

A Systematic Review on Marketing Strategies of China's Import Cross-border E-commerce B2C Platforms

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Abstract: With the continuous progress of Internet information technology and the further strengthening of Internet popularity in China, the evolving circumstance of its cross-border e-commerce platforms is presently fully operating. In particular, the B2C platforms for import cross-border e-commerce are developing rapidly. This article first provides a brief introduction to the development status of China's import cross-border e-commerce. It then reviews and synthesizes relevant literature about imported cross-border e-commerce. Based on the collation of literature, this article analyses existing marketing strategies of B2C platforms within the import cross-border e-commerce industry and comprehends the relevant marketing problems generated by these platform providers via two identified case analyses. Finally, combined with the current status of international trade procedures and cross-border e-commerce development trends, the corresponding marketing strategy improvement is proposed.

Keywords: *Import Cross-border E-commerce, B2C platforms, Marketing Strategy*

1. Introduction and Background

As a result of the recent global coronavirus pandemic (termed COVID-19), and the overall development of China's cross-border e-commerce, the industry has been exhibiting new business characteristics from the year 2020 onwards. For example, the COVID-19 epidemic has in actual fact, accelerated the online development of foreign trade enterprises, and the homebody economy has also given birth to new hot spots of cross-border e-commerce consumption. Consumers have gradually switched from overseas shopping to online, hence further stimulating the continuous development of import cross-border e-commerce in China. According to current data, the size of China's cross-border e-commerce market in 2021 is 14.2 trillion yuan, among which the size of China's import cross-border e-commerce market is 3.2 trillion yuan, a year-on-year growth of 14.28% compared with 2.8 trillion yuan in 2020, and the size of China's import cross-border e-commerce market is 1.6 trillion yuan in the first half of 2022 (Executive Committee Office, 2023). At the same time, with the acceleration of import consumption shifting to the online, more and more overseas small and medium-sized brands, through the mode of import cross-border e-commerce bring high-quality "overseas shopping excellent products" into China to satisfy Chinese consumers. In 2021, the number of cross-border e-commerce consumers in China reached 155 million, and in the first half of 2022, the number of cross-border e-commerce consumers in China has already reached 160 million (Yang, 2022).

China's cross-border e-commerce platforms can be classified into export cross-border e-commerce platforms and import cross-border e-commerce platforms according to the import and export directions, while B2B, B2C and C2C cross-border e-commerce platforms are classified according to the subject of transactions. The main focus of this article is on the development status of B2C platforms for import cross-border e-commerce. Such platforms in China are mainly represented by Tmall International, Kaola Overseas Shopping, Miya, Amazon Overseas Shopping, and Ymatou amongst others. The next emphasis is on the review and synthesis of relevant literature relating to imported cross-border e-commerce. From the collation of literature, this article analyses existing marketing strategies of B2C platforms within the import cross-border e-commerce industry and comprehends the relevant marketing problems generated by these platform providers via two identified case analyses. Finally, in combination with the current status of international trade procedures and cross-border e-commerce development trends, the proposed improvement of appropriate marketing strategies is subsequently proposed.

2. Literature Review

Based on the keyword search of "import cross-border e-commerce" on CNKI (China National Knowledge Infrastructure), which is an important digital periodical database in China, there are 25 works of literature related to import cross-border e-commerce, focusing mainly on studying the status quo, development modes, brand marketing, logistics issues and regulatory mechanism of import cross-border e-commerce in China. There are also articles that utilize "Xiao Hongshu", "Kaola Overseas Shopping", "Vipshop" and "Tmall International" as case studies, by primarily studying the business model development and marketing strategy of the above platforms. Zhang (2022) mentioned in the article that apart from other imports cross-border e-commerce platforms, "Xiao Hongshu" with its unique "social + e-commerce" business model and community marketing strategy, has taken the lead in the industry and completed multiple financing within just a few years. Yang (2020) applies Kaola Overseas Shopping as an example to study the platform's big data marketing strategy and draws on its marketing experience to provide relevant big data marketing strategies as a reference for other import cross-border e-commerce platforms. Yuting (2016) identified Tmall International as an example to analyse the business model of import cross-border e-commerce platforms, as well as put forward suggestions on the development of such a business model.

Based on the Scopus search for "import cross-border e-commerce platforms", there are several articles that conduct in-depth research on the import cross-border e-commerce platforms from different perspectives. For example, Yaping, Baoqing & Congying (2022) took platform trust as the intermediary variable to study the impact of content marketing (e.g. information content, entertainment content, emotional content and interactive content) from import cross-border e-commerce platforms on consumer loyalty. Cheng et al. (2022) studied the business model of ecosystem value co-creation of import cross-border e-commerce platforms based on the grounded theory method from the perspective of the platform ecosystem. Hongbo et al. (2022) proposed a selection model of import cross-border e-commerce platforms from the perspective of perceived value theory through comprehensive literature analysis. In this mentioned article, the author used OPSIS technology to evaluate three import cross-border e-commerce platforms in China, including Tmall International, Kaola Overseas Shopping and Jingdong Global to verify the correctness of the constructed model. Undeniably, some other scholars have analysed and discussed the supply chain, logistics, customs supervision and other related issues of import cross-border e-commerce, and put forward relevant suggestions on import cross-border e-commerce platforms.

In general, past studies on import cross-border e-commerce platforms have gradually become comprehensive, but studies from different perspectives need to be supplemented for different cases. Hence, this article appraises the marketing strategies of China's import cross-border e-commerce platforms from the perspective of B2C import e-commerce platforms, with the aim of playing a significant complementary role to previous research.

3. Research Methodology

The research method used in this article is mainly via the case study approach in qualitative research. Eisenhardt (1989) once summarized a classic definition of the case study method. It is believed that the case study method discusses 'why' and 'how' to solve problems; it mainly states and explains the phenomenon in reality through a philosophical description of the situation, by using extensive descriptions to build the large picture. Case studies can be divided into single-case studies and multi-case studies. Data sources of case study methods mainly include literature collation, observation and interview. This article obtains data sources by means of literature reading and network data arrangement; it selects several typical cases of import cross-border e-commerce B2C platforms to reflect the current problems of import cross-border e-commerce platforms, which belongs to the multi-case study analysis method.

Case Study

Case Selection

In terms of cross-border import e-commerce, China's B2C market presents an outstanding practice, with Tmall International, Kaola Overseas Shopping, Jingdong International and Vipshop International ranking topmost in the list. The whole market is in the rising stage. Alibaba, as the leading cross-border e-commerce enterprise in China, owns the big B2C platforms which include Tmall International and Kaola Overseas Shopping, etc., which has a stable position in the import 2C end. The whole market pattern is basically stable. Tmall International, as the largest import e-commerce platform in China, provides great convenience for Chinese consumers to buy overseas commodities. Kaola Overseas Shopping is in a leading position in the field of cross-border e-commerce and global business.

However, with such development in the cross-border e-commerce industry, a variety of marketing problems have gradually emerged; consumer complaints often occur, and consumers' rights and interests have been violated. According to the "Complaint list of import cross-border e-commerce in 2022" released by China Network Economic Society, consumer complaints about B2C import cross-border e-commerce platforms in 2022 mainly include refund problems, delivery problems, commodity quality, online fraud, return and exchange problems, online counterfeit sales, logistics problems and so on.

In view of the above, the researchers have chosen two (2) typical cases to primarily discuss problems of online counterfeit sales and logistics services, which are also plaguing cross-border e-commerce consumers.

4. Case Presentation

Case 1: On August 16, 2022, Mr Zhou from Guangdong Province in China complained that he bought a Samsung watch online from Tmall International e-commerce mall platform on July 31, 2022. After receiving the goods, his mobile phone could not be connected, and he went to the merchant to communicate with them about the after-sales treatment. But the merchant refused to refund the money, thus violating Mr. Zhou's personal rights and interests. Mr. Zhou's appeal was to ask Tmall International for a refund. The purchased goods was required to be sent back offline, but Tmall International refused the refund on the basis that the watch needed to be tested for 30 days and claimed that the original goods would be returned after 30 days of testing.

Case 2: Mr. Li from Henan Province complained that he purchased several items on foreign websites and needed a trans-shipment service. On April 23, 2022, he placed a trans-shipment order (t17 batches) on Mingxuan Overseas Shopping e-commerce mall, but the shipment was delayed. A week later, the online mall's customer service informed him that he needed to pay an extra 70 yuan for the freight because the goods' weight had changed. Mr. Li thought that he had paid for it already, but then was informed thereafter that the weight had changed, resulting in him feeling speechless. Nevertheless, he had no choice but to pay for the amended charges. It was a long wait after that, and Mr. Li did not know the exact time that he would receive the package. Mr. Li communicated with Mingxuan Overseas Shopping's customer service many times, but they always took the Tianjin epidemic as an excuse and put it on hold again numerous times. There was no official explanation for this long wait. Mingxuan Overseas Shopping had not responded positively, and it also did not give a clear waiting time expectation.

Case Discussion

The first case mainly relates to online counterfeit sales and customer refund complaints. In this case, Tmall International, as the intermediary of both buyers and sellers, failed to timely deal with the relationship between customers and sellers on the B2C platform. This has resulted in the infringement of consumers' rights and interests and subsequently leads to customer dissatisfaction. The second case is mainly narrating about logistics and transportation services. In this case, the B2C platform of "Mingxuan Overseas Shopping" had problems such as inefficiency and unreasonable charges in its transportation services, thus leading to customer complaints. Although the two cases presented different problems, the common issue observed here

is that the two B2C platforms did not attempt to fully understand the customers' perceived predicament when providing services to them. These business platform providers also did not appropriately deal with the relationship between consumers and sellers on their respective platforms, and the level of service quality provided was unsatisfactory during the trading process, hence resulting in poor communication and blame-shifting between the parties involved.

Jiang et al (2020) mentioned that cross-border e-commerce platform functions; brands affect consumer perceived value, and consumer perceived value is positively correlated with consumer purchase intention. If consumers purchase fake and shoddy products, expose personal information or have payment security risks when shopping on import cross-border e-commerce platforms, the presence of risks will be perceived by consumers, and these perceived risks have negative impacts on consumers' purchase intention (Wang, 2021). As such, the importance of consumers' perceived value is essential in the process of any business practice. This is especially so when consumers perceive risks in their transactions that need to be resolved immediately. In the event of these complaints, each B2C platform of import cross-border e-commerce has to reflect, improve, and minimize user complaints in order to improve consumers' shopping experience on the said platform and enhance customer satisfaction.

5. Managerial Implications and Recommendations

Following the above case analyses, combined with the current development of international trade status and the prospects of cross-border e-commerce development, it is proposed to develop appropriate marketing strategies for B2C platforms of import cross-border e-commerce. The recommendations are as follows:

Strengthen Platform Supervision

The selling of fake goods online has always been a significant issue that not only confuses consumers but is also considered as enabling consumers' level of perceived risk. Generally, all cross-border e-commerce B2C platforms could provide traffic entry only, but are unable to directly control the overseas production quality process of each commodity. Consequently, it is impossible to ensure that genuine products could be purchased through these platforms. In view of this, it is recommended that the B2C platforms of import cross-border e-commerce should strengthen the supervision of incoming merchants, formulate strict rules or regulations, establish precise entry thresholds, and supervise the whole process of selling goods by respective merchants in an attempt to ensure quality clearance and proper process of doing business.

Create Platform Characteristics

With the creation of specific criteria for the platforms' services, consumers would have a distinct understanding of the import cross-border e-commerce platforms and be able to form guaranteed brand recognition as well as customer loyalty. For example, Tmall International may perhaps adopt the marketing strategy of global live streaming so that consumers would be able to have a more comprehensive and direct understanding of overseas commodities. Kaola Overseas Shopping, on the other hand, could establish professional purchasing teams to visit and evaluate the global distribution points of product origin for high-quality procurement. Consumers can then determine suitable platforms for shopping according to different platform services that are able to meet their respective personalized shopping needs.

Refine Consumer Demand

Refining consumer needs can effectively improve consumers' purchase intention and purchasing efficiency. The current consumer groups of import cross-border e-commerce also include the younger population demographics, and they generally pay more attention to beauty, food, pets, and digital products amongst others. In addition, there are also rapid growths of the "she economy" market, and the "staying at home" consumers. All of these market demands are influencing many import cross-border e-commerce platforms to develop different marketing strategies for such diverse consumers. On this basis, combined with live streaming e-commerce, content e-commerce and other experiential marketing methods, it is thus imperative for platform providers to bridge the gaps between seller and buyers, thus subsequently improving potential consumers' purchase intention.

Intensify Social Media Marketing

In the era of mobile social networking, network traffic has become a valuable asset for many business enterprises. There is a need to maximize cost benefits and optimize customers' shopping experiences, which, are increasingly becoming the focus of import cross-border e-commerce B2C platforms. Besides traditional marketing communication approaches, these platforms should intensify the use of integrated marketing communication strategies such as social media marketing, viral marketing, experiential marketing and omnichannel marketing, so that consumers are able to select products accordingly and adopt various modes in the process of purchasing products, such as VR immersive shopping and social online shopping.

Strengthen the Problem-Solving Ability of Platforms

When faced with customer complaints and dissatisfaction, each B2C platform of import cross-border e-commerce should be able to strengthen its ability to solve problems and address customer needs in a timely manner. Attention should be focused more on the logistics efficiency of cross-border commodities, by actively building overseas warehouses, and improving the management system of cross-border logistics. In addition, with the introduction of laws and regulations on cross-border e-commerce, more explicit regulations on commodity safety, taxation, logistics, after-sales and other aspects are further required, which would enable various platforms to follow rules and continue to strengthen the protection of consumers' rights and interests.

Conclusion

In essence, this article has adopted the case study approach to analyse the B2C platforms of import cross-border e-commerce. Although China's cross-border e-commerce industry has experienced rapid growth over recent years, it has now reached the adjustment period, in which some cross-border e-commerce sellers and various platforms are facing intense competitive pressures and business transformation. Nevertheless, Chinese domestic policies are still favourable for the cross-border e-commerce industry development, which will also bring about digital transformation to its international trade. All import cross-border e-commerce B2C platform providers should thus seize the growth opportunity in this sector by solving the current problems, considering consumer demand from the perspective of consumers, and improving consumers' shopping experience and purchase intention. Conversely, limitations are observed in this study. Although qualitative research via case study research method adopted is a typical representative case, it is still challenging for the researchers to form a substantiated conclusion because its extensibility is not robust enough, with limited scientific research support. It is thus recommended that future research be carried out via a quantitative research design with empirical analytical procedures to further investigate the consumers' perception towards China's cross-border e-commerce industry.

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