



China's cross-border export e-commerce industry research report

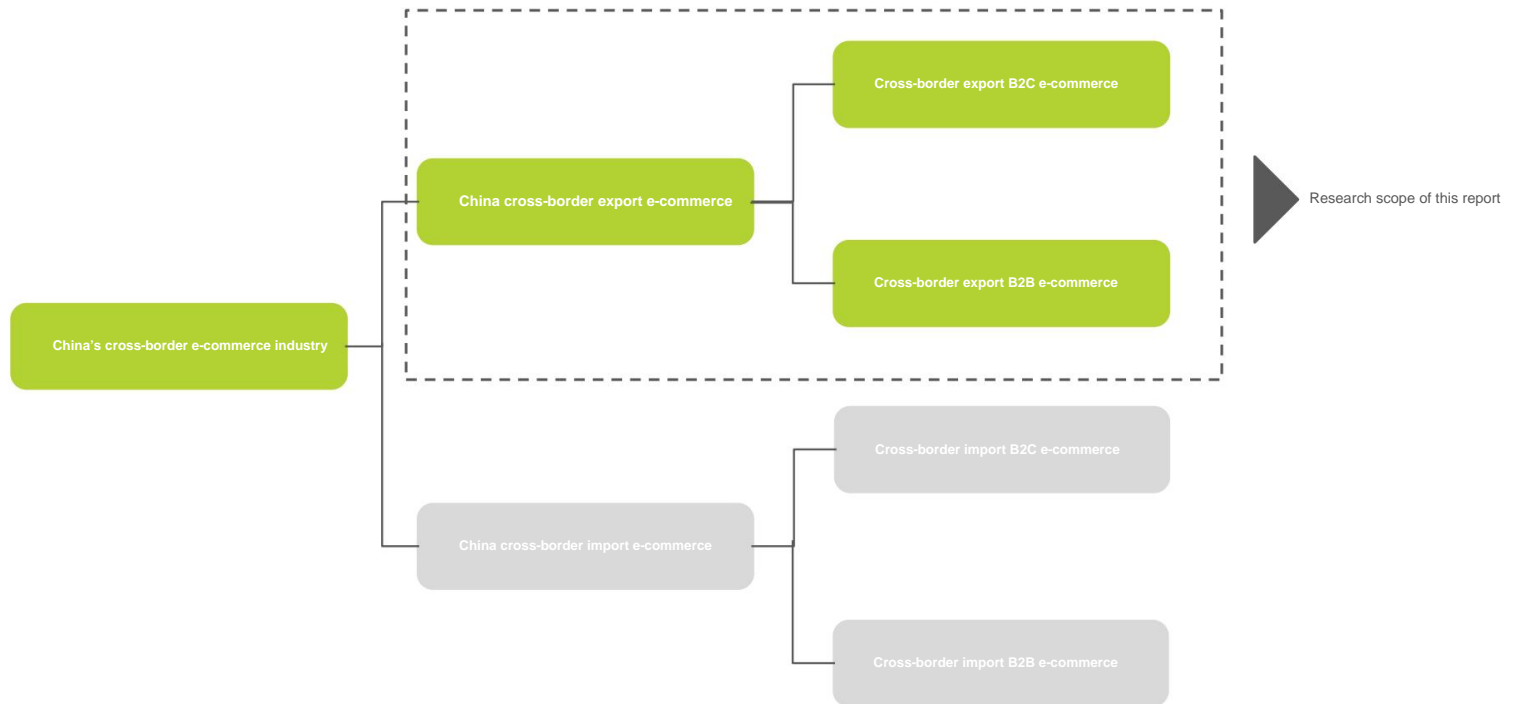
Department: TMT E-commerce and Logistics Group

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Concepts and research areas

Cross-border export e-commerce

Cross-border export e-commerce concept: Through the e-commerce platform, export trade information display, customer communication and transaction processes are online to achieve cross-border sales and transaction business activities. It mainly includes B2C (cross-border export enterprises directly provide goods and services to individual consumers) and B2B (cross-border export enterprises conduct business-to-business commercial activities with overseas purchasing enterprises) models.



ABSTRACTS

Summary

Cause: Global economic development has been under downward pressure in recent years. Import and export trade has been affected by multiple factors such as epidemic control, supply chain crises, geopolitical disputes, and regional protectionism. However, due to the high costs of anti-globalization, countries and regions around the world have **The prospect of trading goods and services** based on comparative advantages is still promising. At the same time, the restriction of offline channels during the epidemic has also accelerated the popularity of online transactions, further promoting the increase in the penetration rate of global e-commerce. With the upgrading of industrial structure, policy encouragement and technological progress, my country's cross-border export e-commerce has ushered in new development opportunities.

Current situation: The industry has experienced an evolution from building information platforms, developing transaction services, improving service chains to ecological development. Currently, with the continuous improvement of compliance and supporting systems, the industry has officially entered a stage of high-quality development. Major platforms and service providers are increasing their efforts to integrate resources, improve the convenience of cross-border export business, and promote the healthy and orderly development of the industry. Despite being affected by multiple adverse factors, the cross-border export e-commerce industry still achieved a year-on-year positive growth of 9.4% in 2022, reaching a scale of 6.6 trillion yuan. It is expected that the industry will maintain a steady and progressive development trend in the future, with transaction scale It is also expected to usher in new breakthroughs.

Players:

-Platform side: The advantages of third-party and self-operated platforms complement each other. The rising traffic cost of third-party platforms and the prevalence of emerging social media marketing are good for the development of self-operated platforms. Leading cross-border sellers with a certain user base generally prefer multi-channel layout. . -

Brand owners: From going overseas in the form of industry and trade integration to going overseas in the form of brand power, each brand owner continues to strengthen its digital capabilities, accelerate the integration of supply chains, and enhance brand influence. -Service

providers: Service providers use their own capabilities to help cross-border enterprises complete and optimize their business chains. The close supply and demand relationship between external service providers and cross-border sellers accelerates the construction of the industry ecosystem and creates more value for the healthy development of the industry.

Category:

- Cross-border export B2C: The hot-selling categories are traditional export advantage products such as apparel and footwear, 3C electronics and home furnishings. Outdoor and beauty products will benefit from healthy living habits and spillover effects from the industrial chain and will also usher in new growth. In addition, maternal and infant, pet, wig and other categories will also show certain growth. -Cross-border export B2B: Backed by the

advantages of manufacturing, tools and equipment, light industrial textiles and home products are at a high level and will remain stable in the short term. **From a long-term perspective, based on comprehensive consideration of policy development orientation and industry structure change trends, new energy** Auto parts and outdoor energy storage products are expected to become emerging potential categories and find new market opportunities in overseas regions with underdeveloped energy sources. At the same time, both B2C and B2B export products are showing a branding trend. The increase in branding rate will not only drive the transformation of the industrial chain, but also help promote the profitability optimization and refined management capabilities of cross-border enterprises.

ABSTRACTS

Summary

Region:

-Export location: China's cross-border e-commerce industry clusters are mainly located in the southeastern coastal areas close to industrial belts and with high export activity, aiming to quickly respond to market demand through the "front store and back factory" model. At present, the country is actively establishing cross-border e-commerce comprehensive pilot zones around industrial clusters to promote regional resource integration and the construction of supporting facilities, provide a variety of services for cross-border sellers to "go global", improve cross-border export efficiency, and help high-quality new foreign trade formats

develop. -Destination: Mature markets such as Europe and the United States are still the main targets of Chinese cross-border sellers. With the implementation of relevant free trade agreements and the "Regional Comprehensive Economic Partnership Agreement" policies, emerging markets such as Southeast Asia, Latin America, and the Middle East have gradually become cross-border sellers. A new round of "nuggets", my country's trading partners tend to be diversified.

Trends: -

Diversification of cross-border platforms: Competition on the overseas track has become increasingly fierce, and the characteristics of diversified types of platform players and differentiated layouts have also begun to emerge , **providing cross-border sellers**

with more channel choices. -Multi-channel layout for sellers: Affected by stricter platform compliance and uncertainty in market policies, sellers will tend to have a multi-channel layout to spread risks. At the same time, offline and emerging media will also become the focus and planned expansion of the seller group. core channels to deepen localized service capabilities and expand traffic entrances. - Commodities drive service exports: Product

branding and merchant multi-platform development have highlighted the importance of refined operations. Cross-border sellers ' **increased demand for various value-added services such as marketing, finance, and supply chain has directly promoted cross-border e-commerce.** Serve the development of ecology. - Platform service chain extension: By combining internal

and external strategies to improve the ecological layout, leading platforms will maintain this business strategy in the future and accelerate chain expansion. Emerging players will also follow the pace of leading players in ecological development as their business maturity increases. Optimize the layout and enhance competitiveness and monetization capabilities. - Deepening of

cross-border services: The autonomy and

resilience of my country's cross-border services need to be further enhanced. The future path optimization direction will come from the construction or cooperation of overseas hardware facilities and key nodes on the one hand, and from the construction of overseas hardware facilities and key nodes on the other hand. In-depth insight into user needs and mature application of related technologies.

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01 / Causes of the development of China's cross-border export e-commerce

WHY

Analysis of global macroeconomic factors

Against the background of global economic pressure, the development of import and export trade has slowed down.

The total global GDP will reach US\$89.7 trillion in 2022, with year-on-year growth slowing to 3.1%. According to the World Bank's forecast, global GDP growth will further decline to 2.1% in 2023.

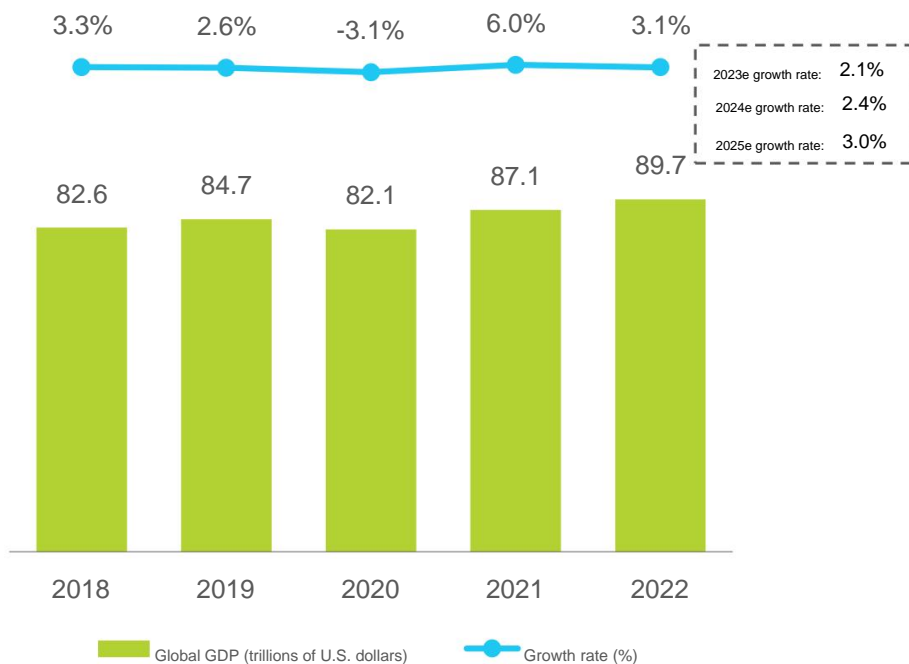
Operating pressure increases. As a core component of the global economy, the total global import and export trade will reach 50.5 trillion U.S. dollars in 2022. Affected by the continued impact of the macroeconomic situation on both supply and demand,

Compared with the previous year, global import and export trade growth will slow down to 12.5% in 2022. In the environment where downward pressure on the global economy still exists in the future, there is room for development of import and export trade.

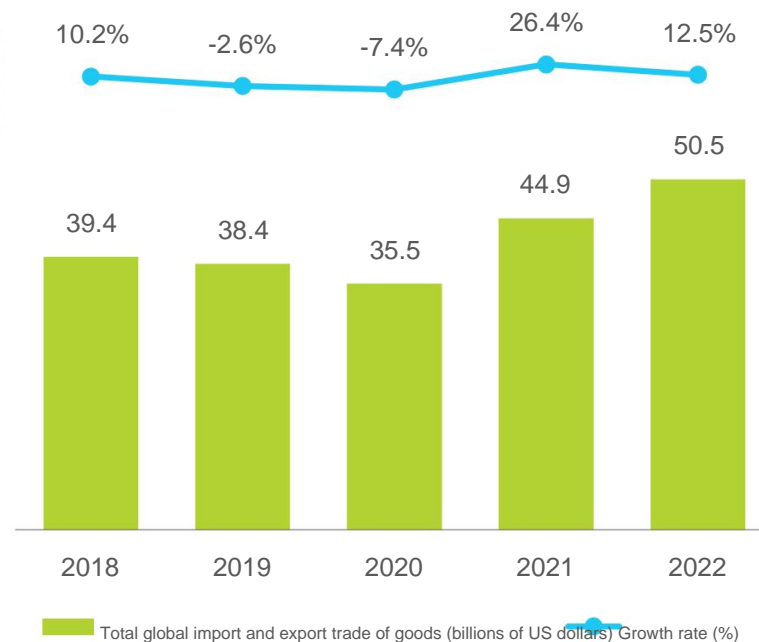
Although there will be some squeeze, due to the high cost of anti-globalization, trade flows between countries and regions will remain active in the future, and global import and export trade will still have certain capabilities.

development resilience.

Global GDP and growth rate from 2018 to 2022



Total global import and export trade from 2018 to 2022



Analysis of global macroeconomic factors

The penetration rate of global e-commerce is steadily increasing, and the development prospects of e-commerce in most regions are promising.

Catalyzed by the COVID-19 epidemic and the rapid development of digital technology, global e-commerce penetration is expected to reach 20.3% in 2022, and retail sales are expected to increase from US\$2.4 trillion in 2017 to 2022.

5.5 trillion US dollars in 2022, the global e-commerce market environment is steadily improving; observed by region, e-commerce retail sales in Southeast Asia, the Middle East & Africa and Latin America in 2022 are expected to grow at the same rate as

The penetration rate of mobile e-commerce is at double high, and the development prospects of e-commerce are bright. The penetration rate of mobile e-commerce in Central and Eastern Europe and North America is still low, but e-commerce retail sales are expected to grow at a high rate.

The development prospects of e-commerce are promising. iResearch believes that whether it is cross-border export B2B or B2C e-commerce, its purchasing behavior will be affected by the purchasing decision-maker. The development of overseas retail e-commerce

The strong momentum will create a new round of development opportunities for China's cross-border export e-commerce.

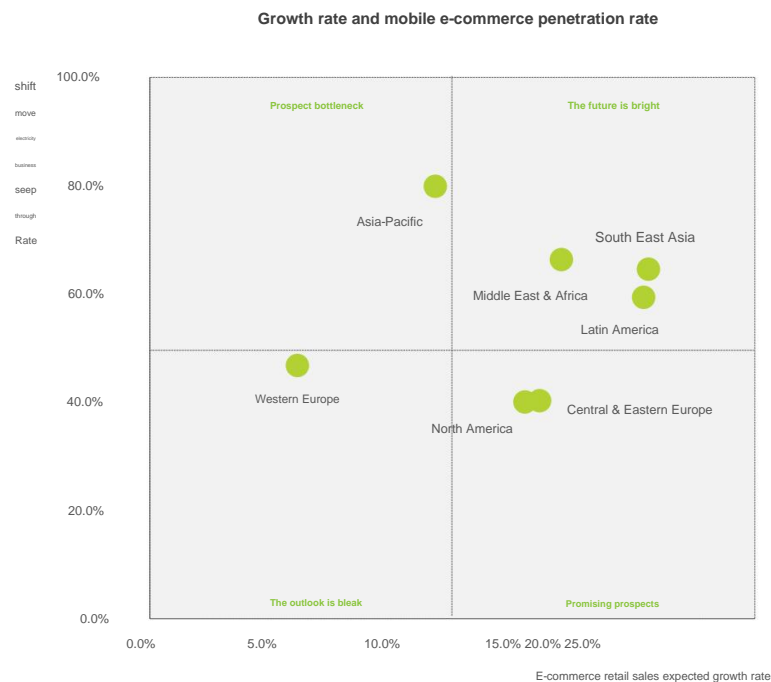
Global e-commerce retail sales from 2017 to 2022 and



Note: Global e-commerce penetration rate = global e-commerce retail sales/global retail sales

Source: eMarketer, independent research and drawing by iResearch Consulting Research Institute.

Estimated e-commerce retail sales by region in 2022



Source: eMarketer, independent research and drawing by iResearch Consulting Research Institute.

Overview of China's foreign economic and trade

Export trade is stable and improving, with Europe, the United States and RCEP member countries being the main exporting countries.

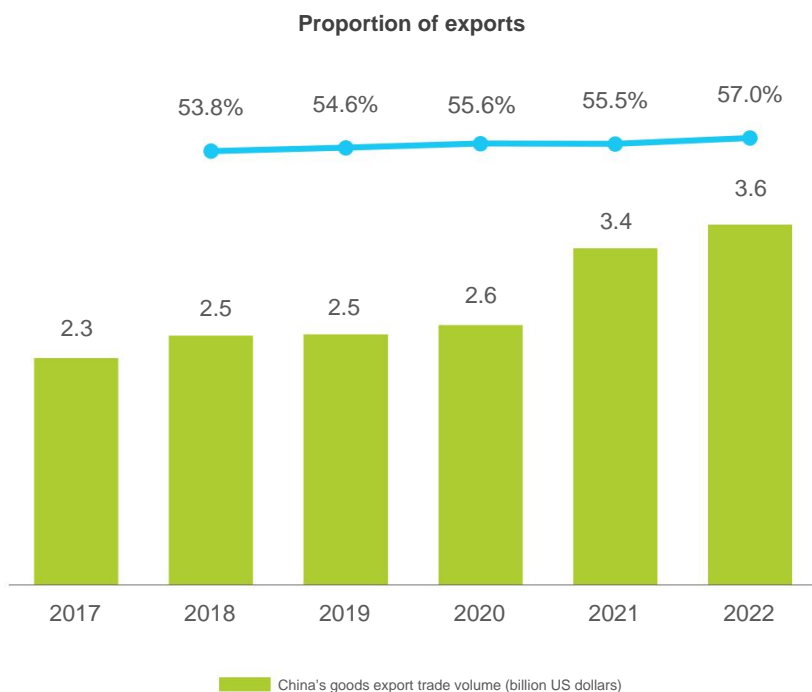
Factors such as the increase in local prices brought about by high inflation in Europe and the United States and the implementation of the Regional Comprehensive Economic Partnership (RCEP) policy have promoted the improvement of the competitiveness of Chinese goods. In 2022

China's export trade volume of goods continues to recover, reaching US\$3.6 trillion, accounting for 57.0% of the total import and export trade, and the proportion of exports has steadily increased. In 2021, Europe, the United States and RCEP member states will be China

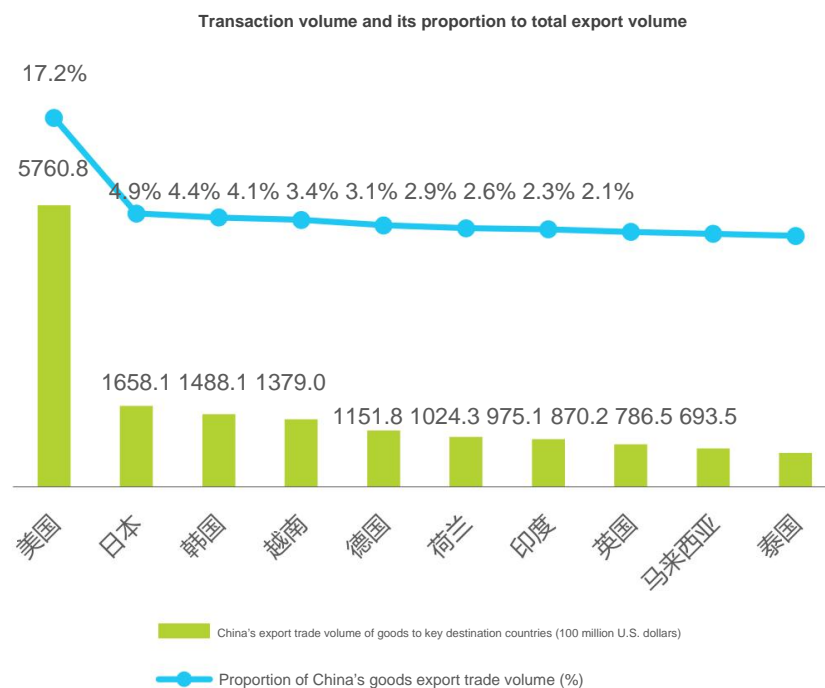
As the main destination country for China's exports of goods, China will build deeper cooperative relationships with major trading partners to further release the potential of overseas markets and maintain China's export trade.

growth resilience.

China's goods export volume and its share from 2017 to 2022



China's exports of goods to key destination countries in 2021



Note: RCEP member states include China, Australia, New Zealand, Japan, South Korea, Singapore, Malaysia, Brunei, Thailand, Vietnam, Laos, Cambodia, Philippines, Indonesia, Myanmar

Source: National Bureau of Statistics, independent research and drawing by iResearch Consulting Research Institute.

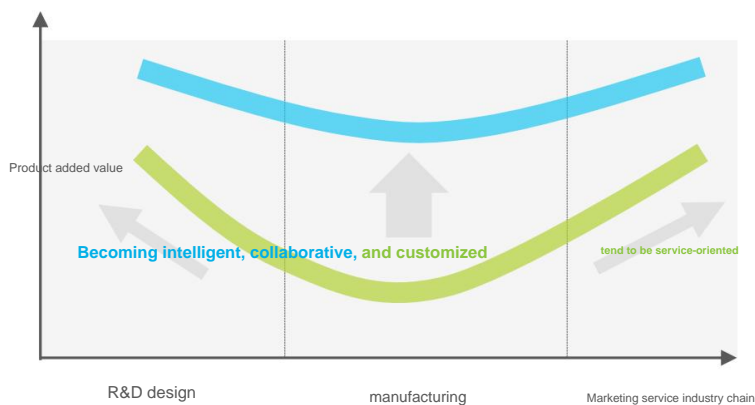
Source: National Bureau of Statistics, independent research and drawing by iResearch Consulting Research Institute.

A new trend in China's cross-border exports

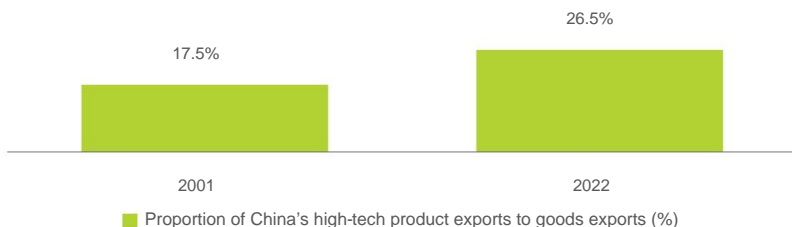
China's export products are moving towards high value-added, and brands have achieved initial results in going overseas.

The rise of China's digital economy has driven the increase in the complexity of export technology, further enhancing China's participation and division of labor in the global value chain. China's export industry chain has gradually extended to both ends of the smile curve. In addition, digital technology has become increasingly mature, empowering the industry chain. Intelligence and collaboration will push the smile curve as a whole to move upward and flatten. In 2022, China's high-tech product exports will account for 26.5% of goods exports, an increase of 9 percentage points compared with the beginning of China's accession to the WTO. The proportion of value-added export products is gradually increasing, and the profit margins of cross-border export e-commerce are gradually opening up. In addition, due to the large expansion space and growth potential of overseas markets, many brands have begun to go overseas in recent years. The recognition and trust of Chinese brands overseas are increasingly improving, providing sufficient growth space for cross-border export e-commerce.

Logical analysis of digital technology empowering the added value growth of China's export products

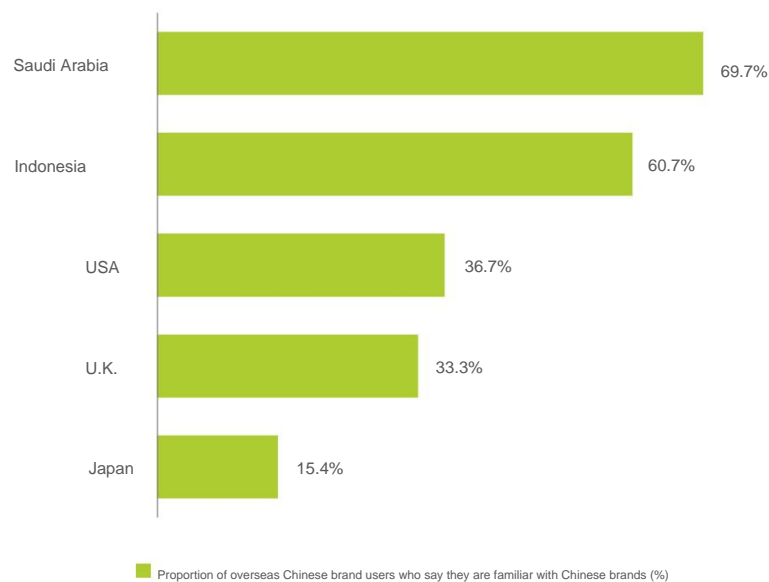


Proportion of China's high-tech product exports in 2001&2022



Proportion of overseas Chinese brand users saying they are familiar

with Chinese brands in March 2022



Domestic policy encouragement

Support the healthy development of the cross-border export e-commerce industry from multiple dimensions such as taxation, logistics, marketing, supervision and settlement

Various national departments continue to optimize cross-border export e-commerce policies to improve industry standards. At the tax level, they have introduced tariff policies to facilitate cross-border export e-commerce returns and exchanges. At the logistics level, the state supports companies to speed up the layout of overseas warehouses and improve corporate exports . transportation channels, etc.; at the marketing level, the state encourages export companies to use digital technology to carry out overseas marketing and promotion; at the regulatory level, China will replicate and promote supervision pilots at customs across the country; at the settlement level, encourage net settlement to reduce sellers' capital occupation costs etc.; the above policy measures will provide good institutional guarantee for the healthy development of the industry.

A review of policies related to China's cross-border export e-commerce

Publishing time	Publishing organization	Policy name	main content
January 2023	Ministry of Finance, etc.	"Announcement on Returned Goods for Cross-Border E-Commerce Exports" Exemption from Import Tariffs, Import Value-Added Tax, Consumption Tax, and Export Tax Policy for Returned Goods that Meet the Regulations and Export Tax Policies	Policies for the development of e-commerce overseas warehouses will strengthen the support of export
Trade" in September 2022	will support the transportation of export goods from overseas warehouses; accelerate the introduction of measures to facilitate cross-border e-commerce	Tax policy on export returns and exchanges for merchants	"Digitalization helps the "three products" of the consumer goods industry.
July 2022	Ministry of Industry and Information Technology, etc.	Digitalization helps "create brands", support cross-border e-commerce to carry out overseas marketing and promotion, and consolidate	the action plan for enhancing the international competitiveness of Chinese brands (2022-2025)" "The high-quality development of foreign trade in the "14th Five-Year Plan" supports
November 2021	Ministry of Commerce	overseas warehouses to connect with the online comprehensive service platforms of various cross-border e-commerce comprehensive pilot zones and domestic and foreign e-commerce platforms to explore plans"	Create an overseas smart logistics platform
State Council in July 2021		accelerate	Encourage traditional foreign trade companies and others to participate in the construction of overseas warehouses, improve the digitalization and intelligence of overseas warehouses, promote small and medium-sized enterprises to borrow ships to go overseas, and drive domestic brands and mass entrepreneurship and innovation products to expand international market space; support enterprises to
General Administration of Customs in June 2021		"About the replication and promotion of cross-border e-commerce in replication and promotion of cross-border e-commerce B2B in the national customs business-to-business export supervision pilot Export Supervision Pilot	Announcement"
		the warehousing, logistics, taxation, etc. incurred outside the borders of the export goods in May 2020. Netting settlement of expenses and export payment reduces seller's cost of capital occupation	In order to improve the level of facilitation of foreign exchange receipts and payments for trade, enterprises engaged in cross-border e-commerce can use

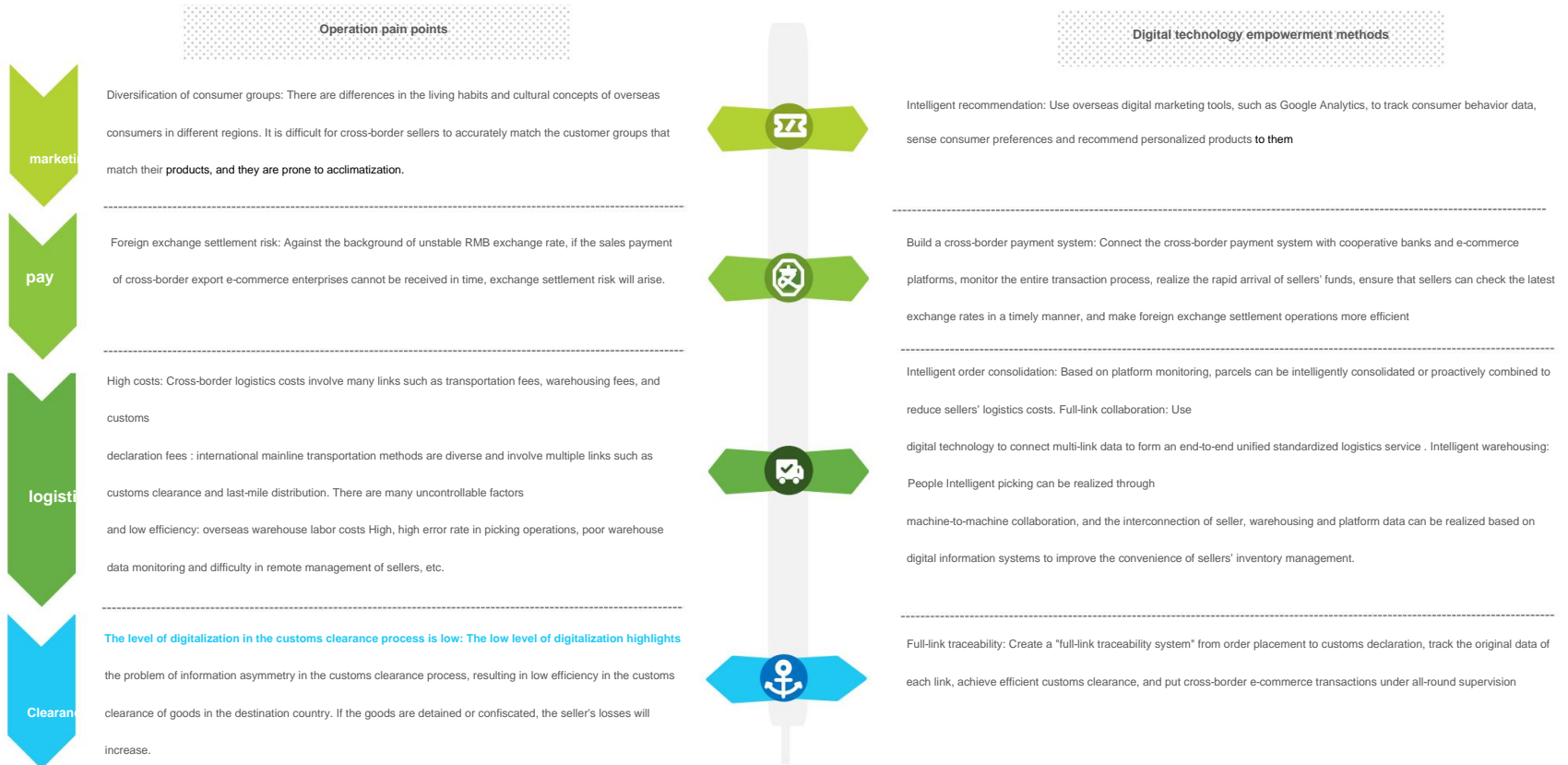
Source: Official websites of relevant departments, independently researched and drawn by iResearch Consulting Research Institute.

technological progress

Digital technology empowers full-link operations of cross-border export e-commerce

Under the trend of industrial digitalization, in response to the long and complex operation problems of cross-border export e-commerce, service providers with industry experience actively provide digital solutions to industry participants and solve the problems of cross-border export e-commerce based on the advantages of digital technology. Addressing pain points in marketing, payment, logistics, customs clearance and other links, we are committed to improving the efficiency of full-link operations and helping participants reduce costs and increase efficiency.

China's cross-border export e-commerce operation pain points and digital technology empowerment methods



Source : public information, iResearch Consulting Institute conducts independent research and drawing.

02 / The development status of China's cross-border export e-commerce

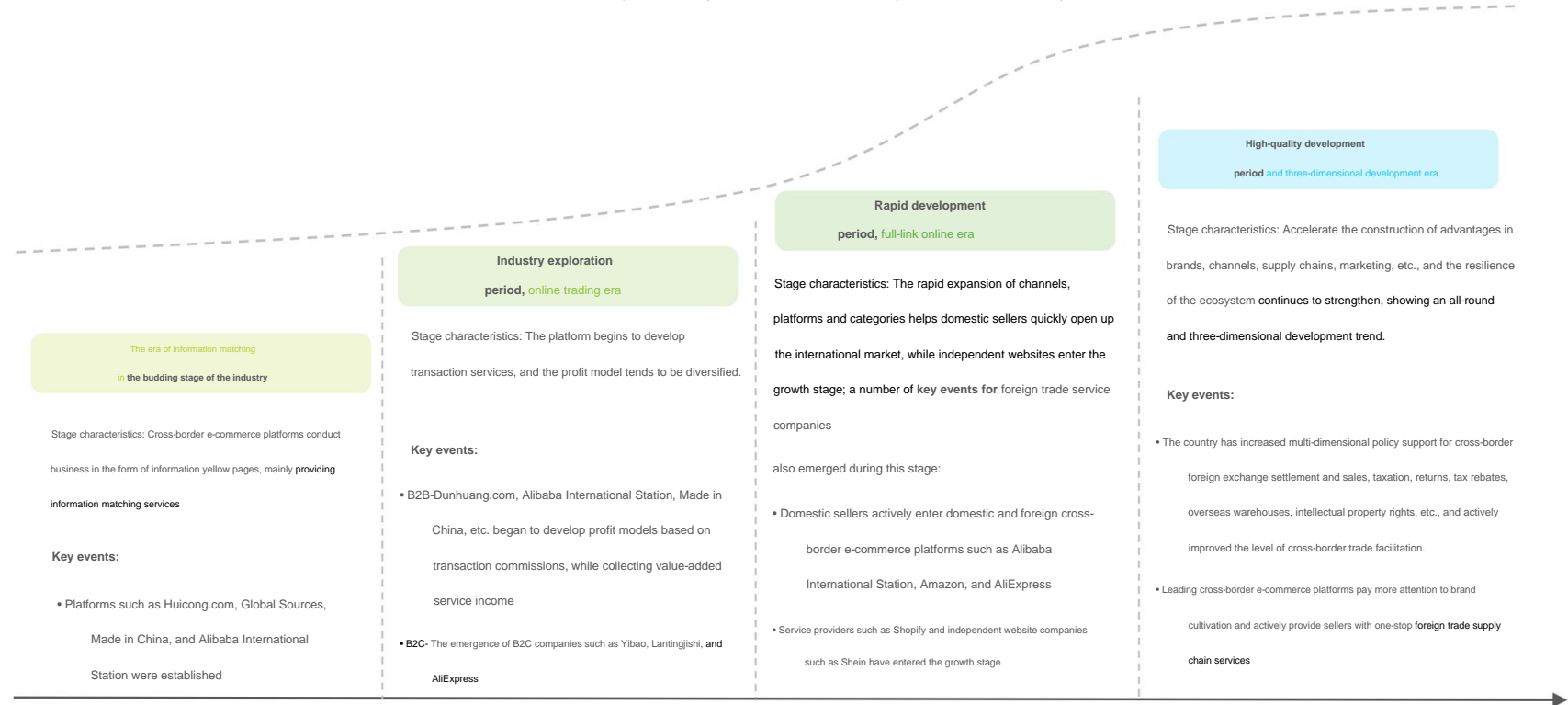
WHEN

development path

At present, the industry has entered a three-dimensional development stage, and high-quality development is the core tone.

Over the past decades, my country's cross-border export e-commerce industry has experienced an evolution from building information platforms, developing transaction services, improving ecological chains, to pursuing three-dimensional development. At the beginning of its development, the cross-border export B2B platform took the lead in exploring the business and profit model of information matching and transaction services; subsequently, the surge in business expansion needs of domestic cross-border export sellers further promoted the prosperity of the platform and service provider market, and provided opportunities for subsequent sellers. Brand cultivation has laid a good foundation; finally, with the establishment of the compliance and standardization system, the industry has officially entered the stage of high-quality development. Through the accumulation of experience in brand, channel, supply chain, marketing, etc. in the early stage, major platforms and services Businesses will strengthen resource integration to provide brand owners with more comprehensive one-stop services, improve the convenience of cross-border export business, and promote the healthy and orderly development of the industry.

The development history of China's cross-border export e-commerce industry



Industry size

Leading by the trend of refined development, the future volume is expected to usher in new breakthroughs

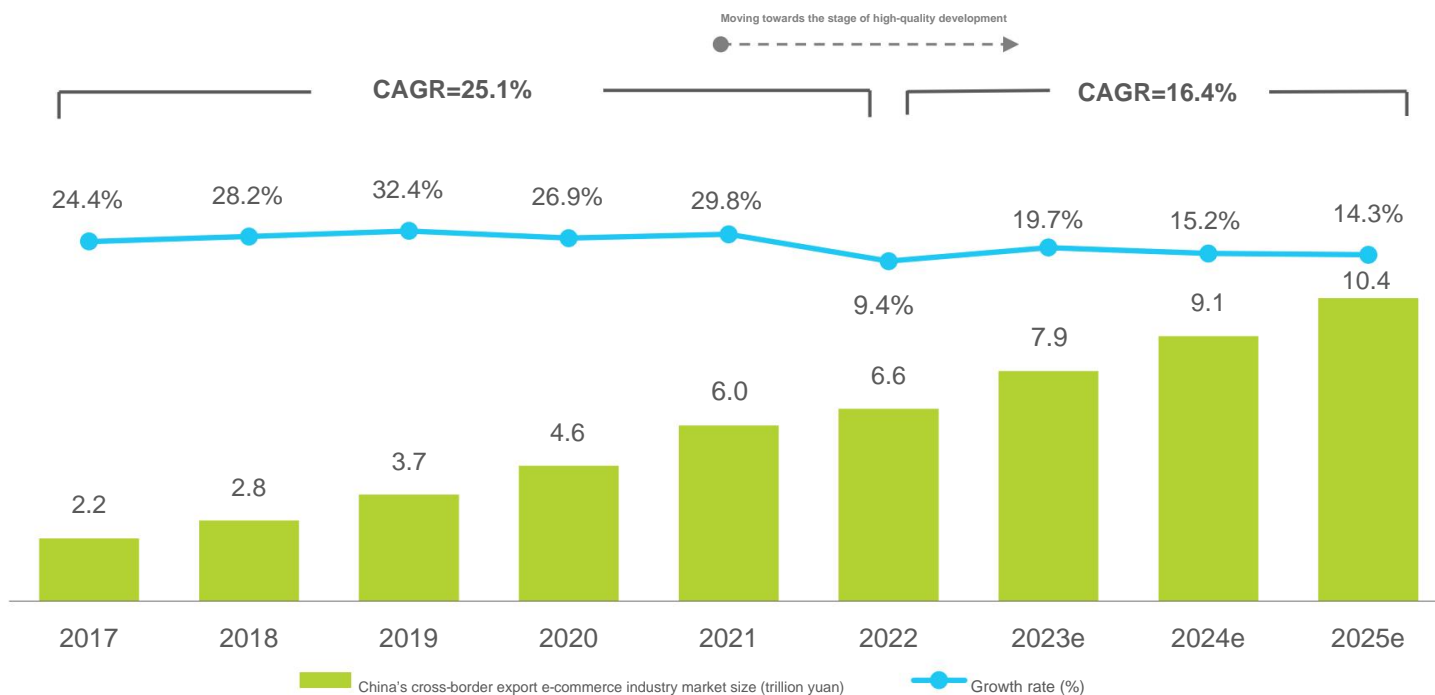
Between 2017 and 2021, the scale of China's cross-border export e-commerce industry continued to maintain a year-on-year growth rate of more than 20%. Superimposed on the accelerating effect of the epidemic on the online consumption of consumers around the world,

In 2021, the scale of the cross-border export e-commerce industry has exceeded 6 trillion yuan. In 2022, due to the comprehensive impact of factors such as supply chain pressure caused by partial lockdowns and changes in the international situation, cross-border exports will

The marginal growth rate of the export e-commerce industry has been setback, but it still achieved a year-on-year positive growth of 9.4% throughout the year, and its scale reached 6.6 trillion yuan. iResearch expects that with the economic recovery in the next three years, the industry will

The marginal growth rate of the industry will gradually recover and achieve steady and progressive development with an average annual compound growth rate of 16.4%, exceeding 10 trillion yuan by 2025.

Scale and growth rate of China's cross-border export e-commerce industry from 2017 to 2025



Source: General Administration of Customs, expert interviews, public information, independent calculation research and drawing by iResearch Consulting Research Institute.

Industry size (continued)

B2B industry accounts for nearly 70% of the scale, and the development of new markets has boosted the rapid development of B2C

If the scale is split according to transaction attributes, it can be found that cross-border export B2B e-commerce has always been the major provider of industry scale, accounting for about 70%. At the same time, cross-border export B2B

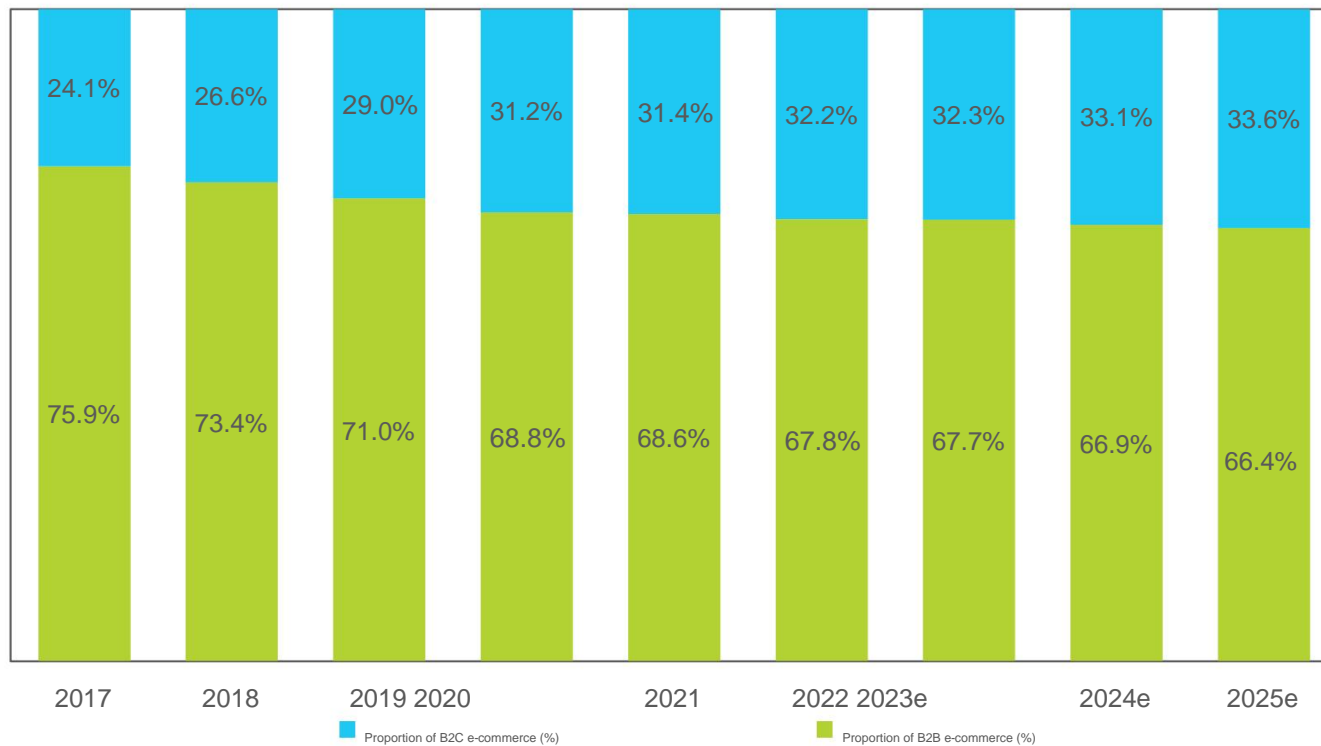
The e-commerce industry has high barriers to entry. Compared with retail, it requires heavier resource investment to acquire corporate customer resources, and it also takes longer to accumulate information and channel layout.

The future development trend of cross-border export B2B e-commerce will be relatively stable, and the main markets will still be concentrated in relatively mature European and American regions. Cross-border export B2C e-commerce will also usher in rapid development, on the one hand, the reason is that the B2C industry is more directly affected by the consumer side, and market expansion in emerging countries and regions will more easily bring new transaction increments; on the other hand, it is due to

Due to the fragmentation of orders and the intensification of platform competition, many small B merchants and new entrepreneurs will also shift their small batch purchases to retail platforms, which will promote cross-border exports.

The magnitude of the B2C e-commerce market has increased.

China's cross-border export e-commerce B2B & B2C distribution from 2017 to 2025



Source: expert interviews, public information, iResearch Research Institute's independent calculation research and drawing.

03 / Major players in China's cross-border export e-commerce

WHO

Main players-platform parties

According to the operating model, it is divided into third-party open platform and self-operated platform.

According to the classification of operating models, China's cross-border export e-commerce can be divided into third-party open platforms and self-operated platforms. The classification standard is that self-operated platforms have their own products and cargo rights. It is less difficult for brands to enter a third-party open platform than to establish a self-operated platform, but they need to strictly abide by the platform rules and reasonably choose the corresponding third-party open platform based on their own advantages; a self-operated platform is a brand owner Building a self-built independent website for product sales has high operating autonomy and the products have certain brand power, but it has higher requirements on its own capital flow, customer **base and market education capabilities**.

Comparison of differences between China's cross-border export e-commerce third-party open platforms and self-operated platforms

	Third-party open platform	Self-operated platform (independent station)
definition	Provide an online trading mall for settled cross-border sellers, integrate logistics and payment platforms to produce or buy out goods for sale in accordance with standardized requirements, and independently determine marketing, payment and logistics solutions and	operations and other service resources
Operational difficulty	The platform infrastructure is complete. Cross-border sellers only need to master the basic skills of opening a store. Sellers need to operate the platform independently and find payment and logistics service providers independently. The threshold for professionalism is low and the threshold for professionalism is high.	
Difficulty in obtaining traffic	Early stage: It can obtain traffic and achieve rapid conversion based on the huge user group of third-party open platforms. Early stage: It is difficult to attract traffic and requires certain brand marketing and promotion capabilities. Later stage: Sellers are limited by the difficulty of obtaining buyer data, which leads to The later stage of building a private domain : through the end customer data accumulated by itself, it becomes more difficult to maintain the traffic pool for private domain customers .	
operational autonomy	The autonomy is low. Third-party open platforms have many and strict rules. Sellers have high autonomy. Sellers can adjust their business models according to their own needs. For example, if the pricing strategy does not comply with the platform rules for store operation, they will face the risk of account closure and Marketing strategy etc.	
Product Types and Quality	The product categories span a wide range and SKUs are abundant, making it difficult to control product quality.	It is difficult to cover all categories, streamline SKUs, and have a high level of product branding.
Seller group characteristics	Sellers on the Amazon platform are relatively strong. Sellers on self-operated platforms such as eBay, Wish, and TikTok have Sellers with stronger TEMU and SHEIN Marketplaces need to Customers of the Amazon platform with flexible supply chain European and American middle-class groups, while platforms	relatively high capital flows, strong customer bases, and market education. They are mainly small and medium-sized entrepreneurial sellers. capabilities are mostly
Buyer group characteristics	such as eBay, Wish and TikTok mainly target price-sensitive consumer groups.	Customers have low price sensitivity and strong brand awareness

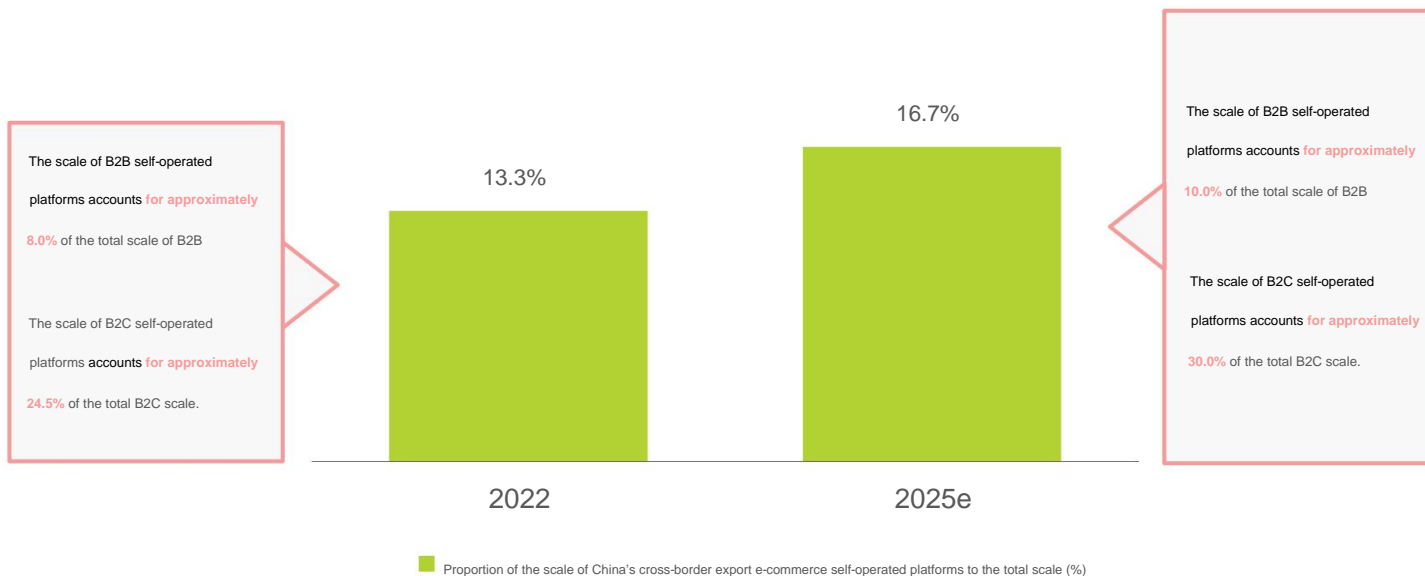
Source: public information, independent research and drawing by iResearch Consulting Research Institute

Main players-platform parties

The proportion of self-operated platforms is on the rise, and the demand for self-operated platforms from B2C brands is more significant.

Overall, the scale of China's cross-border export e-commerce self-operated platforms will account for 13.3% of the total scale in 2022, and will increase to 16.7% in 2025. The proportion of self-operated platforms is showing an upward trend. From a B2B perspective, the scale of B2B self-operated platforms will account for 8% in 2022. As overseas buyers become younger, buyers tend to use social media channels to reach domestic brands, catalyzing the self-operated operations of domestic B2B sellers. The penetration rate of self-operated platforms has further increased, and the scale of B2B self-operated platforms is expected to reach 10% in 2025; from a B2C perspective, the scale of B2C self-operated platforms will account for 24.5% in 2022. Although traffic costs continue to rise, some B2C Self-operated platforms are closed, but leading brands with strong capabilities still tend to accurately reach the brand's target groups through **social media channels to continuously increase sales scale, and cultivate mature cross-border sellers through third-party open platforms** In order to enhance brand influence, self-operated platforms will be gradually deployed. The proportion of B2C self-operated platforms is expected to reach 30% in 2025, an increase of 5.5 percentage points compared with 2022. The growth rate is higher than that of B2B self-operated platforms. Magnitude of change.

Proportion of the scale of China's cross-border export e-commerce self-operated platforms to the total scale in 2022&2025



Note: The statistical caliber of the scale and total scale of China's cross-border export e-commerce self-operated platforms are transaction volume.

Source: Expert interviews, public information, independent research and drawings by iResearch Consulting Research Institute

Key players – brands

Originated from a foreign trade factory, it has gone through the product orientation period and the brand building period, and gradually moved towards the brand intensive cultivation period.

From 1992 to 2003, brand owners took advantage of the dividends of China's manufacturing industry and went overseas in the form of industry and trade integration; from 2004 to 2012, as Chinese sellers settled on e-commerce platforms such as eBay and Amazon, B2C brands emerged in large numbers, and most of them used the consignment model to sell high-quality products. Cost-effective products; from 2013 to 2018, brand owners began to pay attention to product research and development. In 2017, Amazon launched a brand registration plan, which accelerated the process of Chinese sellers' own brand construction; after 2019, domestic digital technology applications have become more mature, and Amazon will continue to rectify them in 2021 Due to the phenomenon of poor platforms, various brands continue to strengthen their digital capabilities, accelerate the integration of supply chains, and build higher brand barriers. China's cross-border export e-commerce brands are entering a period of intensive brand cultivation.

Schematic diagram of the process of Chinese cross-border brands going overseas



Source: public information, independent research and drawing by iResearch Consulting Research Institute

Main players - service providers

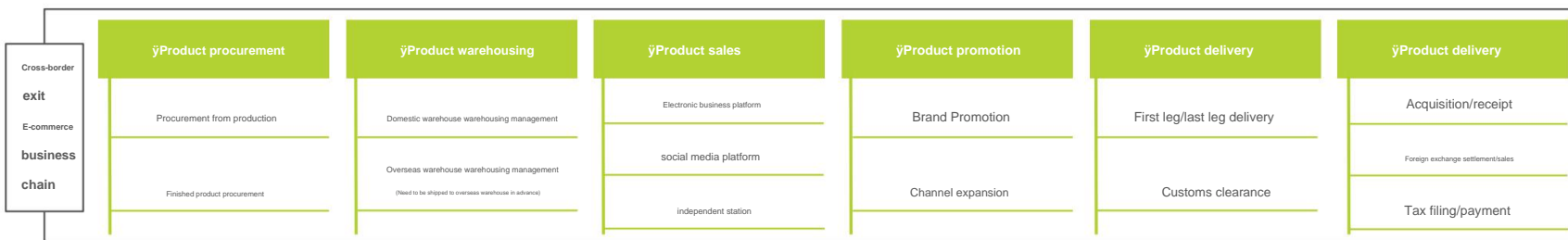
Based on their own advantages, service providers fully empower the industry's operating chain and accelerate the co-construction of the ecosystem.

The cross-border export e-commerce operation chain is long and involves many intermediate links. It is difficult for cross-border sellers to achieve refined, full-link and in-depth business operations by relying on their own capabilities. Tools,

Marketing, logistics and financial service providers can combine their own advantages to help cross-border sellers complete and optimize their business chains, provide them with relevant solutions, and thereby improve their output.

mouth efficiency. The close supply and demand relationship between external service providers and cross-border sellers accelerates the construction of the industry ecosystem and creates more value for the healthy development of the industry.

China's cross-border export e-commerce operation chain and service provider empowerment links and directions



Service links and key empowerment directions of various types of service providers

	ERP/CRM and other tool service providers	Marketing service provider	Logistics service provider	Financial service provider
Serve link	供应链	营销	物流	金融
focus	Link 1: Procurement supplier management, etc. Step 2: Inventory management, etc.	Step 1: Product selection before purchasing, etc. Step 3: Store/social media/independent station operation, etc.	Link 1: Transportation of raw materials/finished products, etc. Link 2: Order management, inbound and outbound management, etc.	Link 1: Supply chain finance, etc. Step 2: Cross-border payment, etc.
Empower direction	Link 1: Customer management, order processing, etc. Step 5: Logistics tracking, transportation optimization, etc.	Link 1: Advertising management, content marketing, Customer lead management, on-site and off-site promotion, etc.	Link 1: International freight forwarding, clearing/customs declaration services, overseas distribution, transportation management and tracking, etc.	Link 1: Foreign card acquiring, overseas collection, settlement Foreign exchange/sale of foreign exchange, tax filing verification, etc.

Source: public information, independent research and drawing by iResearch Consulting Research Institute

Industry chain map

China's cross-border export e-commerce industry chain map



Note: Each company is ranked in no particular order, and the companies shown in the picture are only representative companies in each field.

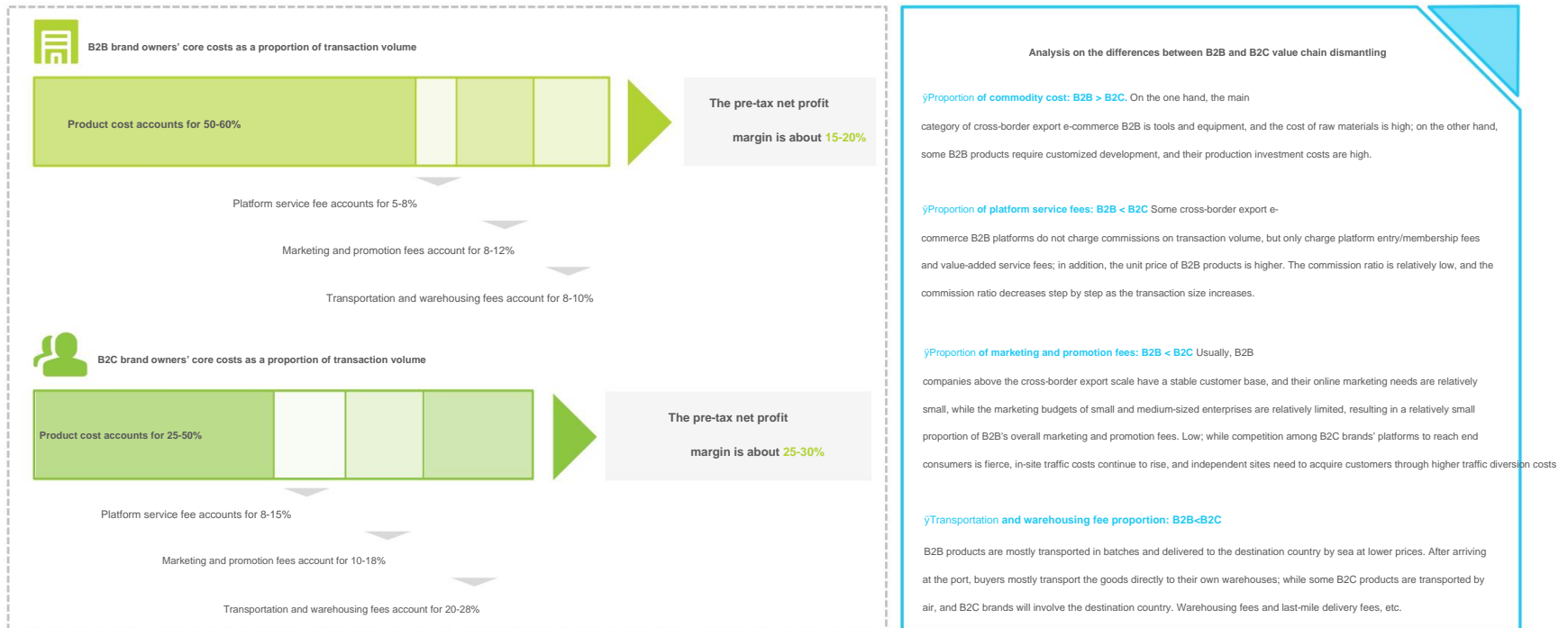
Source: Expert interviews, public information, independent research and drawings by iResearch Consulting Research Institute

Value Chain

B2C brands have higher profit margins than B2B brands, and there is a significant difference in the proportion of core costs and expenses between the two.

China's cross-border export e-commerce B2C brands have a pre-tax net profit margin of 25-30%, which is significantly higher than B2B brands. The highest cost for B2B brands is the cost of goods, which accounts for 50-60% of the transaction volume, while the cost of goods for B2C brands accounts for 25-50%. This is an important reason for the low net profit margin of B2B brands, one of the reasons. In addition to the cost of goods, the proportion of platform service fees, marketing and promotion fees, transportation and warehousing fees of B2C brands are basically larger than that of B2B brands. Among them, the difference in the proportion of transportation and warehousing fees is obvious, which is mainly due to the difference between the two. It is related to factors such as the volume of transportation and the mode of transportation chosen.

Dismantling analysis of the value chain of China's cross-border export e-commerce B2B and B2C brands in 2022

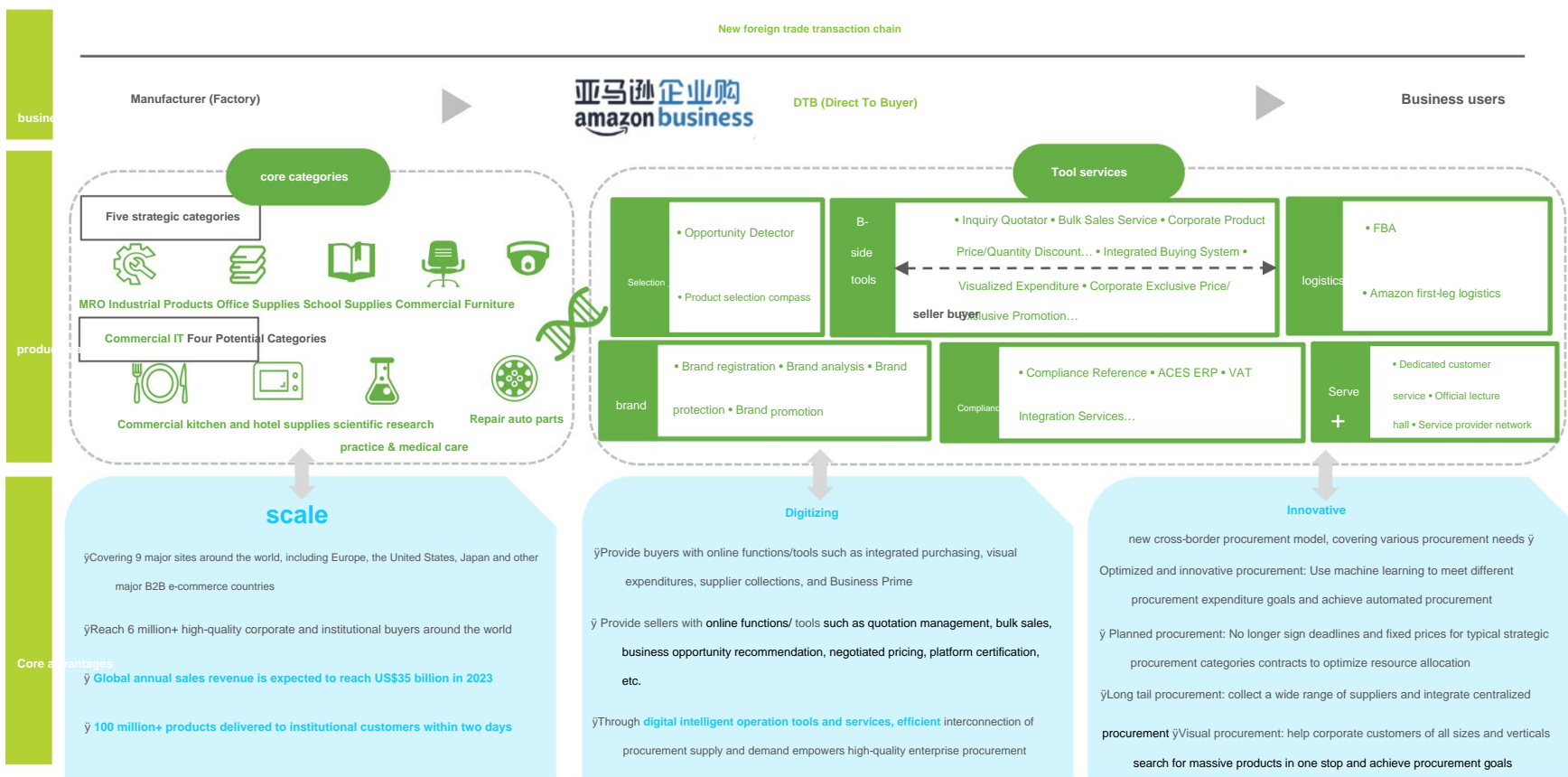


Cross-border export B2B case-Amazon Business Shopping

Innovate and develop DTB model and build core competitiveness with product + service matrix

Amazon Enterprise Shopping launched in China in 2017, deeply exploring the cross-border export B2B track, and innovatively proposed the DTB model in 2022, reducing the intermediate roles of importers, exporters, distributors, etc., and helping domestic suppliers to reach more directly through digital channels. At the same time as overseas terminal enterprises and institutions, it also improves the procurement efficiency of demand parties in various stages and categories, and reduces procurement costs. Amazon Business uses its extensive product reserves and intelligent tools covering the entire link to create a matrix integrating products and services, and continues to expand and deepen its product and service capabilities around its core advantages of scale, digitalization and innovation, and consolidate Deepen competitiveness.

Schematic diagram of Amazon's corporate purchasing business layout and core advantages



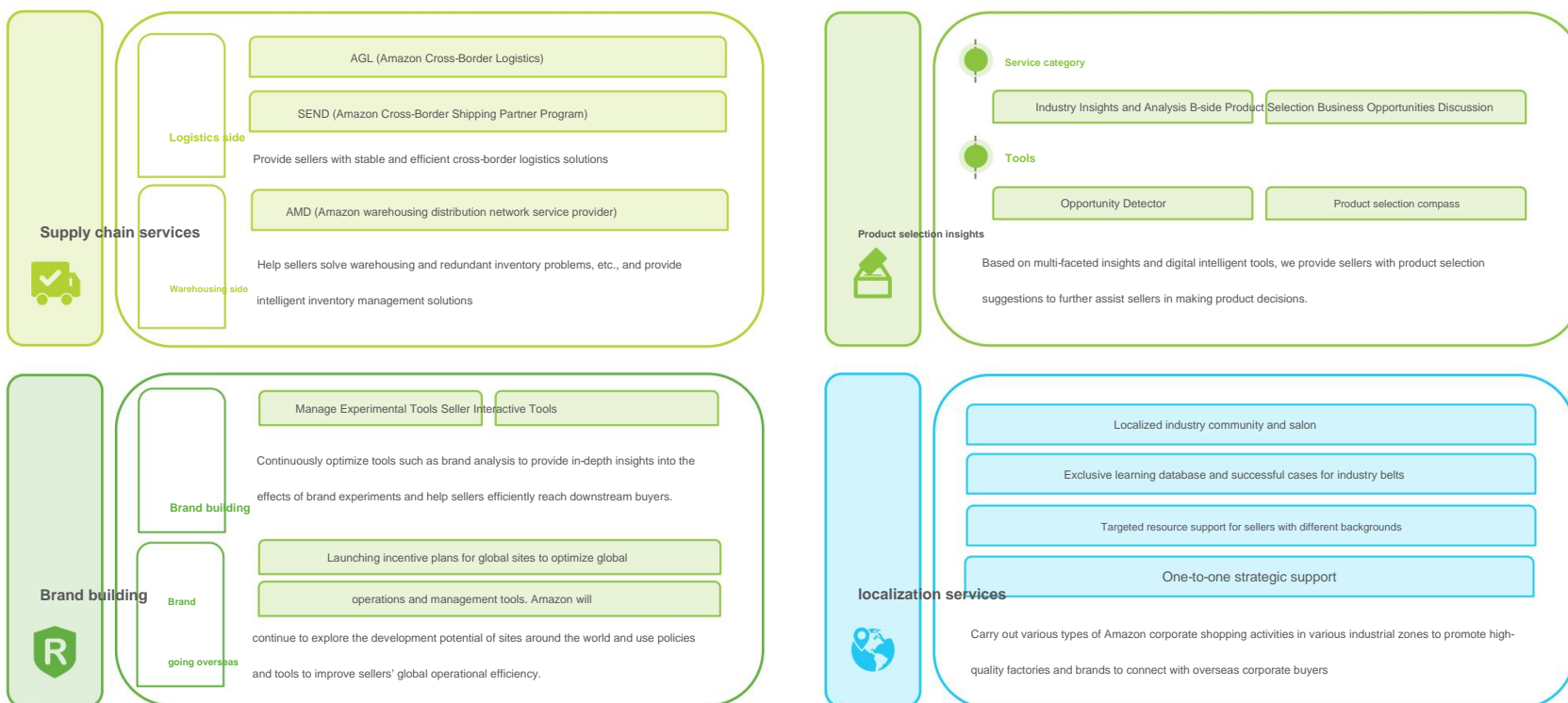
Source: Company interviews, public information, independent research and drawings by iResearch Consulting Research Institute.

Cross-border export B2B case-Amazon Business Shopping

Optimize supply chain services, product selection insights, branding and localization services to help Chinese sellers develop in the long term

After nearly ten years of exploration and accumulation, Amazon Business has actively developed full-link services and products based on the needs and pain points of Chinese sellers, and has now reached more than 6 million corporate and institutional buyers around the world. In 2023, Amazon Enterprise Shopping will continue to focus on the four business directions of supply chain services, product selection insights, branding, and localization services, continuously improve its full-link service capabilities, and empower high-quality Chinese factories and brands to develop overseas sites.

Amazon's key business layout directions for enterprise shopping in 2023



Source: Public information, independent research and drawing by iResearch Consulting Research Institute.

Examples of cross-border export brand solutions-Anker Innovation

A strong R&D base supports the brand's multi-market, multi-channel, and multi-category layout strategy

Anker Innovation provides charging, smart innovation and wireless audio products to consumers around the world through online channels such as Amazon and independent websites and offline channels such as Walmart. company building

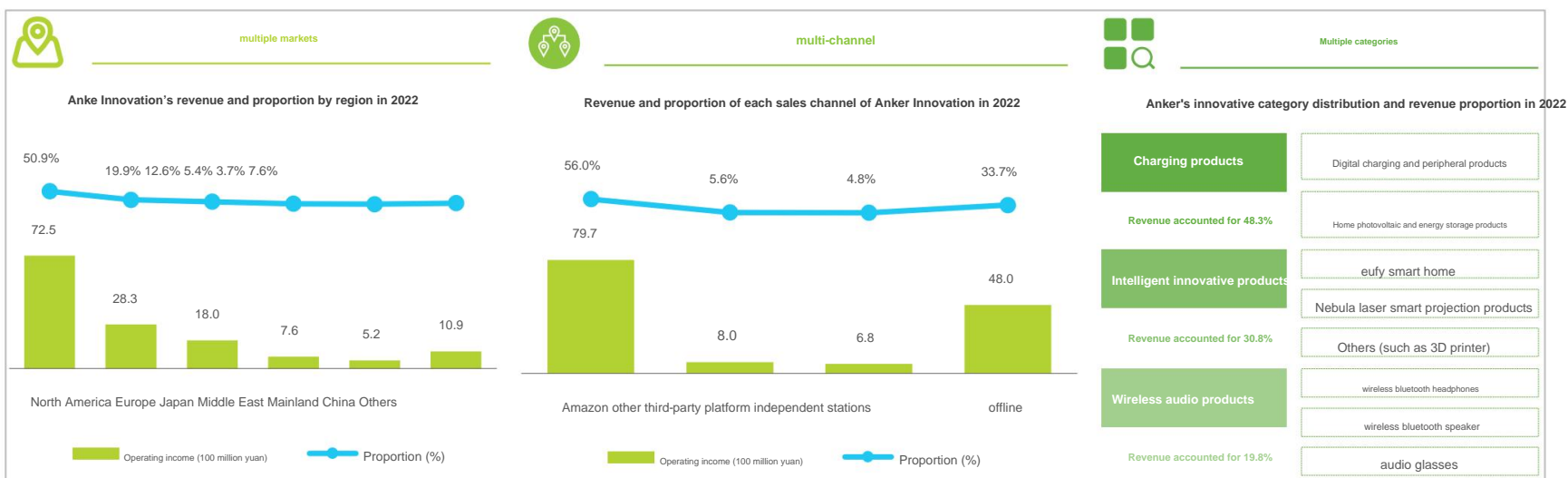
With a multi-dimensional R&D system, we continue to increase R&D investment, consolidate product technical barriers through self-developed core technologies, and use technical means to deeply serve consumers and capture consumer trends in a timely manner.

In 2022, the company obtained 103 invention patents and other research and development achievements. The strong research and development base supports the company's global layout and continuous expansion of emerging channels and new categories. 2022 Company

Total revenue reached 14.25 billion yuan, a year-on-year increase of 13.3%. It continues to occupy the minds of consumers with its own brand building, and has opened in 146+ countries and regions, with more than 120 million users.

It is a typical example of China's cross-border export brands.

Anker Innovation's revenue structure and R&D base in 2022



R&D System Product	R&D investment	Self-developed core technology	consumer service system	R & D results
Development Department	y R&D investment in 2022 will reach 10.8 billion, a year-on-year increase of 38.8% y The number of R&D personnel will reach 1820 in 2022 employees, as a proportion of total employees 50.4%	Portable energy storage and household energy storage technology	y Intelligent layout in Amazon's main channel Functional tools assist users in decision-making y Quantitative analysis based on VOC system Analyze user feedback information	The company will obtain 103 inventions in 2022 Patents, 636 utility model patents, 462 appearance patents authorized
R & D Center		Smart Home Robotics		
design Center		Based on multi-modal self-learning architecture		
Software Development		Home Security AI System		
Product testing department			

Source: 2022 company annual report, company official website, independent research and drawing by iResearch Consulting Research Institute

Cross-border export service provider case-Xiaoman Technology

Committed to providing full-process & diversified solutions for cross-border export enterprises

Since its establishment, Xiaoman Technology has always focused on the field of foreign trade SaaS. Through the upgrading and innovation of technology and service capabilities, it has gradually built a service product matrix covering the entire business process of cross-border exports. In 2023, Xiaoman Technology will be upgraded to a foreign trade business intelligent workbench. Through its lead development, customer management, business analysis and independent station tools, it will integrate AI into its products, provide AI customer management and AI decision-making management capabilities, and provide merchants at different stages with a variety of services. It provides comprehensive solutions to help merchants reduce costs and increase efficiency in key aspects of cross-border exports, thus safeguarding the sustainable growth of performance.

Xiaoman Technology Development History

2013
The company was established and received angel round investment from Zhenge and Yun Angel Fund.

Xiaoman CRM solution was released in 2017, with more than 5,000 customers, and was certified as a national high-tech enterprise.

2020-2021 Obtained D round investment from Alibaba and established business linkage with Alibaba International Station

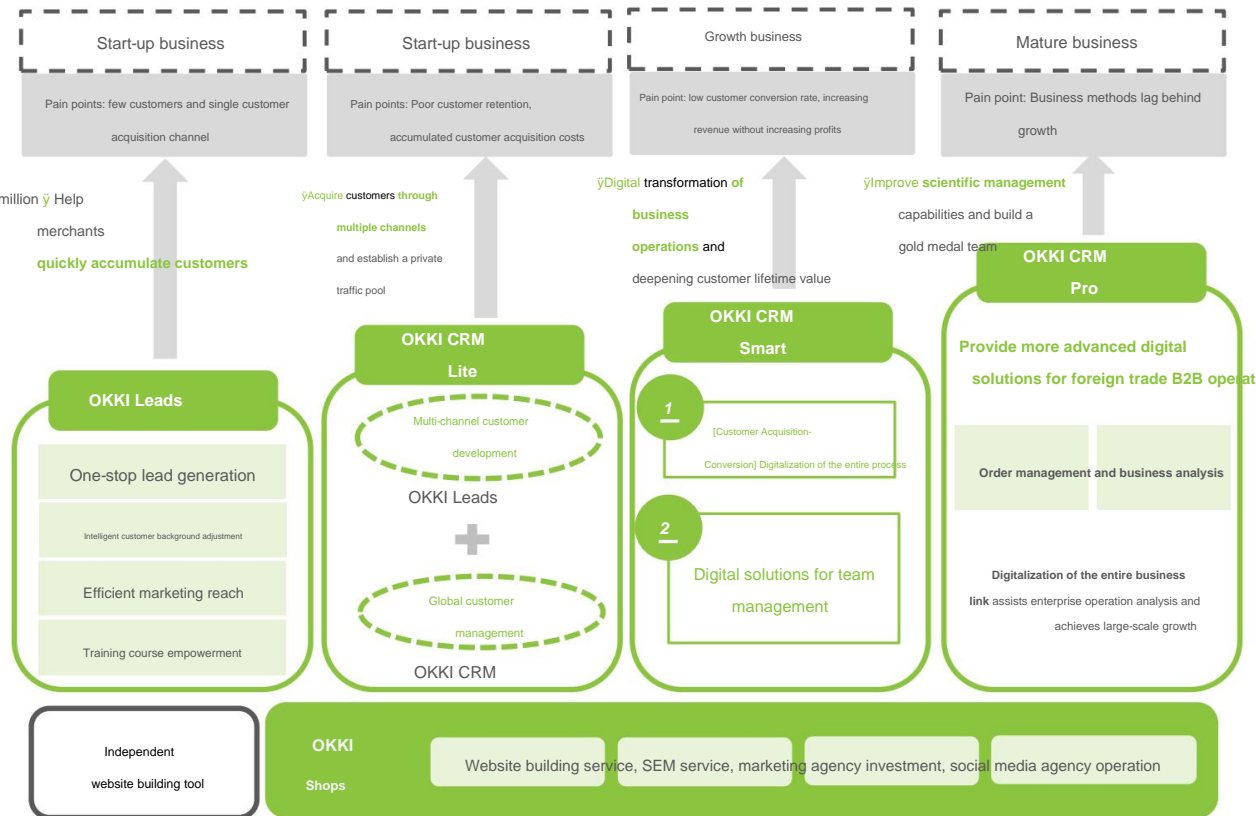
2023
OKKI has been upgraded to a smart workbench for foreign trade business, providing full-process and diverse solutions for merchants at different stages.

2015
Customers exceeded 1,000, Series A financing completed, valuation over 100 million ¥ Help

In 2019,
Xiaoman brand upgraded OKKI, released AI solutions, and had more than 10,000 customers.

2022
product upgrade, launch of development tool OKKI Leads

Xiaoman technology product matrix review



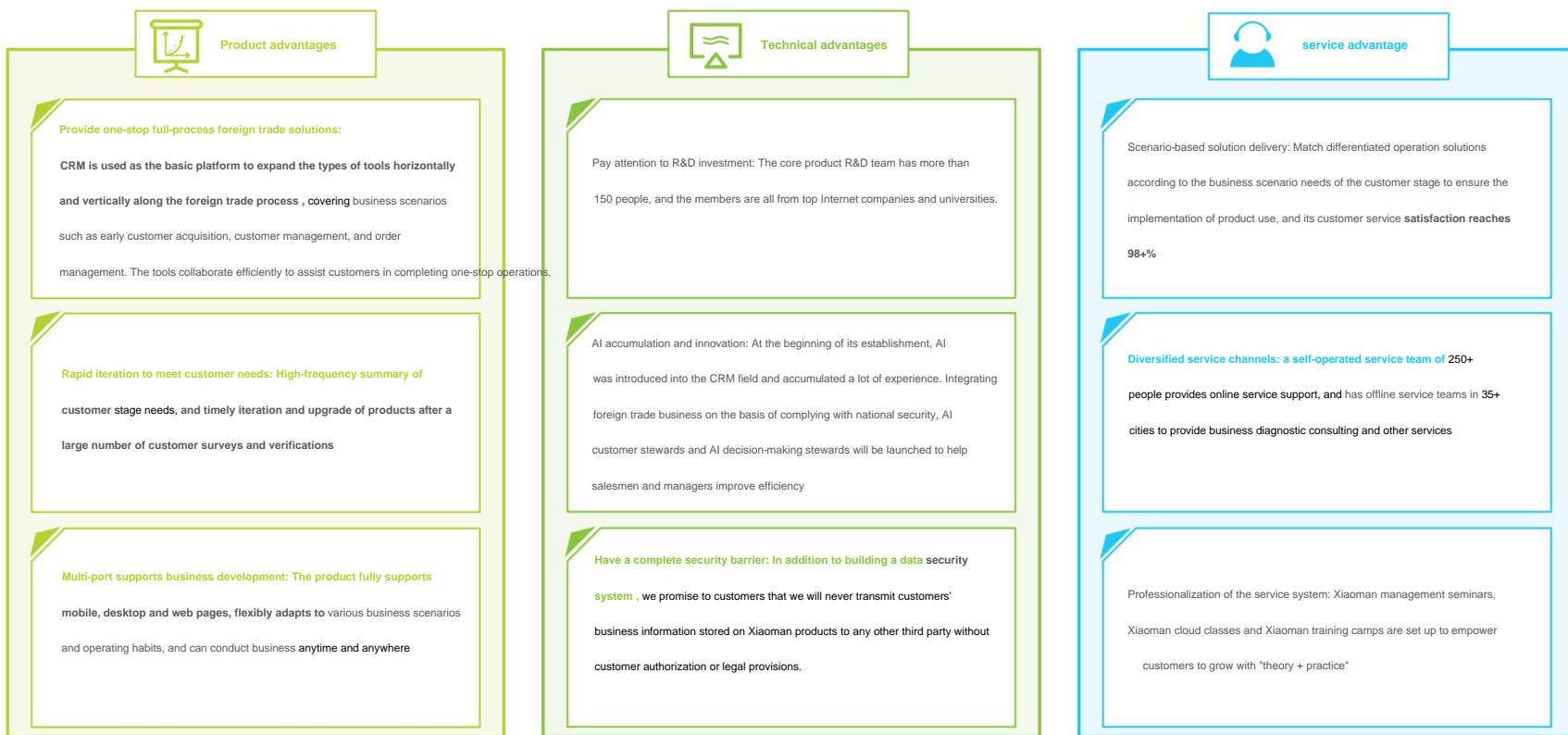
Source: Company official website, public information, independent research and drawing by iResearch Consulting Research Institute.

Cross-border export service provider case-Xiaoman Technology

Pay attention to customer co-creation and use the advantages of products, technologies and services to help cross-border sellers successfully go global.

Xiaoman Technology has been working hard for ten years, using OKKI CRM as the basic disk, and continuously extending digital tools to provide cross-border B2B sellers with one-stop full-process foreign trade solutions. The company has currently established high competition barriers in terms of products, technologies and services. It adheres to the vision of "becoming the most trustworthy digital partner for overseas enterprises", attaches great importance to co-creating products with customers, and uses new technologies such as AI to upgrade products, providing Provide customers with a scenario-based, diversified and professional service system to help cross-border B2B sellers improve the operational efficiency of the entire foreign trade process and promote continued growth in performance.

Analysis of core advantages of Xiaoman Technology



Source: Company official website, public information, independent research and drawing by iResearch Consulting Research Institute.

04 / Analysis of China's cross-border export of e-commerce categories

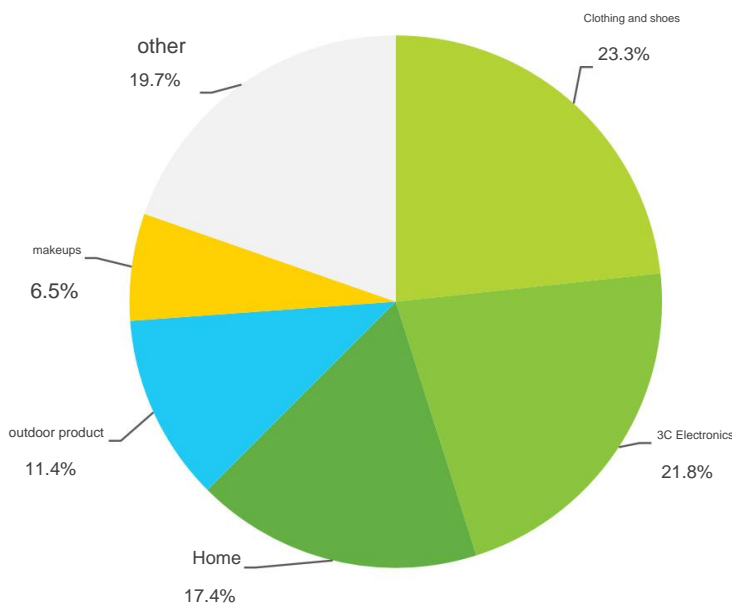
WHAT

Cross-border export B2C category analysis

Traditional advantageous categories continue to lead the way, while emerging categories are ready to take off.

The top three cross-border export B2C categories in 2022 are apparel and footwear, 3C electronics and home furnishings, accounting for more than 60% of the total. As a traditional advantageous track, the scale effect cannot be underestimated, and the share is expected to remain stable in the future. The future potential track mainly focuses on outdoor products and beauty products. Outdoor products are mainly affected by the increasing popularity of healthy living concepts. Chinese outdoor brands may have the opportunity to find new opportunities in developing countries by leveraging the advantages of the manufacturing industry chain. At the same time, benefiting from the spillover effects brought about by the gradual maturation of the domestic beauty industry chain and the rise of emerging short video and live broadcast overseas media, beauty is gradually developing and growing as an emerging export category, with its main advantageous markets concentrated in Latin America, Southeast Asia and the Middle East. Region, in the future, as the market penetration deepens, the proportion of beauty products will continue to increase.

Distribution and changing trends of China's cross-border export B2C e-commerce products in 2022



Trend

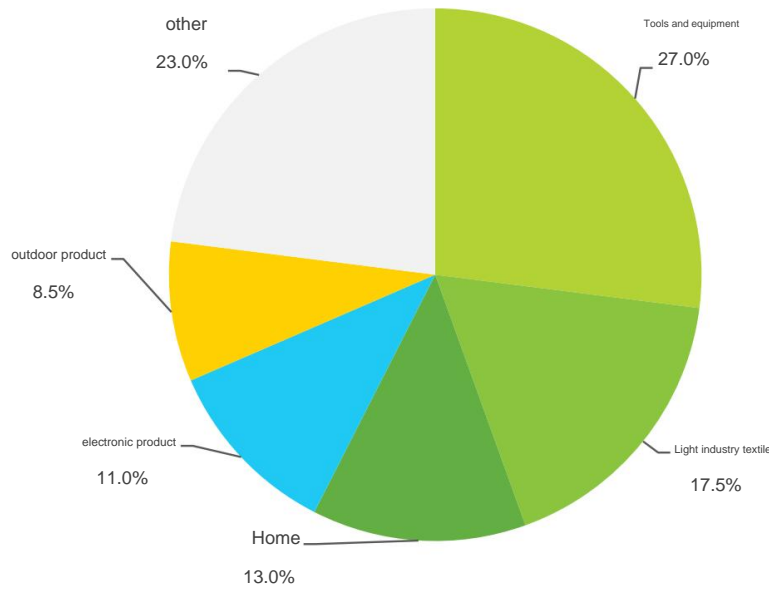
- The proportion of clothing remains stable, but 3C & home furnishing may decline slightly due to the cautious sentiment of overseas consumption.
- Outdoor products are affected by the popularization of healthy living concepts. Chinese outdoor brands are expected to find new opportunities in some developing markets.
- As a growing category, beauty cosmetics has core markets in Southeast Asia, **Latin America and the Middle East**. It will develop rapidly in the future, and its share is expected to increase to approximately 8% in 2025.
- Other potential tracks: maternal and child clothing, pet supplies, wigs, etc.

Cross-border export B2B category analysis

Tools and equipment, light industrial textiles have a good industrial foundation, and new energy and energy storage potential tracks

Relying on the advantages of manufacturing, tools and equipment, light industrial textiles and household products are firmly at the top of cross-border export B2B categories. Years of production and operation experience have provided a good industrial foundation for the export of these categories. The current product distribution status will remain stable in the short term. Based on comprehensive considerations of policy development orientation and changes in industry structure, new energy vehicle spare parts and outdoor energy storage products are expected to become potential categories for B2B export e-commerce, finding new market opportunities in underdeveloped energy regions such as Africa and Latin America.

Distribution and changing trends of China's cross-border export B2B e-commerce products in 2022



Trend

- Tools and equipment will maintain the current level. Textiles, home furnishings or some players may transition to retail, resulting in a slight decline in the proportion. Electronic products will benefit from the large trade volume or a slight increase.
- With the rapid development of the new energy vehicle track, based on years of industrial accumulation in the automotive aftermarket, new energy vehicle spare parts are expected to usher in advantageous markets in the future
- Outdoor portable energy storage products show high growth potential and may gain new growth opportunities in the African and Latin American markets.

Proportion of cross-border export e-commerce brands

B2B and B2C branding needs to be strengthened, and refinement and branding have become the general trend.

Affected by multiple factors such as platform rules and industry maturity, cross-border export sellers have gradually begun to explore branded, high value-added products from white-label, low-value-added products in the early years. If trademark registration is used as the criterion, nearly 40% of sellers in the cross-border export B2C e-commerce field have achieved "trademark" layout in 2022. However, if popularity is used as the criterion of branding, less than 20% of sellers have achieved it. Develop an effective brand layout. At the same time, in the B2B field, if the standard is to have an own brand rather than OEM, only about 10% of sellers currently have an effective branding path. Specifically, thanks to the attributes of being close to consumer terminals, the branding degree of B2C products is generally better than that of B2B products. In the future, under the general trend of branding development, it is expected that the B2C and B2B branding rates will reach 20-30% and 13-20% respectively in 2025. The increase in branding rate will not only drive the transformation of the industry chain, but also help Optimization of corporate profit margins and improvement of management capabilities.

China's cross-border export e-commerce branding situation in 2022&2025



05 / Regional analysis of China's cross-border export e-commerce

WHERE

Analysis of China's cross-border export e-commerce industry clusters

Relying on the industrial advantages of each region, it is mainly distributed in coastal areas with high export activity and some central and western regions.

China's cross-border e-commerce industry clusters are mainly located in areas close to industrial belts and with high export activity, including Guangdong, Fujian, Jiangsu, Zhejiang, Shandong, Henan, Sichuan and Chongqing. On the one hand, being close to the industrial belt can quickly respond to market demand and realize the "front store and back factory" model; on the other hand, the advantageous industries corresponding to the industrial belt area have formed a relatively complete industrial chain, which can satisfy the "production, research and sales" of cross-border sellers. integration" needs. In addition, areas with high export activity have relatively complete trade policies and infrastructure, which can attract cross-border sellers to gather.

Analysis of China's cross-border export e-commerce industry clusters in 2022 (1)



Source: "2022 White Paper on the Development of China's Export Cross-Border E-commerce Industry Clusters", provincial and municipal statistical bureaus, public information, independent research and drawings by iResearch Consulting Research Institute.

Analysis of China's cross-border export e-commerce industry clusters

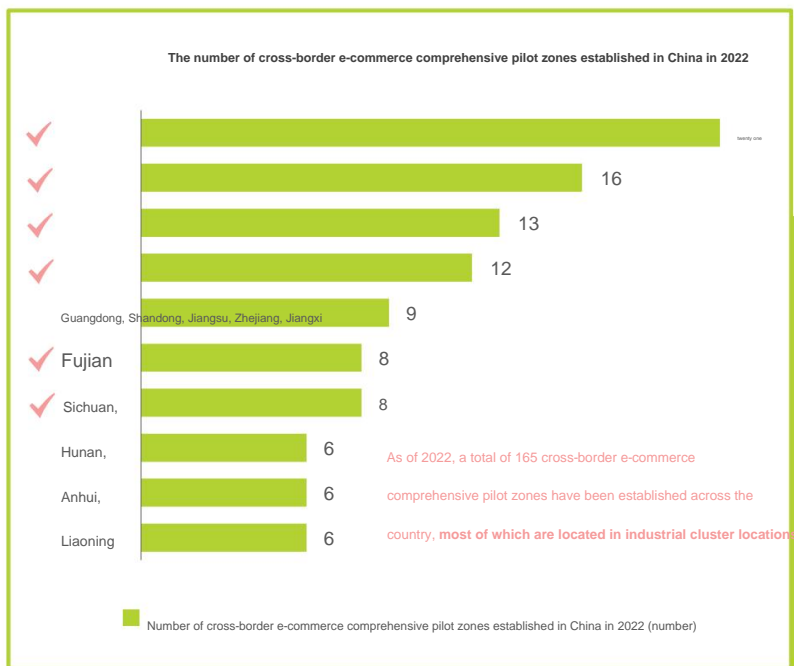
The cross-border e-commerce ecosystem where the cluster is located is relatively complete and supports cross-border sellers in all aspects to “go global”.

The establishment of a cross-border e-commerce comprehensive pilot zone can promote the division of labor and collaboration among various entities in the industrial chain, thereby realizing the integration of regional resources, providing a variety of services for cross-border sellers to “go global”, improving the export efficiency of cross-border sellers, and promoting the high quality of new foreign trade formats. develop. By the end of 2022, a total of 165 cross-border e-commerce comprehensive pilot zones have been established across the country, covering 31 provinces and municipalities. Among them, cross-border e-commerce industry clusters are located in multiple pilot zones, with obvious policy advantages. In addition to policy support, the locations where cross-border e-commerce industry clusters are located have relatively complete logistics systems and relatively stable “sea, land and air” infrastructure, which can effectively reduce the transportation costs of cross-border sellers and improve their transportation efficiency.

Analysis of China's cross-border export e-commerce industry clusters in 2022 (2)



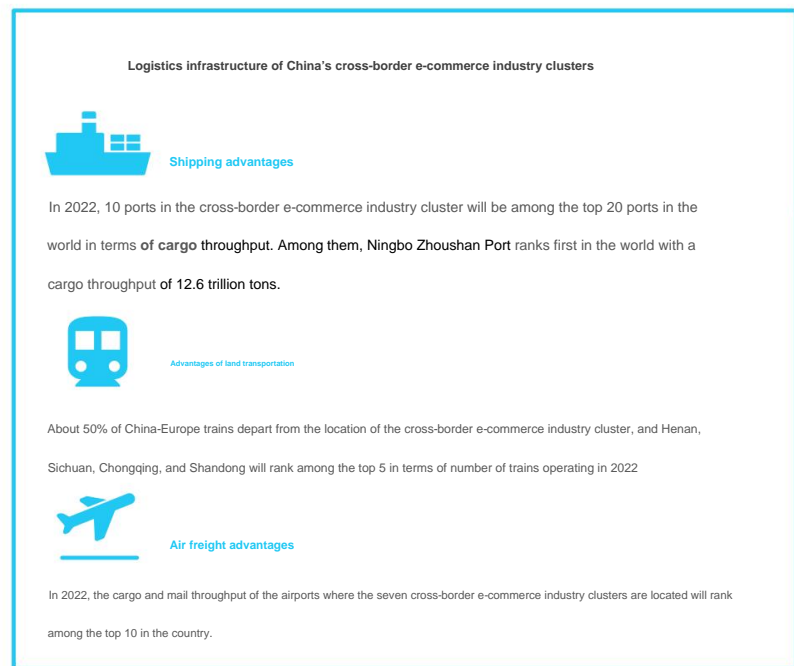
Policy support: The country has set up a comprehensive pilot zone for cross-border e-commerce to provide a variety of services for cross-border sellers.



Source: Public information, independent research and drawing by iResearch Consulting Research Institute.



Solid logistics infrastructure: A relatively complete logistics system can reduce transportation costs and ensure logistics timeliness.



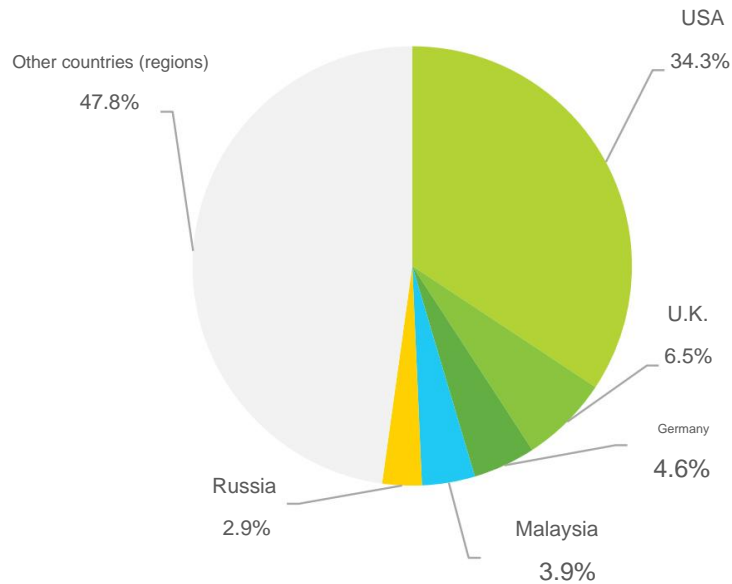
Source: “Global Port Development Report (2022)”, independent research and drawing by Civil Aviation Administration of China and iResearch Consulting Research Institute.

Analysis of major export destinations for China's cross-border e-commerce

The European and American markets are still the main trading areas for cross-border export e-commerce, and the Southeast Asian market is gradually rising.

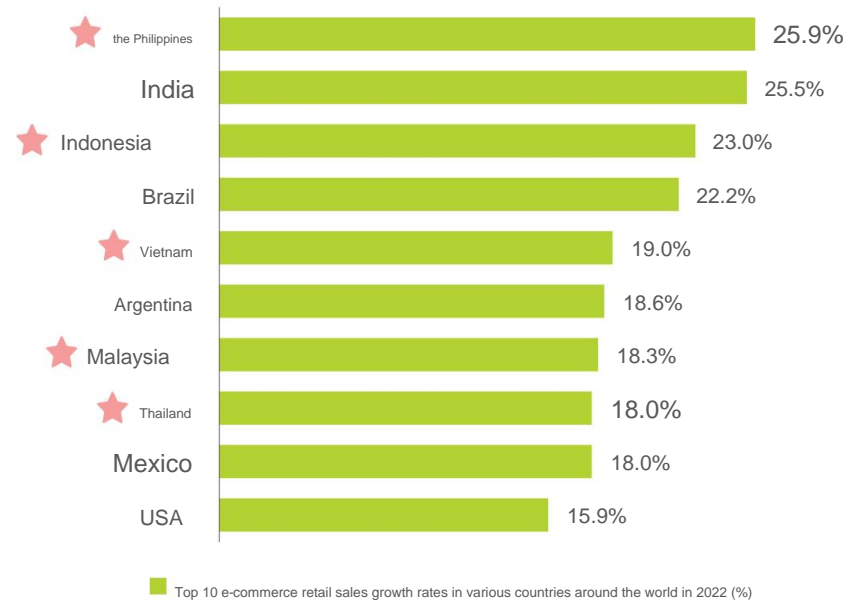
According to data from the General Administration of Customs, the United States is the largest destination for China's cross-border e-commerce exports, and mature markets such as Europe and the United States are still the main targets for Chinese cross-border sellers. With the implementation of relevant free trade agreements and the "Regional Comprehensive Economic Partnership Agreement" policies, emerging markets have gradually become a new round of "nugget spots" for cross-border sellers, and China's cross-border export e-commerce trading partners have become more diversified. Observed from the retail side, the growth rate of e-commerce retail sales in five Southeast Asian countries ranks among the top 10 in the world. The e-commerce ecosystem is thriving. Compared with the more saturated European and American markets, the Southeast Asian market is gradually rising.

Distribution of China's cross-border export e-commerce destinations in 2022



Global e-commerce retail sales growth in 2022

TOP10



Note: Other countries (regions) mainly include: Singapore, Japan, Canada, France, Thailand, Philippines, Brazil and Vietnam, etc. Source: General Administration of Customs, independent research and drawing by iResearch Consulting Research Institute.

Source: eMarketer, independent research and drawing by iResearch Consulting Research Institute.

Analysis of major export destinations for China's cross-border e-commerce – United States

Channel competition is becoming fiercer, and frequent uncertain events increase the difficulty of exporting.

The development of e-commerce in the United States originated earlier and has formed a relatively mature e-commerce system, among which Amazon is the leading e-commerce platform in the United States. But during the U.S. economic downturn, TikTok, Cross-border e-commerce platforms represented by TEMU and SHEIN have sprung up and developed the U.S. consumer market based on low-price strategies. Due to the overlap between the three in terms of audience and supply chain, internal competition has become fierce. At the same time, they will gradually expand externally. Eroding the market share of other platforms, channel competition has entered a fierce stage. In addition, the U.S. government has successively introduced relevant trade protection policies or other relevant regulations, which has had a multi-faceted impact on China's cross-border export e-commerce industry and made it more difficult for cross-border sellers to export.

Analysis on the current situation of major cross-border e-commerce channels in the United States



Faced with competition from TikTok, TEMU and SHEIN, Amazon continues to be under pressure and proactively adopts

response strategies. Performance under pressure: In March 2023, the number of Amazon's monthly Prime members was 170 million, a decrease of 3 million compared to the same period in 2022. Response strategies have been introduced: Starting from August 29, 2023, lower FBA rates will be introduced for all products priced below US\$10, and the platform will actively subsidize some products during the promotion period, with a discount of up to 20%.

The impact of some relevant U.S. regulations on China's cross-border export e-commerce

2018

- The United States has imposed additional tariffs on some Chinese goods, severely impacting China's cross-border export e-commerce.

B2B industry raises costs for Chinese sellers

2021

- The United States signed the "Uyghur Forced Labor Prevention Act", banning the import of any products related to Xinjiang, which led to a decline in the scale of China's cross-border apparel export orders

- Apple has introduced a new privacy policy, restricting applications' access to users' mobile phone privacy information, significantly reducing the accuracy of cross-border sellers'

overseas marketing in 2023

- The United States plans to cancel the US\$800 import tax exemption policy, which will be detrimental to independent sellers and third-party platforms that mainly focus on domestic direct shipping.

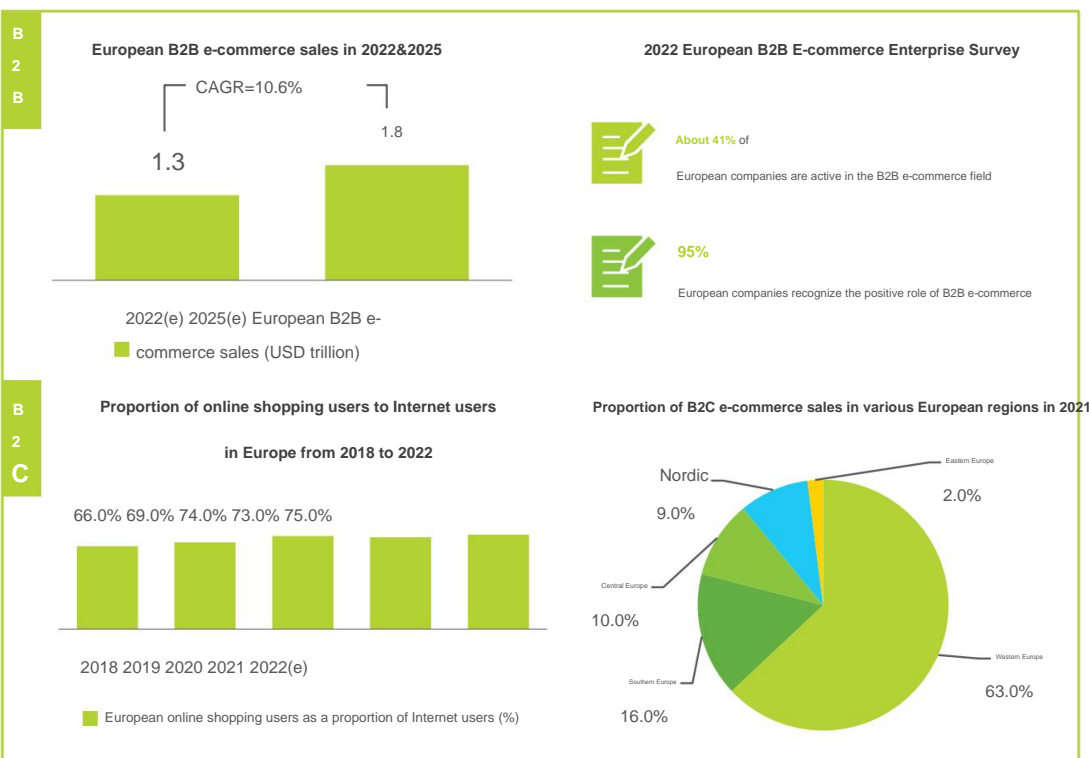
Source: U.S. Department of Labor, McKinsey, similarweb, CIRP, public information, independent research and drawing by iResearch Consulting Research Institute.

Analysis of major export destinations for China's cross-border e-commerce – Europe

The e-commerce environment is becoming more mature, and there is still room for development in the market. Risk factors cannot be ignored.

The COVID-19 epidemic has cultivated the online shopping habits of European corporate buyers and consumers. It is expected that European B2B e-commerce sales will reach 1.8 trillion US dollars in 2025, and about 41% of European companies are actively involved in B2B e-commerce; from the C-side, the proportion of European online shopping users in Internet users will reach 75% in 2022, gradually approaching the penetration rate of Chinese online shopping users in the same year (79.4%). From the perspective of regional distribution, the B2C e-commerce market in Western Europe is the most mature. In 2021, e-commerce sales accounted for 63% of the overall European market. **In addition, the growth rate of e-commerce sales in Eastern Europe is stronger than that in Western Europe, and the market potential is large. Cross-border sellers can actively explore with the support of national strategies.** However, it is undeniable that cross-border sellers need to overcome difficulties such as "de-industrialization", "waves of strikes" and high compliance requirements when facing the European market, and they need to pay attention to possible risk factors to avoid losses.

Analysis of the current situation of European B2B and B2C e-commerce market



Analysis of opportunities and risk factors in the European market



Opportunities in the European market

The e-commerce market in Eastern Europe has great potential, and China maintains close ties with it: In 2021, the growth rate of B2C e-commerce sales in Eastern Europe is higher than that in Western Europe, where e-commerce is more mature. Eastern European countries are an important component of the countries along China's "One Belt, One Road" initiative. It is an important passage and destination for China-Europe freight trains, providing a solid foundation for cross-border sellers to go overseas. The EU and the United States impose export controls on Russia, providing opportunities for China to open the Russian market: Chinese sellers can focus on the EU and the United States in the context of the Russia-Ukraine conflict. The categories of goods subject to export controls in Russia have greater potential.



European market headwinds

The "deindustrialization" of Europe restricts the expansion of the cross-border B2B market: Geopolitical conflicts and climate factors have triggered the "deindustrialization" of Europe, and the demand for industrial products has dropped significantly, which is not conducive to the expansion of the cross-border B2B market in Europe. The "strike wave" in Europe will lead to Logistics and distribution efficiency has declined: European CPI continues to rise, intensifying labor disputes, and a large number of transportation industry employees have gone on strike, causing some tail-haul distribution operations to stagnate, reducing distribution efficiency. European compliance requirements are higher, raising compliance costs for sellers: European compliance requirements including VAT tax compliance, EPR product compliance and product certification compliance, sellers need to be more cautious when developing business in Europe.

Source: Polish Chamber of Digital Economy, "EUROPEAN E-COMMERCE REPORT 2022", public information, independent research and drawing by iResearch Consulting Research Institute.

Analysis of major export destinations for China's cross-border e-commerce – Southeast Asia

E-commerce GMV is growing rapidly, and development opportunities and challenges coexist.

The COVID-19 epidemic has driven the number of Internet users in key Southeast Asian countries to increase by nearly 100 million. Coupled with positive factors such as the increase in investment by Chinese Internet giants, the e-commerce GMV of key Southeast Asian countries in 2022 has reached 13.1 billion US dollars, and is forecast to reach 21.1 billion US dollars in 2025, with a CAGR of 17%. After the Regional Comprehensive Economic Partnership Agreement takes full effect, goods in the China and Southeast Asian markets will trade tariffs will further decline, and the traffic advantage of social media can drive local e-commerce conversion rates to increase. However, it is more difficult for cross-border sellers to open local stores, and the relatively high cost of goods Logistics and distribution costs will squeeze profit margins, which will restrict the rapid development of the Southeast Asian market. In the future, as the e-commerce ecological environment continues to be optimized, its practical difficulties are expected to be gradually alleviated.

The current development status of e-commerce in the Southeast Asian market and the opportunities and difficulties for cross-border sellers to deploy in the Southeast Asian market



Note [1]: Key countries in Southeast Asia include Singapore, Malaysia, Thailand, Indonesia, Philippines, and Thailand.

Source: "Regional Comprehensive Economic Partnership Agreement", "e-Conomy SEA 2022", Statista, public information, independent research and drawing by iResearch Consulting Research Institute.

06 / Development trends of China's cross-border export e-commerce

HOW

Diversification of cross-border e-commerce platforms

The diversity of platform player types and model innovation are driven by each other, providing more layout options for cross-border overseas enterprises.

Competition on the overseas track has become increasingly fierce, and the characteristics of diversified player types and differentiated layouts have begun to emerge. Domestic Internet giants mainly copy domestic marketing and operating models.

When it comes to overseas markets, leading traditional cross-border e-commerce players innovate their models through horizontal expansion and vertical deepening of their service systems, while leading independent platforms

We are also exploring third-party platform models and expanding categories to try to break through the growth bottlenecks that self-operated platforms may face.

Types and layout of major cross-border e-commerce platform players

player type I : Domestic e-commerce platform models copied overseas



- Similar to Douyin Shop, TKShop is based on TikTok Natural traffic pool for user communication and product sales. The new channel is currently in the United States, the United Kingdom and Southeast Asia. Wait for layout in key countries.
- Officially launched in September 2022, mainly engaged in jumpsuits. Skirts and swimsuits are represented, priced between 5 and 30 pounds. fast fashion women's clothing, targeting the UK, France, Germany, Italy and other European countries.



- Pinduoduo explores overseas markets and will be launched on TEMU in September 2022 line North America, adopting low-cost routes, and sharing through private domains and friends. Models such as friend recommendation quickly took off and became a Ranked first among all app downloads in the iOS store.
- In 2023, based on the North American market, TEMU will continue to expand. Expanded to the Australian, European and Japanese and Korean markets, and launched online in Australia, New Zealand, the United Kingdom, Germany and other sites, and plans to expand to Latin America, African layout.

player type II : Traditional cross-border e-commerce giants launch new solutions



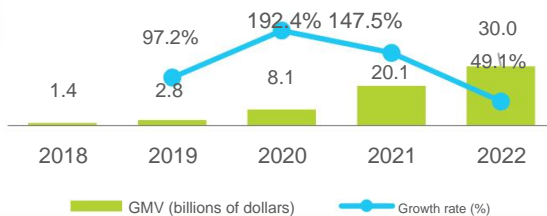
- The 2022 Cross-Border Summit proposed to "broaden supply chain solutions and deepen Full-process plan for new product selection, light brand globalization path, and strong capital "Localized Services" to provide more convenience for Chinese sellers.
- Release the "Ten Measures for Industrial Development" support plan in 2023 to expand business opportunities exhibition, brand building, localized services, talent cultivation and brand benchmarking. In five aspects, we will promote the integrated development of "cross-border e-commerce + industrial belt".



- The head of international business said that Lazada will be based in the local market in the future. Outside the market, we will also actively pay attention to more new regional market opportunities.
- In April 2023, AliExpress officially launched a comprehensive baby sitting program. The platform is responsible for store operations, warehousing, distribution, In terms of after-sales service and other aspects, merchants only need to provide goods. Prepare goods for warehousing.

player type III : Exploration on the Transformation of Independent Station Platforms

SHEIN



- In April 2023, Shein piloted the platform model in Brazil and other places mode, supporting more third-party sellers around the world including Chinese sellers. Sellers from all over the world settled in and officially launched the exploration of platform transformation. same. At that time, the "Xi You Gravity" million seller plan was launched to. The business scope covers popular categories such as shoes, bags, jewelry, and beauty and makeup. Gradually expand to all categories.

Source: "China Cross-Border E-Commerce Development Report (2023)", The Wall Street Journal, public information, compiled and drawn by iResearch Consulting Research Institute.

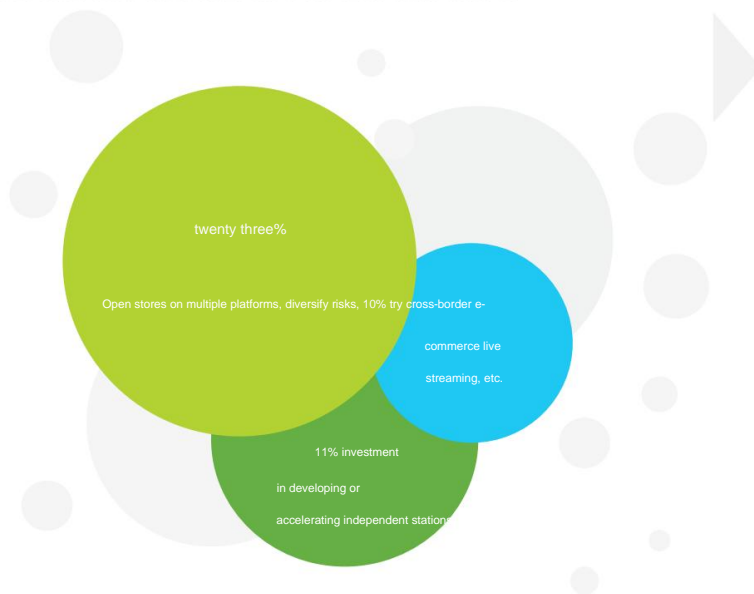
Sellers seek growth through multi-channel layout

The layout strategy that combines multi-platform, offline and social media will be widely used

Affected by the uncertainty of platform compliance and market policies, domestic sellers' attention to multi-channel layout has increased significantly. Survey data shows that nearly half of the sellers surveyed plan to try multiple platforms and new channels in 2023, which means that more seller groups will adopt a channel layout strategy that combines platforms and independent stations. At the same time, based on the general trend of channel expansion, offline and emerging media will also become the core channels that sellers focus on and plan to expand, in order to deepen localized service capabilities and expand traffic entrances, to achieve the goal of improving user satisfaction and brand awareness .

Overview of cross-border export multi-channel layout trends

Cross-border export seller plan layout strategy in 2023



01

Sellers adopt a multi-platform layout strategy and use the capabilities of third-party platforms and independent channels to achieve two-way traffic diversion and risk avoidance, thereby forming a lasting competitive advantage and **enhancing their own brand value**.

02

Increase the exploration of offline channels and form a linkage layout between online transactions and offline experiences to meet the localized service demands of consumers in different overseas markets, improve satisfaction, and thereby enhance user stickiness.

03

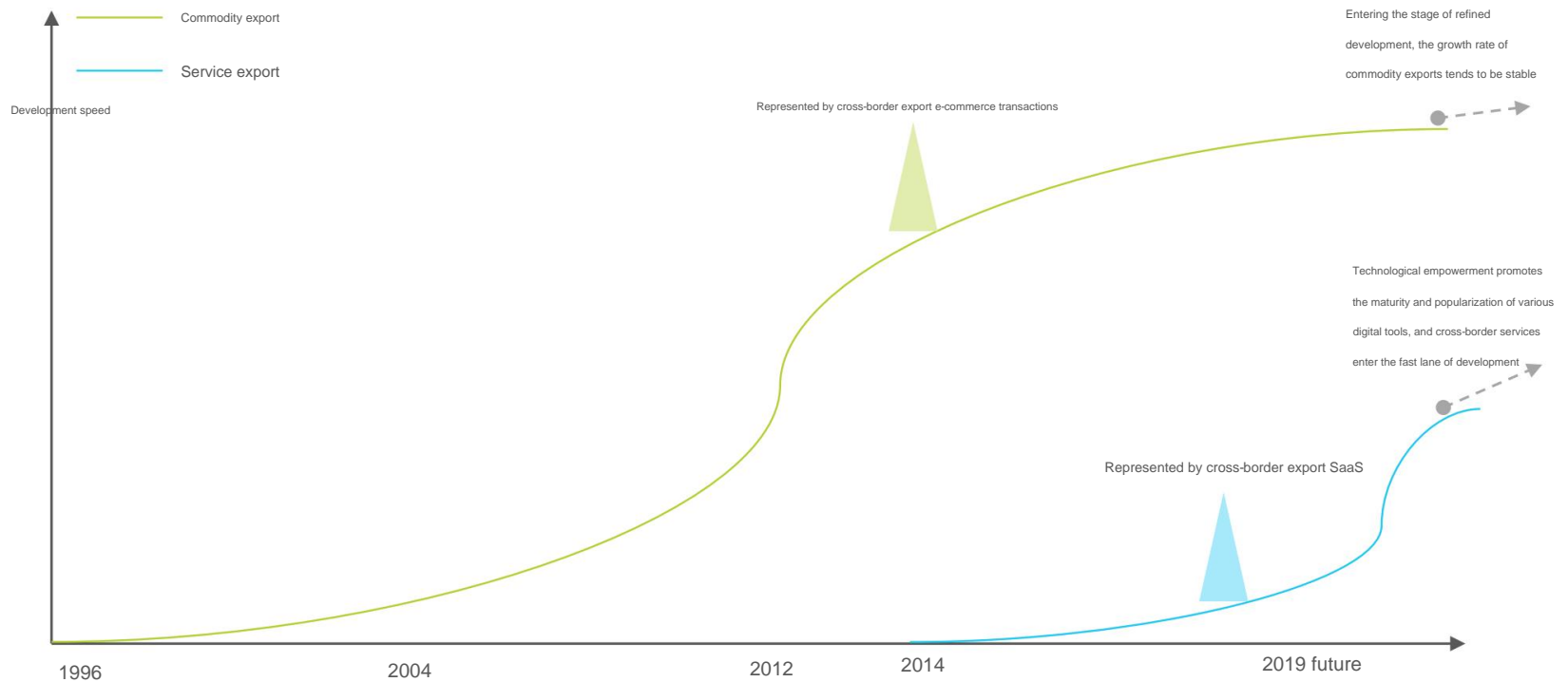
TikTok, Youtube, and Instagram have become the apps that users around the world use the longest in a single day (1). Sellers will increase their marketing layout on such social media channels and **expand traffic entrances by strengthening the penetration of social media channels**.

Commodity exports drive service exports

Maturity and branding of commodity exports drive the development of cross-border service ecology

Under the trend of branding and multi-platform development of cross-border e-commerce in China, the importance of refined operations has been highlighted. The increasing demand of cross-border sellers for various value-added services such as marketing, finance, and supply chain has directly driven the cross-border e-commerce industry. The development of business service ecosystem. In the future, with the in-depth application of big data, cloud computing, AI and other digital technologies in all aspects of cross-border export service links, product operation efficiency will be further improved, the cost of providing products/services will be reduced, and the rapid development of cross-border service tracks will be promoted. develop.

Schematic diagram of cross-border commodity exports driving service exports



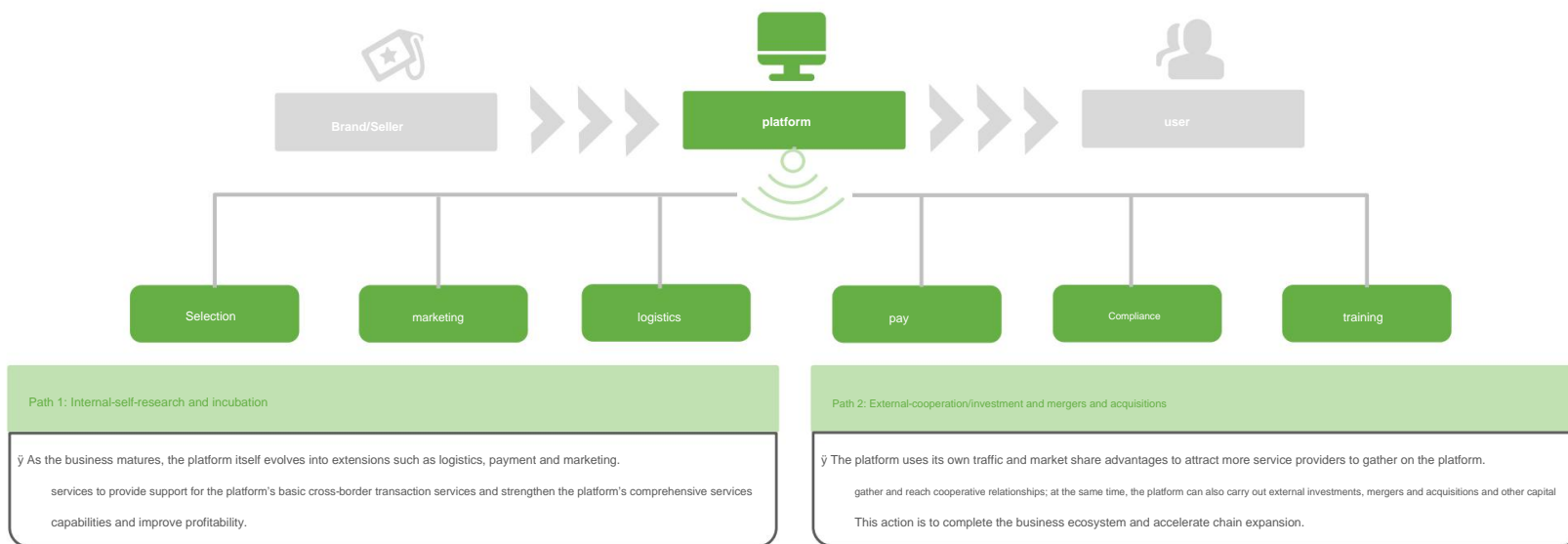
Source: "China Cross-Border E-commerce Development Report (2023)", public information, compiled and drawn by iResearch Consulting Research Institute.

Service export trend one: platform service ecology

The platform extends the service chain and presents ecological characteristics

As the core component of the cross-border e-commerce ecological chain, the cross-border e-commerce platform is based on providing transaction services to upstream and downstream, and the business chain gradually extends to product selection, marketing, logistics, and support. Value-added service areas such as payment and compliance are showing an ecological trend. Ecological layout strategies are usually divided into internal capability expansion and external investment/cooperation. Leading players are based on their own characteristics and Advantages include focusing on internal incubation, attracting service providers to gather, or increasing investment and acquisitions based on the platform to broaden the capability quadrant. The leading platform will maintain its business strategy and continue to expand To accommodate the service ecosystem and accelerate chain expansion, in the future, as the business matures, emerging players will also follow the pace of leading players to launch ecological layouts to enhance their competitiveness and monetization capabilities.

Cross-border export e-commerce platform service ecology



Platform business:	亚马逊全球开店	亚马逊企业购	Marketing selection:	亚马逊广告	Warehouse Logistics:	amazon fulfillment	Payment:	亚马逊全球收款	Service Network: amazon spn
Platform business:	AliExpress	阿里巴巴国际站	logistics:	CAI NIAO 菜鸟	general Service:	一达通	logistics:	4PX WORLDWIDE EXPRESS	Singapore POST
			Payment:	Alipay FOR GLOBAL BUSINESS		Payment:	helloPay	万里汇 WORLD FIRST	

Source: "China Cross-Border E-commerce Development Report (2023)", public information, compiled and drawn by iResearch Consulting Research Institute.

Service export trend two: deepening of cross-border services

Deepen the layout of value-added services and supporting facilities to enhance the resilience of cross-border services

As the industry matures and develops, the importance of service providers as key suppliers of software and hardware supporting facilities in the cross-border industrial chain has become highlighted. Taking logistics and financial services as an example, the autonomy and resilience of my country's cross-border services need to be further strengthened. The strategic direction of future development will come from the construction or cooperation of overseas hardware facilities and key nodes on the one hand, and on the other hand It comes from in-depth insights into the direction of user needs and mature progress in related technology applications.

Service depth strategy using logistics and financial services as examples

Logistics

My country's exports generally adopt the FOB (free on board) trade form, and export goods are delivered at my country's ports. Domestic logistics companies only provide basic domestic transportation services, and the income from high value-added services such as international transportation, insurance, and overseas customs declarations is often high. Obtained from foreign logistics companies. China's international logistics services are unable to support the demand for industrial transformation and upgrading and added value enhancement. The weak voice and control capabilities pose security risks of disconnection in China's international supply chain.

China's dependence on foreign countries for international freight logistics reaches 70%



Promote carriers to extend overseas logistics networks based on existing businesses, enhance freight forwarding and overseas localized contract fulfillment supporting service capabilities, promote the construction of overseas logistics infrastructure and on-site distribution teams, and transform from international logistics subcontractors to general contractors. Increase investment and cooperation in high-quality ports, build a number of overseas anchorages such as overseas distribution centers, overseas warehouses and container return points, increase the proportion of return fixed cargo sources, build an international logistics supply chain node network, and promote China's global logistics The system further extends overseas.

Financial

Service Category	Percentage
Overseas collection	39.0%
Financing, loans	32.0%
Foreign exchange settlement	28.0%
Financial investment	22.0%
Insurance	20.0%

The trend of demand for derivative customization is highlighted

Short operating time, light assets, lack of collateral and other characteristics make most small and medium-sized cross-border e-commerce companies face the problem of "financing is difficult and expensive".

Current innovative breakthroughs in technology and supervision by financial institutions are still insufficient to meet the increasingly comprehensive and diversified financial service demands of cross-border e-commerce companies.

Relying on technological progress and based on corporate operating data, we launch customized financing and loan plans to provide online services such as credit application, withdrawal, and repayment for cross-border e-commerce companies with stable production and operations, good credit records, and the ability to repay. Promote the stable development of cross-border e-commerce supply chains. By strengthening cross-sector cooperation with credit insurance institutions and logistics companies, Provide cross-border e-commerce operators with a full-process financial solution integrating identity authentication, overseas collection, foreign exchange settlement, fund transfer, insurance and other services.

Source: "Integrating long- and near-distance to improve my country's international supply chain logistics capabilities" China Communications News, "China Cross-border E-commerce Development Report (2023)", "2021 Cross-border E-commerce Financial Services Report", public information, compiled by iResearch Consulting Research Institute draw.

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Provide basic reference for the market and customers. Limited by research methods and data acquisition resources, this report is only provided to users as a market reference

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Cooperation description

The case chapters of this report include business presentations of some companies, aiming to reflect the development status of the industry and provide reference for all walks of life.



THANKS

iResearch empowers business decisions