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The impact of e-commerce on the international economy

Az e-kereskedelem hatása a nemzetközi gazdaságra

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Abstract

This paper aims to provide an in-depth look at the overall impact of e-commerce on international economic trade, including its positive and negative aspects. By employing multi-channel data collection methods such as trade statistics, e-commerce platform data, interviews with experts and stakeholders, and consumer survey data, this paper aims to provide in-depth insights into the role of e-commerce in international trade. A mixed research methodology, combining quantitative and qualitative analyses, was adopted to ensure comprehensive and accurate findings.

Based on analyzing the positive and negative impacts of e-commerce, the paper offers a series of recommendations to maximize the benefits and address the potential challenges of e-commerce. These recommendations are intended to provide policy makers, businesses and stakeholders with useful information on how to respond to the development of e-commerce in order to achieve more effective international economic trade.

Through this study, we can better understand the importance of e-commerce for international trade and how to promote its positive role in the global economy. The results and recommendations of this paper are expected to play an important role in international trade decision-making and implementation, contributing to the creation of a more connected and dynamic global market.

Keywords: E-commerce; International economic; Trade; Global;

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Introduction

E-commerce, the result of the convergence of advanced information technology and financial markets, has emerged as a transformative force in the realm of international economic trade. This paper delves into the multifaceted impact of e-commerce on global trade, illuminating both its positive and negative dimensions. By optimizing domestic demand, diversifying business entities, informatizing trading methods, and fostering market integration, e-commerce has played a pivotal role in bolstering international trade.

The rise of e-commerce has opened new avenues for businesses to thrive in the global marketplace. It has enabled companies to tap into a vast reservoir of potential customers, making it easier for businesses of all sizes to reach a global audience. The interconnected world of e-commerce has dissolved geographical boundaries, resulting in unprecedented market access.

However, this digital revolution has not been without its challenges. Security concerns, payment vulnerabilities, taxation complexities, product quality issues, and fiscal impacts on local economies have emerged as crucial considerations. Ensuring the safety and trust of online transactions, protecting sensitive data, and addressing taxation and quality control are paramount.

In this dynamic landscape, understanding the profound influence of e-commerce on international economic trade is essential. It is a realm where technological advancements continue to reshape traditional trade models, and where adaptation and regulation are key to ensuring the positive impact of e-commerce on global commerce.

1. Insight of E-Commerce

1.1 Main elements about e-commerce

E-commerce is a business activity conducted using network communication technology (Bao, 2018). E-commerce includes electronic currency exchange, supply chain management, electronic trading markets, online shopping, online marketing, online transaction processing, electronic data interchange (EDI), inventory management and automatic data collection systems (volunteers, 2023). In this process, information technologies utilized include: Internet, extranet, email, database, electronic catalog and mobile phone (Xing Jinshan, 2016). E-commerce is classified differently under different circumstances. According to the transaction object, e-commerce can be divided into business-to-business e-commerce (B2B), business-to-consumer e-commerce (B2C), business-to-government e-commerce (B2G), consumer-to-government e-commerce (C2G), consumer-to-consumer e-commerce (C2C). Enterprises, consumers, agents three mutual transformation of e-commerce (ABC), consumer-centered new business model (C2B2S), the supply and demand side as the target of the new e-commerce (P2D) (volunteers B. D., 2023).

E-commerce development history

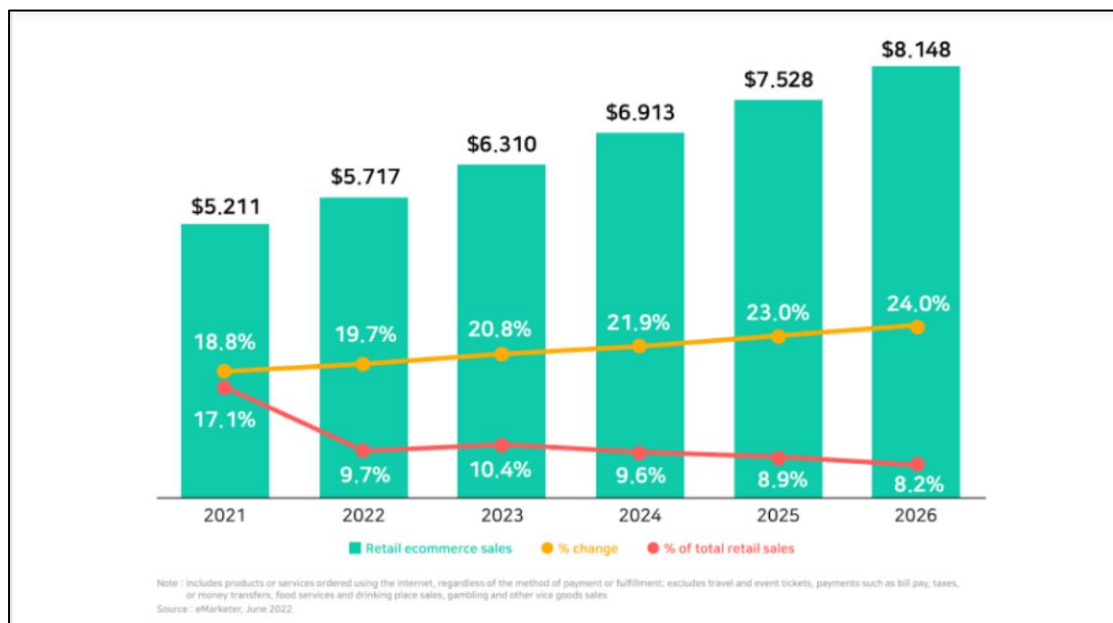
The world's research on e-commerce began in the late 1970s. The implementation of e-commerce can be divided into two steps, in which electronic data interchange (EDI) commerce began in the mid-1980s and Internet commerce began in the early 1990s (Yue, 2018). The formation of e-commerce has gone through approximately three stages. The first stage: In the mid-1950s, the concept of "business electronics" emerged in the United States, which at that time referred to the use of electronic data processing equipment to automate bookkeeping work (Yanyan, 2015). In 1964, the American company IBM developed a printer that used magnetic tape to store data, introducing the concept of business document processing to the office for the first time. In 1969, it developed a magnetic card printer for processing. By the mid-1970s, industrialized countries had widely used commercial electronic equipment such as word processors, copy machines, fax machines, and private branch exchanges to realize the electronification of individual commercial businesses. The second stage: the development of microelectronics technology in the 1970s, especially the emergence of personal computers. The electronification of business has entered a new stage characterized by the application of microcomputers, word processing and local area networks. At this stage, electronic business systems based on computers, network communications and data standards emerged as the times require. Electronic business

systems connect computer systems scattered in various business fields into computer local area networks. At this stage, new technologies and powerful business electronic equipment such as electronic statements, electronic documents, and emails are usually used. The third stage: Starting from the late 1980s, commercial electronics developed towards the establishment of digital networks such as commercial integrated services. At this stage, powerful electronic business software packages, multi-functional electronic business workstations and various online electronic business equipment appeared, such as electronic whiteboards, intelligent copiers, intelligent fax machines, electronic phototypesetting and printing equipment, composite electronic file systems, etc. With the research on electronic communication standards, the development of electronic data systems, and the use of computers in the collection and processing of business data, the era of e-commerce has truly arrived.

1.2 Current status of international e-commerce

The first is the overall international data in 2023. Although global e-commerce growth will slow down in 2023, global e-commerce in 2022 will not be as sluggish as many experts expected. In 2023, e-commerce business sales are expected to reach US\$6.31 trillion, an increase of 10.4% from 2022, accounting for 20.8% of the total retail market (volunteers C. , 2023).

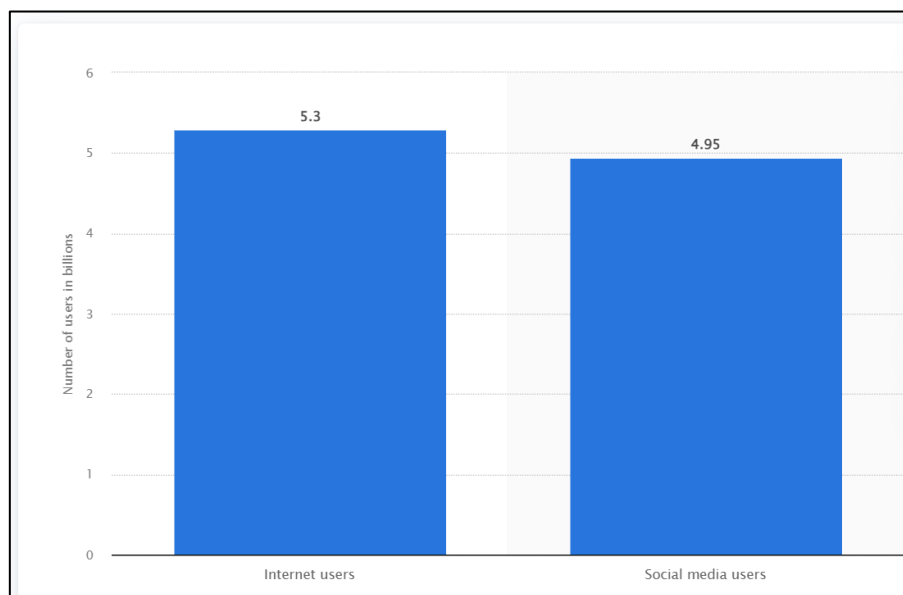
Figure 1: Global Retail E-commerce Sales (2021-2026)



Source: (Cramer-Flood, 2022)

In recent years, the penetration rate of global Internet users has gradually increased, and the penetration rate of Internet users in Europe and the United States is still higher than that in Asia and Africa. The number of global Internet users continues to grow. Statistics from the International Telecommunications Union (ITU) show that the total number of global Internet users reached 5.3 billion in 2023, As of October 2023, there were 5.3 billion internet users worldwide, which amounted to 65.7 percent of the global population. Of this total, 4.95 billion, or 61.4 percent of the world's population, were social media users.

Figure 2: Number of internet and social media users worldwide as of October 2023 (in billions)



Source: (Statista.com, 2023)

From a regional perspective, the region with the highest Internet usage is Europe, and the region with the lowest is Africa. With the widespread application of Internet information technology, the number of global Internet users will further grow. This provides larger market size and higher average revenue customers, encouraging e-commerce companies to expand in these regions. However, it also comes with the challenge of more intense competition and the need for high-quality services. In contrast, Asia and Africa have huge growth potential despite lower penetration rates.

Inflation reduces consumer purchasing power from the standpoint of target consumers and consumption patterns. Channel precipitation will become a future development trend as low-cost goods demand rises. Additionally, more customers will be reached as new channels become available. That does not, however, imply that vendors must reduce their asking prices. Consumers will become more sensible in their spending

patterns as the market matures, necessitating the provision of high-quality goods at competitive costs. Great value offerings will therefore remain a popular trend.

From a policy perspective, the cross-border e-commerce business will keep growing and recovering in 2023 thanks to the introduction of numerous regulations that support it. These policies and measures, which address a wide range of issues, including tax relief, credit insurance and support, foreign exchange service optimization, building new overseas warehouses, etc., have guaranteed the long-term growth of the cross-border e-commerce sector and encouraged the reduction of costs and enhancement of trade efficiency. Furthermore, new services and models have been introduced by cross-border e-commerce platforms and associated service providers, giving businesses more opportunities to expand internationally.

In addition, the overall scale of the cross-border e-commerce market is expanding rapidly, and unimaginable huge growth space is waiting for us. According to Morgan Stanley's research and analysis, global e-commerce penetration has not reached its peak, and there is still room for growth in the future. The current \$3.3 trillion e-commerce market is expected to grow to \$5.4 trillion by 2026. In contrast, the domestic e-commerce market has been saturated, fierce competition, and fierce price war. Therefore, cross-border e-commerce is a very good opportunity for those who enter the market. In addition, online shopping has become the new normal of overseas consumption, and the cross-border export e-commerce industry is also ushering in huge incremental space. For example, in the North American market, e-commerce orders increased by 129% last year (Zi, 2023).

As the world's largest manufacturing country, China provides important support and cooperation opportunities for international e-commerce. China's large manufacturing base allows e-commerce companies to easily find suppliers, produce high-quality products, and offer competitive prices. China also has a huge e-commerce market, attracting international e-commerce companies to enter the Chinese market. At the same time, China's logistics and supply chain infrastructure continues to improve, helping the global expansion of e-commerce. Therefore, China's manufacturing strength is closely related to international e-commerce, which jointly promotes the development of the global e-commerce industry.

2. Methodology

This study uses a multi-channel data collection method to obtain comprehensive information and conduct an in-depth study of "the impact of e-commerce on international economic and trade". First, this TDK thesis collects trade statistics to understand the scale and trends of international trade. This provides macro-level insights to this article, revealing the role of e-commerce in global trade. Secondly, by collecting e-commerce platform data, this paper can evaluate the growth and characteristics of e-commerce and analyze various online transaction activities and trends to better understand the development of e-commerce.

In addition, in order to obtain a more comprehensive understanding, this paper adopts a mixed research method, including quantitative and qualitative analysis. Quantitative analysis helps this article identify correlations between trade and e-commerce and reveal macro trends, while qualitative analysis integrates interviews with experts and stakeholders through thematic analysis to provide deeper insights and help this article identify key issues. Interviews with experts and stakeholders provided valuable qualitative insights and professional opinions for this article, further enhancing the depth and breadth of the research.

Finally, through the interpretation of the results, this article will highlight the positive and negative impacts of e-commerce on international economic and trade. This will not only help to comprehensively understand the impact of e-commerce on international economic trade, but will also help this article make recommendations to fully utilize the advantages of e-commerce and solve related challenges. These three steps together constitute the methodology of this study to conduct an in-depth study of the impact of e-commerce on international economic and trade

3. Impact of e-commerce on international economic trade

3.1. Positive impacts

E-commerce is widely used in the international financial market, which is also a product of the integration of advanced information technology and the financial market. The development of e-commerce is always centered on both supply and demand, and through the use of different websites and platforms, it actively carries out trading activities and effectively promotes the development of the economy. Therefore, e-commerce has many positive effects on international economic trade.

Optimizing the structure of domestic demand

The emergence of e-commerce has effectively boosted consumption in the context of China's domestic demand. The sales of major platforms have shown a year-on-year growth trend, significantly higher than the sales of online entities. In terms of investment in the financial market, the development of e-commerce has made people pay more attention to the information entrepreneurship market, which has provided a boost to the development of science and technology and the Internet industry. For example, the traditional manufacturing industry has an obvious demand for e-commerce applications, and related enterprises have been increasing their capital investment to build e-commerce platforms and develop e-commerce applications (Ning, 2020). Against this background, more and more traditional industries are joining the e-commerce competition, and the level of construction in China's logistics, big data and cloud computing fields has increased significantly, with the transformation and upgrading of these fields effectively promoting economic development.

Diversification of Business Subjects

The diversification of business entities is also the main manifestation of the influence of e-commerce on international economic trade. The development of e-commerce has led to the emergence of a large number of e-commerce enterprises, which have effectively replaced intermediaries in import and export trade. By making full use of Internet information technology, it can realize the exchange and cooperation with other trading enterprises all over the world, make up for the shortcomings of the single function of enterprises under the traditional trade mode. At the same time realize the effective sharing of resources and information, so as to realize the win-win situation for both sides. At the same time, with the wide application of the Internet platform, more and more small and medium-sized enterprises can also join the international trade market (Huiming, 2020). Under the traditional trade mode, the development of small

and medium-sized enterprises has a huge obstacle, it is difficult to develop the international market, improve their competitiveness, and the development of e-commerce effectively optimize the international trade process, small and medium-sized enterprises can also through the e-commerce platform to display their products, into the international trade market, for the development of enterprises to provide a broad space.

Informatization of Trading Methods

The development of e-commerce has a direct impact on the transaction mode of international economic trade, realizing the optimization of the traditional transaction mode, through the use of e-commerce platforms, commodity trading activities can be completed under the network environment, realizing the effective integration of information flow, capital flow and logistics, and effectively improving the efficiency of the transaction (Mengqi, 2020). For transaction tools, through the live platform, e-mail can realize the efficient interaction between the two sides, to ensure the timeliness of communication, and effectively shorten the transaction process. In terms of payment methods, e-credit cards and e-checks are usually used to ensure the real-time arrival of the account, and for some intangible commodities, transactions can be completed efficiently in the network environment, online delivery can be realized, which helps to improve the rate of circulation of commodities, and the transaction mode has obvious characteristics of informationization.

Market integration

The rapid development of e-commerce enables countries and regions to effectively break down geographical barriers and trade barriers in trade activities, realizing the integration of international economic and trade markets. The development of e-commerce is mainly based on the Internet, which realizes the connection of users between different regions, breaks through the limitation of physical space under the traditional transaction mode, realizes the effective sharing of data and information, and builds a perfect and reliable network information environment, and the transaction platform is characterized by virtualization. In this environment, both services and commodities can get effective feedback and flow. For the supply and demand sides, they can fully understand the demand for commodities, avoid the problem of asymmetric import and export information, and reduce economic losses (Xiaokun, 2019). At the same time, in the international trade e-commerce platform, the market price is mainly determined by the value, which can ensure the reasonable development of the market. When carrying out trading activities, the two sides through the convenience of the Internet platform to realize real-time communication and interaction, for the producers, can fully grasp the specific needs of consumers, for consumers, can

fully understand the advantages and characteristics of the product. In the development stage, the e-commerce enterprises take the market demand as the main guide, produce new products in a targeted manner, and rationally optimize the human resource structure in combination with the market demand. In terms of the overall trade market, the development of e-commerce has made the division of labor among the trading parties between countries more specific and clearer, and ensured the rationality of economic capital distribution.

3.2. Negative impacts

Although e-commerce has made a great contribution to the development of international economy and trade and has become a major means to promote the development of international economy and trade, under the environment of e-commerce, there are many problems in international economy and trade, and the development of e-commerce also has certain negative impacts on international economy and trade.

Security Hazards of Transactions

The development of e-commerce realizes the integration of buyers and sellers, and the application of online transaction platform effectively reduces the transaction costs of both parties, but there are a lot of uncertainties under the networked and virtualized transaction mechanism (Tianqi, 2019). In the specific transaction, consultation, negotiation and payment activities are carried out on the Internet platform, the buyer's understanding of the product is more one-sided, limited to the seller's description, usually through the audio-video, pictures and other methods of display, it is difficult to watch the real thing, inevitably there is a certain degree of distrust. In addition, in the transaction, some merchants require a deposit, but when the seller delivers the goods and the buyer receives the goods, there are cases of non-recognition, the phenomenon of non-payment of the final payment is very common, so e-commerce transactions on the trust index is more stringent requirements. Although e-commerce provides great convenience for international economy and trade, it also brings many potential security risks. For example, the leakage of users' personal privacy information, the risk of identity security, and the common phenomenon of some criminals using the buyer's identity to conduct transactions, so it is necessary to continuously improve and perfect the credit-related mechanisms.

Payment Risks

In the context of the information age, Internet platform transactions are favored by people and have gained full popularity, but regarding the transaction environment of e-commerce, zero risk has not been achieved at present. Internet payment provides people with great convenience, but its security still needs to be improved. At present, fast payment is still accompanied by certain risks, some lawless elements exist to steal the user's private information, or there is theft of bank card money and other phenomena, very common. So more and more consumers have many questions about the security of e-commerce payment, hold the attitude of distrust, and the payment risk lack of perfect protection mechanism (Jiahao, 2018). Especially for international trading activities, because the distance between buyers and sellers is far away, it is difficult to predict the risk in advance, and it is difficult to maintain the legitimate rights and interests of either party.

Taxation Problems

When international economic and trade activities are carried out, the related transactions are conducted on the online platform, and the transaction data and information are very easy to be invaded by hackers and viruses and then stolen, so it is difficult for the tax department to ensure the accuracy of the statistical data, and the problem of tax loss is very common. Taxation is an important tool to ensure the balance of the market economy, and plays the role of supervision and regulation in the market. Therefore, the tax work of e-commerce still needs to be further optimized (Lili, 2019). At the same time, it is difficult to count the number of tax loss, it is difficult to clarify the specific scale of loss, and the related problems are getting more and more serious. Some enterprises still have the problem of tax evasion, and the methods of tax fraud have become more and more complicated and advanced, and it is difficult to estimate. Therefore, the rapid development of e-commerce also brings certain tax problems, which need to be solved urgently.

Slow development of logistics

Logistics can provide basic guarantee for the sustainable development of e-commerce, and the development of e-commerce is closely related to logistics. However, there are still many shortcomings in the construction of e-commerce logistics system, the relevant distribution system needs to be improved, and the level of technical management needs to be improved. Under the background of e-commerce, the development of international economic trade has a broad space, effectively simplify the transaction process, transaction efficiency significantly improved, but there are still

many problems in logistics, such as the main body of the structure is relatively single, the lack of use of advanced information technology, resulting in a low level of marketization, low efficiency of logistics and distribution services, and the relevant enterprises still need to further expand the scale of operation. At present, under the international economic and trade environment, the logistics and distribution market of e-commerce has not yet established a standardized order and lacks a perfect system and policy as a guarantee. Therefore, the relevant government departments should pay attention to it, strengthen the infrastructure construction, open up more transportation channels, improve the efficiency of logistics operation, ensure the smoothness of logistics, and establish a logistics distribution system to meet the needs of modern economic development, so as to further promote the development of international economic trade.

Lack of professional talents

Under the new situation, talents have become the cornerstone of enterprise development and the key element for enterprises to improve their competitive strength. Under the international economic and trade environment, the demand for e-commerce talents is also increasing. However, there is a relative lack of professional talents in the market at present, and the professional ability of many staff members has not passed the corresponding training and examination, and the knowledge system is not solid, and the personnel shortage phenomenon is very serious (Qiang, 2018). In addition, the current number of international economic and trade professionals can basically be guaranteed, but the use of e-commerce platform to carry out trading activities is not enough experience, and at the same time, their communication skills and foreign language proficiency also put forward higher requirements, in addition to the need to cope with emergencies of the ability to adapt to the situation, so as to ensure that the smooth progress of the trading activities to improve the sales effect.

4. Disadvantages of e-commerce and suggestions for improvement

4.1. Drawbacks of e-commerce

Although e-commerce, whether in China's domestic trade or in the development of international trade, has a necessary role to play, but because of its development time is not long, the accumulation of experience is limited, so that in the process of development there are still some problems. In addition, the unstandardized operation of certain merchants has also brought about a very serious adverse impact on the development of the whole economic system.

Lack of Physical Interaction

The shopping experience that e-commerce consumers bring to the table is inherently the opposite of what brick-and-mortar stores offer. The lack of physical interaction provided by traditional brick-and-mortar stores makes it difficult for customers to touch, feel or use products before purchasing. When shopping for a product, there is no way to feel the real feedback that the product brings to the consumer in terms of sight, touch and smell, coupled with the patience of several days of logistics time. When the product arrives in the hands of consumers, they find that the product and their expectations have a gap, there is no doubt that the online shopping experience for some of them will fail. Some of them will feel that the merchant has cheated the consumer, and thus put a bad review under the merchant's online store. Receiving a bad review affects a merchant's reputation score, which can lead to fewer pushes and ultimately a drop in sales, according to a study by Bright Local, which found that 94% of consumers avoid a business because of a bad review, while 57% will only use a business with a four-star rating or higher. (Kumar, 2023) So this is the domino effect due to lack of physical interaction.

Security Concerns

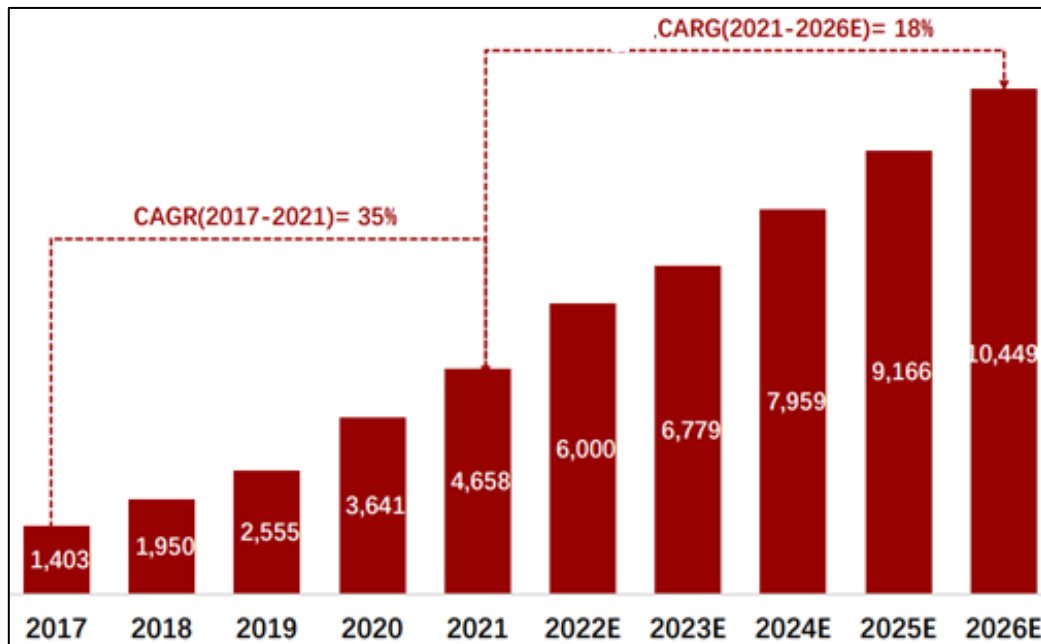
E-commerce is vulnerable to security breaches and online fraud, which can jeopardize the personal and financial information of customers and businesses. E-commerce promotes the development of online products on the one hand, but on the other hand, it fails to protect the property rights of online products of enterprises well, resulting in a large number of online products whose property rights have been misappropriated, and the emergence of imitation products in the market, which not only infringes on the consumers' right to know, but also is not conducive to the innovation and development of enterprises, and even discredits the image of the country, affecting the influence of

China globally and the image of a great power. The development of e-commerce has gradually made consumer information transparent, and it is easy to expose consumer information during the transaction process, which is not conducive to the protection of consumer privacy and easily infringes on consumers' privacy rights. In addition, some merchants illegally use e-commerce to engage in false sales, false propaganda, online fraud, theft of consumer information and other illegal behaviors, all of which are challenges that need to be faced in the development of e-commerce. (Dandan, 2020)

Deterioration of Commodity Quality

The biggest selling point of e-commerce, is the low price of goods, commodity production enterprises in order to improve competitiveness can only reduce costs by sacrificing product quality. As an example: July 30, 2021, General Secretary Xi Jinping presided over the Political Bureau of the CPC Central Committee meeting to study the deployment of the second half of the economic work, pointed out that the potential of the domestic market should be tapped to accelerate the linkage between the county and rural e-commerce system and express logistics and distribution system. (Ministry of Agriculture and Rural Affairs Information Center, 2021) Based on this important instruction, rural e-commerce has developed by leaps and bounds. Chinese farmers have better sales channels and sales of fruits and vegetables have increased dramatically. The market size of China's online grocery buying platform is RMB 465.8 billion in 2021, and the CAGR is expected to reach 18% from 2021-2026. (LeadLeo Tong Wenhao, 2022) But some unscrupulous elements, taking advantage of the lack of physical interaction between consumers and goods as mentioned above, watered down fruits to label their own products as juicy and fresh to increase competitiveness. Although this series of egregious incidents has been swept aside by the Chinese government, it has to be recognized as one of the problems embodied in e-commerce.

Figure 3: The following is the market size and forecast of China’s online grocery shopping platform industry (in terms of demand) from 2017 to 2026.



Source: (Wenhao, 2022)

Fiscal Impact on Local Cities

By the impact of e-commerce, three, four lines of the following cities offline entity store business income fell sharply, the delusion of using low-priced dumping to stop the loss, in fact, but caused the entity store business depression, or closure of the closure, a large number of people wide loss of work. Offline entity store closure, or due to poor business and early closing, resulting in a large reduction in the market shopping flow of people, every night small and medium-sized city commercial district dark, so that the city market has lost vitality. This shows a reduction in the desire of urban residents to consume, people shopping foot home, the entity store withdraws stalls, closure, closure, there are a large number of business premises appear idle, vacant. As the existing commercial premises are heavily vacant, the new commercial premises are even more difficult to sell. The main thing is the decline in tax revenue, thus affecting the local financial income.

4.2 Recommendations for Improvement

Plasing customers is at the heart of everything an e-commerce business does

To address the lack of physical interaction with customers, e-commerce companies can provide detailed product descriptions, high-quality images, and even virtual reality

experiences to give customers a better understanding of the product. In addition, offering a hassle-free return policy can boost customer confidence. After all, "the customer is God", and it is all in favor of what the customer feels and thinks. E-commerce companies should respond in a timely manner to any favorable or unfavorable reviews they receive. No one is perfect when it comes to receiving bad reviews, and even the best run businesses in the world sometimes make mistakes. The key is to be prepared for problems when they occur. Contacting the customer, discussing with them the problems they may be experiencing, and responding quickly to the problem gives the customer a warmer experience, which reduces the number of reviews that appear to have a negative impact. (Rosas-Maxemin, Tapcart, 2023)

Invest more in cybersecurity measures

E-commerce businesses must invest in strong cybersecurity measures, including encryption, secure payment gateways and regular security audits. Today's "big data" in China collects customers' spending habits and personalizes them through data analytics and AI-driven recommendation engines. Online shopping platforms customize product recommendations, promotions and content based on customers' personal preferences. This requires e-shopping platforms to issue legally binding statements that they will collect and use customer data responsibly. And must increase research and development efforts to improve the level of network security technology and e-commerce system security technology level, to effectively protect the public in e-commerce activities of privacy inviolability, enhance the confidence of e-commerce subject. Secondly, they should also educate customers about safe online shopping behavior.

4.2.3 Quality and safety management strategy

The national government to strengthen the intervention in the supervision of e-commerce platforms, improve the threshold of e-commerce platforms, can be whether the e-commerce products have the ideal quality of the comprehensive supervision mode, usually divided into four parts: first, to determine the sampling program, sampling samples; second, the sampling results as the basis for a comprehensive analysis of the product's stability; once again, combined with the risk level of early warning information; finally, through the platform to publicize the Results. Reduce the occurrence of behavior such as sacrificing quality to improve competitiveness, and create a fairer business environment for e-commerce enterprises. Bring absolutely transparent and safe commodity information to customers, and resolutely safeguard the interests of consumers and the image of a great nation.

Promote the common development of e-commerce and physical stores

E-commerce for the national market, there is a price advantage, brick and mortar prices cannot compare to e-commerce, but can be upgraded in service. Including online ordering and home delivery, for the range of services of the physical store, it is entirely possible to do this, and more advantageous than e-commerce. For example, customers can use social software to order goods from merchants, and if they are not satisfied with the goods, it is entirely possible to do a quick return and exchange. Local governments should tap into the advantages of brick-and-mortar stores and develop local characteristics to support the development of local brick-and-mortar stores. Further improve the e-commerce sales tax-related policies, strengthen the supervision and management of e-commerce sales tax, so that offline physical stores and e-commerce compete on the same starting line.

Summary

E-commerce serves as a potent force reshaping the international economic trade landscape. It brings forth numerous benefits such as optimizing domestic demand, diversifying business entities, informatizing trading methods, and fostering global market integration. However, it also introduces challenges in the form of security concerns, payment risks, taxation complexities, product quality, and fiscal implications for local economies.

To fully harness e-commerce's potential in international trade, a customer-centric approach is essential, along with robust cybersecurity measures, quality and safety management strategies, and the promotion of synergy between e-commerce and physical retail stores.

By proactively addressing these challenges and embracing the transformative capabilities of e-commerce, stakeholders can confidently navigate the evolving landscape. Skillful management of these issues will unlock the full potential of e-commerce, ushering in a new era of global trade characterized by efficiency, innovation, and inclusive growth. With these strategies in place, e-commerce can genuinely revolutionize international economic trade, shaping a more connected and dynamic global marketplace for the benefit of all stakeholders.

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