact of e-commerce on international trade

4.1. Positive

4.1.1 Impact on International Trade Marketing

First, traditional marketing is replaced by Internet marketing. With the development of the Internet and the application of network technology, network marketing has become the first choice to replace traditional marketing. Whether it is established independently or relying on a third party, network marketing exists in a low-cost, fast-paced, and high-efficiency way, which is in line with the needs of enterprises. The instinct to reduce costs and improve efficiency.

Second, mass sales are affected by personalization. With the application of network marketing, the needs of enterprises for users can be quickly obtained through market research, and users can also directly put forward personalized needs to enterprises. In this way, the original large-order orders and bulk sales in international trade have become more and more individualized and affected by small-batch sales, especially some small and medium-sized foreign trade companies, due to their flexible system and responsiveness to the market, adjust production to meet customer needs demand comes faster than some large enterprises, and it is easier to capture some niche users, so it also causes personalized customization to have a considerable impact on large enterprises [1].

4.1.2 Impact on International Trade Transactions

From the perspective of trading tools, new international trade tools will replace traditional paper-based trade transactions and be based on certain agreements. In this way, the sending speed of documents has increased by 81% compared with before, and the sending cost and processing process of documents have been reduced so that the occurrence rate of quality errors has been greatly reduced compared with before.

Till the payment methods, the new e-commerce international trade payment uses the e-commerce payment system. E-commerce companies directly realize e-commerce transaction payments on the e-commerce network through the online bank payment system. After the transaction agreement is concluded, the name will be entered into the terminal computer of the electronic banking network, in addition. The number of transaction funds, settlement, remittance, credit and other transaction services can be realized directly on the electronic banking network.

As for delivery methods, most of the current trading models for products have been transformed into direct transactions of intangible products. This means of e-commerce, which is an electronic transaction between buyers and sellers, geographical and spatial barriers cross the direct transaction requirements of international e-commerce transactions. Currently. There are still huge development possibilities in the global market that can be exploited to the maximum [2].

4.2. Negative

4.2.1 The Degree of Enterprise Informatization is Relatively Weak

"Enterprise informatization" refers to the process of improving management level, development ability and operation level through the application of information technology, development, and use of enterprise information resources. Enterprises in China have not yet formed a high degree of consensus and conscious action in the development of e-commerce. Although some enterprises have

built internal local area networks because there is no long-term stable special management organization or personnel responsible for handling all information work, e-commerce knowledge is not popular enough among employees, and the importance of information sharing in enterprise business processes is not well understood, and more. The reason is that the information released on the Internet is not timely, rich, and comprehensive, and the availability of online data is poor. It is difficult to find and solve problems through information.

4.2.2 The Implementation of E-Commerce Lacks a Corresponding Legal Environment

Electronic documents are not recognized in the foreign trade laws of our country and many other countries. The negotiable instrument laws of our country and other countries clearly stipulate that the signature with legal effect must be the legal person in charge of the document, and it must be written by himself. Signatures can have legal effects, and the signature of e-commerce transaction documents is difficult to meet this legal requirement. In addition, there are legal liability issues for errors in e-commerce documents caused by the failure of the network system itself, the evidentiary validity of electronic data and online information, et cetera, all of which require corresponding adjustments and changes in trade legislation to make it conducive to trade protection. The legitimate rights and interests of the parties concerned and the promotion of international trade should operate in accordance with unified international treaties and international practices [7].

5. Countermeasures for the Impact of E-Commerce on International Trade

The first point is to strengthen infrastructure construction. China's basic network facilities and corresponding supporting facilities are in stark contrast to those of developed countries, resulting in various problems such as high network fees, slow speed, insufficient coverage, and untimely reception of information, making e-commerce very difficult in international trade. Difficult to play its active role effectively [8]. In order to improve China's infrastructure construction, it is first necessary to increase investment in information technology and Internet construction, establish an integrated network system of telephone, TV and IT networks, and promote the development of China's network. More effort needs to be put into building and improving business information. The development of e-commerce in international affairs is inseparable from supporting the business. In order to promote the development of China's foreign trade, it is necessary to improve the level of trade information, improve the company's information management system, and improve and guide the company's information management system [3]. Without question, export e-commerce contributes the lion's share of the cross-border e-commerce trade volume, with import e-commerce making up a smaller percentage. However, as China's cross-border online buying market becomes more open and its infrastructure improves, the share of import e-commerce will progressively rise in the future [9].

The second point is to strengthen personnel training. In view of the shortage of e-commerce professionals in China, it is necessary to establish a training system for e-commerce talents as soon as possible. First of all, colleges and universities should better undertake the higher education task of cultivating e-commerce talents. According to the actual needs of China's e-commerce, increase the e-commerce major. Secondly, we must give full play to the power of postgraduate education, private universities and other societies and organizations in our country, support the market demand for international e-commerce talents, and increase investment in the training of e-commerce experts [2].

The third point is to speed up the improvement of laws and regulations. The current international trade rules are formulated on the basis of paper trade, how much legal effect electronic contracts and digital signatures have, online transaction disputes, computer crimes, privacy leaks, economic data security, inter alia, how to regulate and regulate these through rules Constraints, these need to speed up the improvement of laws and regulations in the e-commerce environment [1].

The third point is that the government strengthens the supervision and management of e-commerce. When establishing relevant laws and regulations, the Chinese government should take national interests as the premise to improve the legal e-commerce system [10]. The Chinese government needs

to strengthen the supervision and management of e-commerce, improve the e-commerce work process, strengthen the management of all aspects of e-commerce operations, establish a unified government management and supervision system, and ensure the safety of e-commerce operations. Promote the rapid development of international trade [11].

6. Conclusion

The rapid rise of e-commerce has provided a strong impetus for the globalization of international trade. People must pay attention to the trend of global economic and trade development, attach great importance to the development of China's e-commerce business, and regard e-commerce as a strategic project to expand opening up and integrate into the global economy, so e-commerce can play a role in promoting the economic development of international trade. The emerging e-commerce trade model has brought different conveniences to people's lives. Moreover, it changed the production, operation and marketing methods of enterprises and more. It has also brought a profound impact on international trade, not only on the marketing of international trade but also on the way of international trade transactions. This paper analyzes the impact of e-commerce on international trade and puts forward several countermeasures and suggestions. Such as strengthening infrastructure construction, strengthening personnel training, and speeding up the improvement of laws and regulations. In the future, the impact of e-commerce on international trade will inevitably increase, and e-commerce will gradually develop into a key means and method of international economic and trade business and operations. In the future, e-commerce will inevitably promote the development of international trade.

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