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Strategy of Cross border E-commerce Platform Operation Model – Case study of Tmall Global

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Abstract. With the rapid development of information technology and the increasingly obvious trend of economic globalization, cross-border e-commerce has developed rapidly against the background of the rapid development of e-commerce worldwide and with the support from all parties. Tmall Global under Alibaba Group is the most representative case currently. The operation model of cross-border e-commerce in China is still in the exploratory stage. This paper takes Tmall Global under Alibaba Group as an example to study the operation model and optimization strategies of cross-border e-commerce in China. Firstly, it outlines the relevant research and theories on operation models, as well as the operation models and innovative elements of cross-border e-commerce enterprises. Secondly, based on the discussion of China's cross-border e-commerce operation model and innovation, it analyzes the constituent elements of the cross-border e-commerce operation model. Then, through comparative analysis of the advantages and disadvantages of Tmall Global's and Amazon's, JD's and other typical domestic and foreign cross-border e-commerce operation models, it explores the optimized development enlightenment of cross-border e-commerce operation models. Finally, it studies the development optimization strategies of China's cross-border e-commerce operation model, and elaborates from aspects such as customs clearance efficiency, policy system, cross-border logistics and credit system.

Keywords. Cross-border e-commerce; Operation model; Tmall Global

1 Introduction

1.1 Research Background and Significance

At present, with the rapid development of information technology, the business model of internet platforms has gradually begun to lead the navigation new economy. According to research by Professor Thomas Eisman of Harvard University, 60 of the world's top 100 companies rely on platform business models to generate revenue. With the introduction and implementation of China's 2015 "Internet" action plan, the development of Platform economy in the past three years has received extensive attention. In the 2017 list of global unicorn companies, there are 55 unicorn companies in China, excluding the United States. The country with the most unicorn companies, most of which are platform business models. In recent years, the number of enterprises applying platform business models has been increasing day by day, rapidly developing and gradually occupying a dominant position in various industries.

Against the backdrop of rapid development of platform business models and in-depth industrial integration, there are various platform business models built through the Internet, among which e-commerce platforms under internet trading platforms have developed the fastest. For example, in the 2017 Global Unicorn Companies List, the most "unicorn" companies appeared in the e-commerce field. In the field of e-commerce, the growth of cross-border e-commerce is the most remarkable. As of October 2018, the total import volume of cross-border e-commerce increased by 53.7% year-on-year, and the sources of commodity imports have been distributed in over 200 countries and regions worldwide, with import values exceeding 10 billion yuan. It is expected that by 2020, there will be over 200 million cross-border consumer users in China, indicating the strong vitality and endurance of the business model of cross-border e-commerce platforms. Tmall Global was born in 2014 and has achieved great success in its four years of development. It is a representative of China's excellent cross-border e-commerce platform. Chinese goods are gradually entering the international market through cross-border e-commerce platforms. China's excellent and unique products have attracted the attention of many foreign consumers. How to better utilize the business model of the platform to meet the needs of cross-border e-commerce consumers has become a new goal for the development of cross-border e-commerce in China.

1.2 Research Methods

Literature analysis method: Chinese e-commerce giant Alibaba is a well-known platform based enterprise, and its subsidiary Tmall Global is one of the most influential cross-border e-commerce platforms in the world. In recent years, it has achieved remarkable results and is deeply loved by consumers, with experience that other cross-border e-commerce platform companies cannot match. Therefore, this article selects Tmall Global as a typical case to conduct in-depth research on its platform business model, providing a reference basis for the optimization strategy research in the following text.

Comparative analysis method: By comparing and analyzing Tmall Global with different types of cross-border e-commerce platform enterprises - self operated platform business models (NetEase Kaola) and hybrid platform business models (JD Hai Dun Global), we can further understand the specific operation of domestic cross-border e-commerce platform business models, and contribute to the research on the current cross-border e-commerce platform business models.

2. Relevant theoretical foundations

2.1 Cross border e-commerce related theories

2.1.1 Cross border e-commerce concept

Cross border e-commerce refers to a relatively advanced form of e-commerce application, which refers to transactions between different countries or regions through the Internet and related information platforms. Moving various links in traditional forms of trade from product display, negotiation between enterprises, and transaction to the online platform, completing the entire process of import and export of goods on the Internet platform, making commercial trade activities around the world more flexible.

Cross border e-commerce has two meanings: "From the perspective of dynamic trade models, cross-border e-commerce is basically equivalent to" foreign trade e-commerce ", referring to an international commercial activity where transaction entities belonging to different customs territories digitize the display, negotiation, and transaction processes in traditional import and export trade through e-commerce, and deliver goods and complete

transactions through cross-border logistics. From the perspective of static trade sectors, cross-border e-commerce refers to the application of e-commerce in import and export trade, which is the digitization, digitization, and networking of traditional international trade and business processes. It involves various trade processes, including electronic trade of goods, online data transmission, electronic fund transfer, electronic freight documents, and other contents. In summary, cross-border e-commerce not only includes commodity transactions, but also cross-border e-commerce services. It not only includes cross-border retail in cross-border e-commerce transactions, but also includes the B2B part of cross-border e-commerce. It not only includes the part of cross-border e-commerce B2B that achieves online transactions through cross-border trading platforms, but also the part of cross-border e-commerce B2B that achieves offline transactions through online transaction matching through internet channels.

2.1.2 Composition of cross-border e-commerce

The industry chain of cross-border e-commerce is divided into upstream, midstream, and downstream. Among them, cross-border e-commerce platforms belong to intermediary platforms in the midstream, connecting upstream brand merchants, upstream manufacturers, and downstream final consumers. In addition, horizontally, the cross-border e-commerce industry chain is composed of three major sectors: "operation chain, support chain, and service chain", with various categories listed below each sector. The entire chain tree diagram is closely linked and interconnected, and none of them is indispensable.

2.1.3 Types of cross-border e-commerce

From the perspective of the process of cross-border e-commerce import and export, it can be divided into two types. Firstly, the producer or manufacturer displays the products on cross-border e-commerce platforms. After the products are selected, ordered, and paid, the cross-border e-commerce enterprise hands over the goods to the logistics company for transportation. After customs inspection, the products are finally delivered to consumers; Secondly, cross-border e-commerce enterprises directly cooperate with third-party comprehensive service platforms, allowing them to handle a series of processes such as logistics, customs clearance, and inspection, thereby completing the cross-border e-commerce transaction process.

2.2 Theoretical basis of cross-border e-commerce operation mode

2.2.1 Concept of operation mode

In the past, Western scholars referred to the production of game products that were linked to factories as simply business methods, and gradually the operational model began to transform into planning, organizing, implementing, and controlling the business process of the enterprise, which is a collective term for various management work closely related to product production and service creation. The operational model focuses on addressing the interactive relationship between enterprises, the environment, and the industrial value chain. The operational model creates the core advantages, capabilities, relationships, and knowledge of the enterprise, mainly including the positioning of the industrial value chain, which refers to the industry chain in which the enterprise is located, what position it is in this chain, how the enterprise should be positioned based on its own resource conditions and development strategy, and the design of the profit model, which refers to where the enterprise obtains income and what forms of income it can take, What form and proportion of these income are distributed in the industrial chain, and whether enterprises have a say in this distribution.

2.2.2 Elements of cross-border e-commerce operation model

The operational model of traditional enterprises includes both operational processes and operational systems. The operational process is a process of input, transformation, and output, a labor process or a process of value appreciation, and the operational system refers to the means by which the aforementioned transformation process can be achieved. The most basic and primary functions of an enterprise's operational model are technology, finance, production operations, marketing, and human resource management.

With the rise of e-commerce, the operation mode of cross-border e-commerce has given new and higher requirements, and new elements that meet industry characteristics such as payment security and international logistics transportation have emerged. To build a comprehensive cross-border e-commerce operation system, this article will study the typical cross-border e-commerce operation mode of Tmall Global in China, comprehensively exploring optimization strategies for cross-border e-commerce operation mode, mainly including product flow and profit model, Marketing methods, e-commerce talents, cross-border logistics, payment system, legal protection, and customs clearance efficiency.

3 Analysis of the Business Model of Tmall Global Cross border E-commerce Platform

3.1 Overview of the Development of Tmall Global Platform

Alibaba Group officially launched Tmall Global, a B2C cross-border e-commerce platform, in February 2014. Tmall Global is a typical "third-party cross-border e-commerce platform business model" that can directly supply overseas imported goods to domestic consumers. In the four years since its birth, Tmall Global has achieved great success and is a representative of China's excellent cross-border e-commerce platform.

At present, Tmall Global's "footprint" involves 75 countries and regions, and more than 19000 international brands have settled in. Its products cover more than 3900 categories such as mother and baby, beauty, health, food, clothing, home, and personal care. Consumer demand is becoming increasingly personalized and diversified, driving Tmall Global to introduce more products from emerging production areas and niche brands, better satisfying consumers who are willing to try and keep them at home, You can buy good things from around the world.

The merchants entering Tmall Global are all corporate entities with overseas retail qualifications, but the companies are all outside Chinese Mainland; The goods sold are all originating or sold overseas and officially entered through Chinese customs. Due to domestic consumers being more familiar with the Taobao process, Tmall Global will also adopt a similar process to make it easier for consumers to purchase overseas products. In terms of payment, consumers can use Alipay to buy imported goods just like they do on Taobao. In terms of logistics, Tmall Global has specific requirements for merchants, such as completing the shipment within 120 hours, arriving within 14 working days, and ensuring that logistics information can be tracked throughout the entire process. In terms of after-sales service, such as using the professional software Wangwang Chinese Consulting to provide after-sales consultation and services.

Tmall Global, relying on Alibaba's strong resource support, has been developing rapidly and has achieved remarkable results. The concept of 'staying at home and buying all over the world' is increasingly becoming a popular lifestyle among Chinese consumers. In the fourth quarter of 2018, the scale of China's cross-border import and retail e-commerce market was 114.56 billion yuan, an increase of 36.0% month on month. In the cross-border import e-

commerce industry market competition, Tmall Global has maintained rapid growth. In the fourth quarter of 2018, Tmall Global not only continued to hold the first place with a share of 31.7%, but also expanded its leading advantage, which was Tmall Global's top market share for five years.

3.2 Analysis of the Business Operation Model of Tmall Global Platform

At present, there are two common platform business operation modes for Tmall Global: one is the direct shipping and direct shipping mode; One is the bonded direct mail mode.

Tmall Global is a representative platform for China's direct shipping and direct shipping models. Firstly, with the strong resources of Alibaba's matrix, Tmall Global has attracted cooperation and franchises from numerous global brand suppliers, and has always held a high market share. The huge traffic and popularity of Tmall Global platform have also attracted many overseas investors who have been interested in exploring the Chinese market. In 2018, the number of overseas brand registrations on Tmall Global increased by 122% year-on-year, with the fastest growth rate in the second quarter, exceeding 150% year-on-year. As of the second quarter, the total number of brand registrations had exceeded that of the entire year of 2017. Moreover, Tmall Global has developed friendly cooperative relationships with the governments of many countries with well-known brands such as France and Italy. These government departments will cooperate to guide domestic brands to gradually enter the Tmall Global platform, helping Tmall Global reduce the pressure of brand review and avoid risks. These are not only conducive to the healthy development of foreign brands in the future, but also bring international recognition and convenience to Tmall Global, which can be described as a win-win situation.

Then, with the support of numerous brand suppliers entering the platform, consumers log in to the Tmall Global platform to choose their favorite products and place orders for payment. After placing a successful order, Tmall Global will send the generated orders to the brand suppliers of the products they have chosen to purchase.

3.3 Analysis of the Main Elements of the Business Model of Tmall Global Platform

3.3.1 Product Flow

At present, Tmall Global's consumers with high purchasing frequency are mainly focused on young women born in the 1990s, who have a strong sensitivity and demand for product quality. They also like to stock up and have huge consumption potential. So currently, the relatively best-selling product categories on Tmall Global are beauty and personal care, health products, food, clothing and luggage, etc., mainly in line with the consumption concept that domestic consumers trust and appreciate foreign brands. With the continuous development of Tmall Global, with its high domestic popularity, it has attracted many overseas brands to join, and the number of brands entering has been increasing year by year. This also means that Tmall Global has made a qualitative leap in the quantity and variety of overseas products it can provide. At the same time, in order to better meet the needs of all parties, Tmall Global is gradually establishing and improving bonded warehouses, actively ensuring all aspects of product supply, so as to provide consumers with more diverse product choices and attract more diverse consumers.

3.3.2 Promotion and marketing

In fact, for most cross-border e-commerce, there are several common promotion and marketing models: search engine marketing, precision marketing, and social streaming marketing are commonly used, and Tmall Global is also the same. However, with the advancement of the technology era, many conventional marketing methods seem to have more than enough effort, and how to efficiently spread the brand to consumers in the face of the huge flood of information flow is the key. Nowadays, traffic is king, and cross-border e-commerce platform enterprises are also laying out entertainment marketing in the 'big traffic users' category. Entertainment marketing, as the name suggests, relies on the huge traffic brought by the nature of entertainment and uses traditional marketing methods for diffusion and secondary dissemination. In this regard, Tmall Global took the initiative and participated in entertainment marketing represented by brand naming and sponsorship.

Tmall Global exclusively named "Extreme Challenge" with the participation of celebrities with high traffic. Firstly, there are a total of twelve episodes in the second season of 'Extreme Challenge', and Tmall continuously promotes its own activities by coordinating the program's broadcast at weekly time points. Then, with '6' as the main concept, create a '6+6+6' import business extreme challenge, and strengthen Tmall Global's cross-border import concept with 6 countries/regions (the United States, Japan, South Korea, Europe, Taiwan, Australia) as the concept; Strengthen the application scenarios of imported products with the concept of six scenarios (dating, traveling, filial piety, staying at home, traveling, sports); Create 6 popular products, use representative products to match the theme of each episode, and the current 6 popular products have the concept of 'limit' in terms of price, logistics, brand, and service; In the final issue of Extreme Challenge, Tmall Global maximizes the utilization of the user development formed in the 12 episodes of "Extreme Challenge" aired on Sunday On Sundays, go to Tmall International to participate in activities, grab red envelopes, and develop a habit of thinking. Continuously create explosive products, further making Sunday's participation in extreme challenge Tmall International red envelope activities a user norm. Tmall International has successfully created momentum through entertainment variety shows, online communication, and offline activities, increasing traffic and visibility for Tmall International.

3.3.3 Cross border payment

Tmall Global relies on Alibaba, Its main payment method is Alipay (Alipay, similar to Taobao, has a fund flow method. After payment through Alipay, this part of the payment for goods will be temporarily stored in Alipay. After the merchant processes the order and delivers the goods, and the consumer finally receives the purchased goods, this part of the payment will reach the merchant. This way, to a certain extent, protects the interests of both the merchant and the consumer, and passes through a third party Cross supervision to make the flow of funds between both parties more standardized.

3.4 Comparative Analysis of Tmall Global and JD's Operation Models

3.4.1 Marketing methods

Tmall Global will adopt email marketing, where consumers subscribe to email advertisements and place advertisements on their email to attract consumers. Search engine marketing involves promoting and advertising on search engines to attract consumers. And new marketing methods such as socialized marketing and website alliances to expand the market. Tmall Global pays attention to the actual needs of global consumers and vigorously develops new products to meet the preferences of various consumers. Currently, it mainly relies on

foreign search platforms, and the promotion system is not perfect enough; JD Mall has targeted advertising and strategic cooperation with important foreign traffic channels.

3.4.2 E-commerce Talents

Tmall Global relies on Alibaba Business School, a subsidiary of Alibaba Group, to accumulate many excellent e-commerce talents. It has a core e-commerce team, such as e-commerce director, marketing specialist, branch art designer, logistics supervisor, and after-sales customer service, with refined job division. Comprehensive e-commerce talents are still relatively lacking.

JD Global, as the largest self operated e-commerce enterprise in China, has also spared no effort in talent cultivation. JD has signed talent cultivation plans with multiple vocational and technical schools, specifically providing e-commerce talents for its own enterprise. In 2010, the training was separated from the HR system, and in 2012, JD University was established with the approved positioning of "improving the comprehensive abilities of JD employees and effectively implementing the company's cultural values". However, according to founder Liu Dongqiang, most executives at JD.com do not have basic experience in e-commerce. In 2016, JD.com had nearly 160000 employees, and the overall quality of the employees remained uneven.

3.4.3 Cross border logistics

Most of the merchants on Tmall Global are independent business entities that have not formed a huge scale and have not yet established their own cross-border logistics system. Therefore, the logistics of Tmall Global merchants' goods are basically determined by the merchants' logistics companies or shipped by cooperating logistics companies. At present, the service providers cooperating with Tmall Global include EMS, China Post, Hongkong Post, SF Express, DHL, TNT, etc. Merchants can independently choose logistics companies that meet their product characteristics or geographical advantages, and consumers can also negotiate with merchants to choose the best local logistics. When the monthly shipment volume of merchants is large, logistics companies will offer a certain UI discount, which further reduces the operating costs of merchants and improves profits. JD collaborates with international third-party large logistics companies to provide global logistics solutions, covering over 50 countries and regions worldwide. In China, JD has opened port services in three tax reporting areas: Hangzhou, Ningbo, and Guangzhou, solving the problem of stocking and warehouse allocation for merchants and shortening product transportation time.

3.4.4 Payment System

On the fund operation platform, Tmall Global uses the international version of Alipay. Relying on the same group's fund operation platform, it greatly ensures the safety of funds. And only using extremely low operating costs, compared to other cross-border e-commerce platforms, there is no need to pay high third-party payment transaction fees. At present, there are many international Alipay payment methods, including MasterCard, VISA, UnionPay, WEBMONEY, Boletto and bank remittance, and they are still improving. In the future, there will be more payment methods for consumers to choose. Consumers who purchase overseas purchases in JD Global will settle their purchases through JD Pay, VISA, MasterCard and other international credit cards, UnionPay or WeChat Pay.

4. Optimization Measures for the Development of Business Models of Cross border E-commerce Platforms in China

4.1 Optimizing the overseas commodity system

The good development of cross-border e-commerce requires a sound platform business model, especially the support of upstream product flow. As a cross-border e-commerce, the advantages and disadvantages of the overseas product system have become very important. For example, Tmall Global belongs to the "third-party" platform business model, with a large number of merchants and a large scale. A rich and diverse product flow can indeed bring more traffic to Tmall Global, but it also needs to pay attention to the control of product "quality", especially in the face of larger businesses and products. In recent years, Tmall Global has also had negative information about products. Therefore, cross-border e-commerce enterprises that use the platform business model should attract more brands, merchants to settle in, or a wider selection of brand merchants to purchase, and expand targeted products that lack variety or quantity; On the one hand, more attention should be paid to controlling the quality of merchants and products entering or purchasing overseas brands. When examining overseas brands, it is necessary to conditionally raise the entry threshold and review standards, such as considering whether there have been any cases of dishonesty or product disputes in local brand reviews in the past; At the same time, information can be appropriately publicized to consumers, allowing them to see with confidence and buy with peace of mind.

4.2 Develop a systematic marketing and promotion strategy

In terms of selection, there are many options for promotion and marketing methods. Cross border e-commerce enterprises should comprehensively consider which or several promotion methods to use based on the platform's own characteristics, development situation, business types, key audience groups, market conditions, and other aspects, rather than blindly following the trend, achieving low investment, high output, and being able to flexibly combine the platform's business model. For example, for a large and mature cross-border e-commerce platform like Tmall Global, it is necessary to make use of its own capital, Big data and brand advantages, use targeted, large-scale, innovative promotion means, and further expand market advantages. Firstly, in terms of formulation, sometimes a single promotion method may not produce much effect, but the comprehensive use of multiple promotion methods, such as flexible use of time nodes, online and offline integration, and enterprise linkage, can achieve better results. Secondly, it is necessary to flexibly utilize the positive network effects and positive ecosystem generated by the platform's business model, stimulate the "user group" to attract more users and diverse users, develop interaction between users, and maximize online promotion and dissemination. Therefore, cross-border e-commerce enterprises should systematically select and develop suitable marketing and promotion strategies to leverage the true advantages and role of the platform's business model.

4.3 Enhancing Platform Credit Construction

Cross border e-commerce platform enterprises mainly engage in online transactions, and unlike on-site shopping, consumers rely on virtual information for shopping and consumption. So the credit level of the enterprise platform itself is very important, and it is also an important assessment standard for consumers to choose cross-border e-commerce platforms. A platform with a high level of credit can not only effectively protect the interests that consumers should have, but also bring more traffic to them. For example, although Tmall Global is a leading player in China's cross-border e-commerce industry, we can still see some

negative news about Tmall Global from the media. This inspires Tmall China to select merchants who settle on the Tmall International platform with high standards, and strictly control their products to prevent the existence of defective or counterfeit products. At the same time, we need to strengthen the construction of Tmall Global's own credit system. In order to further warn against unscrupulous merchants, Tmall Global, as an industry leader, can use its rich merchant information to summarize those who fail the review and publish blacklist merchant information in accordance with national laws and regulations.

This also inspires cross-border e-commerce enterprises in China that use platform business models to establish a public information service platform using existing and mature platform technology and information. On this platform, identity recognition information, foreign trade information, commodity information, logistics information, etc. of cross-border e-commerce can be displayed, and a third-party credit information investigation and management system can be established, allowing consumers to intuitively see the specific credit information of each merchant. It is also conducive to the healthy development of the cross-border e-commerce industry.

4.4 Management and improvement of third-party cross-border payments

For the continuous occurrence of cross-border e-commerce fraud transactions, cross-border e-commerce platforms can use the establishment of a risk management framework to prevent the misappropriation of account and information leakage, and ultimately reduce the possibility of transaction risk fraud by controlling and managing transaction data. For example, Alipay, a third-party payment institution used by Tmall Global, can effectively improve the overall risk prevention and control capability of cross-border payment transactions by strengthening the risk sharing and cooperation mechanism in the industry. In addition, in the process of cross-border payment transactions, payment institutions should strictly comply with relevant laws and regulations, and review the authenticity of transaction information and the identities of both parties in accordance with the guidance of relevant departments. While strengthening supervision, payment institutions should also increase investment in research and development of payment technologies, improve security in the process of cross-border payment, increase the confidentiality of transaction data generated by cross-border payment, and use the advantages of Big data and cloud technology to review the identity of both parties in hierarchical cross-border transactions, so as to provide a more secure and reliable shopping and payment environment for domestic and overseas users.

4.5 Effective Control of Platform Logistics System

For cross-border e-commerce platforms, the most important responsibility is to effectively monitor and manage the logistics delivery process, ensure the safety and speed of logistics delivery, and ultimately deliver goods efficiently to consumers.

So although Tmall Global uses rookie logistics that relies on other logistics companies for delivery, both Tmall Global and its corresponding logistics companies should optimize the construction of cross-border logistics informatization. Starting from the moment of product ordering, transportation, warehousing, receipt, and other links can be transparently and truly displayed on Tmall Global's platform, and consumers can also track logistics throughout the entire process. This also inspires cross-border e-commerce platforms and logistics enterprises to maintain smooth information transmission at all times, whether it is third-party cooperation or self built logistics enterprises, and work together with these enterprises to integrate various resources and logistics information on the supply chain, achieving mutual supervision and

supervision. At the same time, it can also help third-party merchants who have settled on the platform to provide professional logistics services, increasing their settling time and willingness.

4.6 Strengthen the talent construction of e-commerce platforms

With the deepening of cross-border e-commerce business operations and the expansion of business scale, cross-border e-commerce platform talents who master platform professional knowledge have become an important influencing factor for their smooth development.

For the construction of cross-border e-commerce platform talents, firstly, the cross-border e-commerce platform should cooperate with the government to strengthen the cross-border e-commerce talent training plan and carry out large-scale cross-border e-commerce training work accordingly. Secondly, we can use our accumulated platform experience for many years to increase investment in the training of cross-border e-commerce platform talents, and carry out targeted training on cross-border e-commerce platform Talent management. For example, Tmall Global, as an experienced cross-border e-commerce platform enterprise, can call for and hold competitions in cross-border e-commerce platform business, service, knowledge and skills as an industry example, Increase public attention to the cross-border e-commerce industry. Finally, cross-border e-commerce platforms can promote the advantages and development prospects of cross-border e-commerce platforms based on their own development history and achievements. To some extent, cross-border e-commerce platform models can be promoted, and incentive mechanisms such as rewards and dividends can be established within the enterprise to attract more outstanding talents interested in cross-border e-commerce platform business.

4.7 Optimize cost structure and innovate profit models

The business model of cross-border e-commerce platforms cannot be separated from value creation and value acquisition, and how to improve these two aspects naturally also depends on costs and profits. Firstly, for the costs incurred by cross-border e-commerce platforms in basic and auxiliary value creation activities, cost value management methods should be taken from the perspective of the value chain. Key core platform businesses should be strengthened, and peripheral platform businesses can be considered for outsourcing to reduce unnecessary cost expenditures and effectively control platform costs in all aspects of platform operation. Secondly, innovative profit models should be established. For example, as a "third-party" platform business model, Tmall Global can leverage the large scale and large number of platform merchants to expand revenue sources through rich personalized and value-added services, attract more merchants and users, and increase revenue through economies of scale.

5 Conclusion

Cross border e-commerce is a rapidly developing emerging industry that has entered a golden age of rapid development. Enterprises involved in the cross-border e-commerce industry are showing a continuous growth trend. With the innovative development of the industry and policy changes, there will be more diverse operational models in the future. In addition, there will also be more other challenges besides customs clearance, payment, talent, policy and other issues. How to deepen cooperation and what development trends cross-border e-commerce will have in international trade in the future will be a topic that can be further studied.

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