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### Exploration of Marketing Strategy of Cross-Border E-Commerce Enterprises Under Digital Marketing Mode

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Abstract: In the era of digital economy, the digital marketing model brings opportunities and challenges to cross-border e-commerce enterprises. This paper conducts an in-depth study on the marketing strategies of cross-border e-commerce enterprises under the digital marketing model, including global market research and analysis, the establishment of multi-channel marketing, brand strategy and other aspects. At the same time, the paper analyzes the challenges faced by enterprises, such as imperfect laws and regulations, imperfect logistics system, high payment and settlement risk, fierce market competition and technical talent shortage and so on, and puts forward corresponding coping strategies. In the future, cross-border e-commerce enterprises should constantly innovate digital marketing strategies, improve their competitiveness, and achieve sustainable development.

Key words: digital marketing mode; cross-border e-commerce; enterprise marketing; strategy research



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#### Introduction

In the context of the rapid development of digital economy, the field of cross-border e-commerce has ushered in unprecedented development opportunities and challenges. As a powerful tool, digital marketing has expanded a broader space for the development of cross-border e-commerce enterprises in the international market, and provided diversified marketing means. Digital marketing is crucial for cross-border e-commerce companies, helping to raise brand awareness and attract target user groups to drive sales growth. This study deeply discusses the marketing strategies of cross-border e-commerce enterprises under the digital marketing model, aiming to provide a solid theoretical basis and practical guidance for enterprises to gain advantages in the international market competition.

#### 1. Background and significance of digital marketing of cross-border e-commerce

1.1 Development status of cross-border e-commerce



Cross-border e-commerce has experienced three major stages of development. In the OEM / ODM era, the inter-enterprise (B2B) model is dominated, focusing on the construction and expansion of the supply chain. Companies provide OEM production or original design and manufacturing services by establishing partnerships with overseas buyers. During this period, cross-border e-commerce paid more attention to the production and supply capacity of products, while making relatively little investment in brand value and marketing. Then entering the era of distribution, enterprises tried to attract consumers by price competition and quantity by listing a large number of product links in two or three e-commerce platforms. However, due to the lack of attention to brand building and marketing, the customer repurchase rate is low, and it is difficult for enterprises to form a long-term and stable customer group. Entering the era from seller to brand, brand system construction has become the core task. Enterprises acquire customers through multi-platform and multi-channel marketing means, and pay more attention to customer needs and experience, committed to improving the lifetime value of customers.

Chinese cross-border e-commerce scale continues to expand, and the trade volume continues to grow. In recent years, the scale of Chinese cross-border e-commerce has maintained a rapid growth rate, with the growth rate far exceeding the overall growth rate of foreign trade. According to customs statistics, Chinese cross-border e-commerce imports and exports have increased nearly tenfold in the past five years. In 2023, the size of Chinese cross-border e-commerce market (according to GMV statistics) reached us \$1.4 trillion, with a compound annual growth rate of 18.5% compared with 2019, accounting for about one-third of Chinese total e-commerce market. Chinese cross-border e-commerce is expected to grow at a compound annual growth rate of 11.3% by 2028.

The future development trend of cross-border e-commerce includes the digitalization of international trade and the global layout of cross-border live streaming e-commerce. The digitization of international trade involves the use of big data, artificial intelligence and other technologies to improve consumers shopping experience and business operation efficiency. Cross-border live streaming e-commerce will display products in real time through the live streaming platform, interact with consumers, and improve product exposure and sales volume. It is expected to achieve a wider layout in the global scope in the future. The rise of emerging markets is also a big trend. In addition to North America, Europe, Japan and other mature e-commerce regions, Latin America, the Middle East and other emerging e-commerce regions growth is significant. More and more cross-border sellers are turning their attention to emerging regions such as Latin America and the Middle East with rapid growth and greater potential. Data show that Latin America is one of the fastest growing regions for e-commerce, with a growth rate of as high as 15% in 2023.

Cross-border e-commerce platforms present a super and many strong situation. As the leader in the cross-border e-commerce industry, Amazon in the US is the first choice of most cross-border e-commerce sellers. However, in recent years, domestic Internet companies have opened cross-border e-commerce platforms, such as Temu and TikTok shop, and the rise of independent station platforms, such as Shein, which focuses on clothing products, have achieved rapid growth in terms of users, sales scale and revenue, and their market share has also increased rapidly. At present, cross-border e-commerce platforms are in a strong situation. The opening of new platforms is expected to enhance the vitality of the industry and provide more diversified choices for cross-border e-commerce sellers.

- 1.2 The importance of digital marketing to cross-border e-commerce
- 1.2.1 Enhance the brand awareness and attract the target audience.

Under the framework of digital marketing, cross-border e-commerce enterprises can enhance brand awareness and attract target audiences through diversified channels. For example, branding



using social media platforms can reach potential customers around the world. According to the characteristics of different platforms and user groups, enterprises should formulate targeted marketing strategies and release attractive content, such as product introduction, use guide, customer evaluation, etc., so as to improve the visibility of the brand in the target market. In addition, email marketing is an effective means to attract their attention to the brand and facilitate purchases by sending personalized emails to potential and existing customers, introducing new products and promotional activities. Affiliate marketing can use the channels and resources of partners to expand the communication scope of the brand and enhance the brand awareness.

#### 1.2.2 Reduce the marketing expenses and improve the conversion efficiency.

Compared with the traditional marketing means, digital marketing has a significant cost-effectiveness. Cross-border e-commerce enterprises can understand the needs and behaviors of target users through precise data analysis, and then develop more effective marketing strategies to avoid unnecessary advertising expenditure. For example, the search engine optimization (SEO) technology is used to improve the ranking of enterprise websites in search engines, attract natural traffic, and reduce advertising costs. At the same time, through the precise delivery of social media advertising, the advertising content is presented to the users most likely to be interested in it, thus improving the AD conversion rate. In addition, digital marketing can also use data analysis to continuously optimize the marketing strategy, improve the marketing effectiveness, and further reduce the marketing costs.

#### 1.2.3 Help enterprises to build brands and enhance market competitiveness.

In the cross-border e-commerce market, brand building is crucial. Digital marketing can help enterprises to build their brand image, enhance their brand value and market competitiveness. Through content marketing, enterprises can convey brand stories, values and product advantages to users, and establish an emotional bond between the brand and users. At the same time, social media platforms are used to interact with users, timely respond to users consultation and feedback, and improve user satisfaction and loyalty. In addition, digital marketing can also improve brand awareness and reputation through brand cooperation and sponsorship activities, and establish the brands leading position in the industry.

# 2. Challenges faced by cross-border e-commerce enterprises under the digital marketing model

#### 2.1 Imperfect laws and regulations

There are significant differences in trade regulations between countries, which pose serious challenges to compliance operations. In the context of digital marketing, cross-border e-commerce enterprises especially need to deal with the diversified provisions formulated by these different countries in tariff policies, trade barriers, intellectual property protection and other aspects. For example, some countries impose high import tariffs on specific goods, while others may take more stringent measures on intellectual property protection for specific products. Therefore, cross-border e-commerce enterprises must thoroughly study and master the relevant laws and regulations of each target market to ensure that their business activities do not violate local laws.

In addition, given the possibility that the laws and regulations of different countries may change over time, the uncertainty of corporate compliance operation also increases. Companies must continue to pay attention to the latest developments in national regulations and adjust their business strategies in time to meet the new legal requirements. For example, some countries may step up supervision of cross-border e-commerce, requiring companies to disclose more product information or pay higher taxes. If companies fail to keep abreast of these changes and make adjustments, they may be at risk of fines, goods seizure, or even bans from selling in the region.

#### 2.2 Logistics system is not perfect



In the field of cross-border e-commerce logistics, the problems of high transportation costs and the long logistics time limit are particularly significant. At present, the average distribution cycle of cross-border logistics is between three to ten days, which takes about a week in most cases, which is obviously a long time compared with domestic logistics. The long delivery cycle not only significantly reduces the shopping experience for consumers, but also increases the chance of problems during transportation. For example, for goods with high timeliness requirements such as fashion clothing, a long logistics cycle may lead consumers to miss the fashion trend, thus weakening their desire to buy. In addition, because cross-border logistics involves a long distance, and the freight rate is relatively high, which leads to the increase of commodity prices, and then affects the market competitiveness of cross-border e-commerce. There are many reasons for the high transportation costs and the long logistics time limit. On the one hand, international logistics includes transportation, customs declaration, inspection, storage, distribution and other links, its complexity and complexity is far more than domestic logistics. The development of logistics in China started relatively late, and it is not as mature as in foreign countries. On the other hand, different countries and regions have differences in logistics infrastructure and service levels. In some areas, logistics technology is relatively backward and transportation efficiency is low, which undoubtedly increases logistics cost and time. For example, in some developing countries, transportation-basedThe infrastructure is not perfect, the logistics distribution network is not perfect, resulting in the extension of goods transportation time, cost increase

The complexity of tariffs and customs clearance procedures is also one of the key challenges facing cross-border e-commerce logistics. Cross-border logistics needs to go through two customs procedures in different countries: exporting country and destination country. In the export of e-commerce, the importance of the destination country customs is self-evident. However, the situation of customs goods inspection occurs from time to time, and the processing results are usually divided into three kinds: direct confiscation, return to the place of delivery or requiring supplementary documents. In either case, it may bring significant losses to buyers and bring a lot of inconvenience to cross-border e-commerce enterprises.

#### 2.3 High risk of payment and settlement

In the field of cross-border e-commerce, the problems of currency exchange and payment security are particularly prominent. Due to the frequent fluctuations of currency exchange rates in different countries, cross-border e-commerce enterprises are facing exchange rate risks. If the overseas sales pricing fails to timely adjust according to the exchange rate changes, the merchants may suffer from the exchange rate losses. In particular, for small and medium-sized enterprises that rely on small profits, slight fluctuations in exchange rates could also erode most of their profits. In addition, the issue of payment security cannot be ignored. Cross-border e-commerce payment depends on the Internet, and may encounter network security threats in the process of transactions, such as hacker attacks and data system damage, leading to the disclosure or tampering of sensitive information. Due to the particularity of cross-border e-commerce payment, it is difficult to verify the authenticity of transactions, which brings challenges to the document review. For example, when PayPal involves overseas trade disputes, it may tend to other countries, which makes it difficult for Chinese enterprises to face economic risks and credit risks when dealing with overseas trade disputes, and it is difficult to obtain due protection.

The diversity of payment channels also poses challenges. Cross-border e-commerce payment methods are not compatible, and cross-border payment costs are high. Compared with traditional international trade, cross-border e-commerce transactions have the characteristics of small amount, high frequency and fast response, and require higher flexibility and convenience of online payment. However, due to the huge differences in language, culture and payment habits between domestic and foreign markets, cross-border online payment tools are less compatible. More than half of foreign trade enterprises use third-party payment platforms and local payment tools to



collect cross-border payment, and then transfer the funds to domestic accounts through other financial institutions, which extends the collection chain, reduces the efficiency of capital turnover and increases the cost of cross-border payment. Usually, the funds cannot arrive immediately and need to be purchased or paid through the settlement bank. Generally, it usually takes 7 to 10 days for payment platforms to complete the settlement of transaction funds, which may lead to problems in the capital turnover of enterprises. For example, enterprises need to get payment from transactions to pay employees wages, produce products, purchase raw materials, etc. However, due to the payment process for a period of time, problems will lead to the turnover of enterprise operation and increase the liquidity risk of enterprise operation.

#### 2.4 Fierce market competition

In the field of cross-border e-commerce, the competition between traditional trading enterprises and emerging platforms is becoming increasingly fierce. Traditional trading enterprises usually have a mature supply chain system and rich industry experience, but they may be slightly inadequate in digital marketing. At the same time, emerging platforms are rapidly gaining market share with cutting-edge technology and innovative marketing strategies. For example, some emerging cross-border e-commerce platforms have used big data analysis and artificial intelligence algorithms to provide consumers with personalized product recommendation and shopping experience, successfully attracting a large number of young consumers. Faced with the challenge of emerging platforms, traditional trading enterprises must accelerate the pace of digital transformation and improve their digital marketing capabilities. They can improve their brand exposure and market competitiveness through strategies such as cooperating with digital marketing agencies and cultivating internal digital marketing talent. At the same time, traditional trading enterprises can also make use of their advantages in supply chain management and product quality control to cooperate with emerging platforms and realize the complementary of resources of both sides.

In the global market, cross-border e-commerce enterprises not only have to face the competition of domestic counterparts, but also need to deal with the challenges of international counterparts. The competitiveness of the products and services is crucial. Companies need to constantly improve their product quality and innovation capabilities to meet the increasingly diverse needs of consumers. For example, by increasing investment in research and development, products with unique designs and functions will be launched to enhance the added value of the products.

In addition, providing high-quality customer service is the key to enhance the competitiveness. Cross-border e-commerce enterprises should establish a sound customer service system, timely respond to customer inquiries and complaints, and solve problems in the shopping process. For example, it provides multi-language customer service support, fast logistics distribution and convenient return and exchange services. Enterprises can also expand their market channels and improve their brand awareness and influence by participating in international exhibitions and cooperating with overseas partners.

# 3. Coping strategies of cross-border e-commerce enterprises under the digital marketing mode

#### 3.1 Improve the system of laws and regulations

Master the national laws and regulations to ensure compliance with the operation. Under the digital marketing model, cross-border e-commerce enterprises must cope with the challenge of the diversity of trade laws and regulations in different countries. Therefore, it is very important to have a deep understanding of tariff policies, trade barriers, intellectual property protection and other regulations in the target market. Enterprises should ensure strict compliance with local laws and regulations in their business activities. For example, when conducting cross-border e-commerce business, enterprises should pay close attention to the import tariff regulations of



different countries on specific goods to avoid increasing costs due to high tariffs. At the same time, enterprises should continue to pay attention to the update of national regulations to cope with the sudden strengthening of cross-border e-commerce regulatory requirements in some countries. Companies must quickly adjust their business strategies to meet new legal requirements, so as to avoid risks such as fines, goods or sales bans.

#### 3.2 Strengthen the construction of the logistics system

The vigorous development of cross-border e-commerce cannot be separated from an efficient logistics system. In the context of digital marketing, it is particularly critical for cross-border e-commerce enterprises to strengthen the construction of logistics system.

With the continuous development of science and technology, cross-border e-commerce enterprises should actively explore innovative logistics distribution methods and technologies to improve logistics efficiency and reduce related costs. For example, the adoption of cutting-edge technologies such as uav distribution and robot sorting can improve the level of automation of logistics operations and reduce labor costs and error rates.

At the same time, enterprises can consider cooperating with emerging logistics technology companies to jointly develop logistics solutions suitable for cross-border e-commerce. For example, some logistics technology companies are developing smart logistics boxes that use the Internet of Things technology to track and monitor goods in real time, thus improving the security and transparency of logistics. Enterprises should actively explore innovative logistics distribution methods and technologies, optimize supply chain management, reduce costs, improve logistics efficiency and service quality, and provide consumers with a better shopping experience.

#### 3.3 Optimize the payment and settlement methods

Looking for secure and convenient payment solutions. Cross-border e-commerce enterprises should find safe and convenient payment solutions according to the characteristics of the target market and user needs. For example, for users in different countries and regions, choose the mainstream payment methods suitable for them, such as Alipay, WeChat Pay, credit card, PayPal and so on. At the same time, enterprises can also consider cooperating with professional cross-border payment service providers to integrate various payment methods to improve payment efficiency and security. Companies can also leverage fintech developments, such as blockchain technology, to improve the security and transparency of payments. Blockchain technology can realize imtamability and traceability of payment information and effectively reduce payment risk.

Strengthen security precautions, such as the use of dual authentication, the use of security encryption technology, to protect the security of transaction data. Enterprises can also cooperate with third-party risk control institutions to use their advanced risk management technology to minimize the false risk of nonpayment. Understand and comply with the cross-border payment regulatory policies of the target market to ensure compliance operation. Enterprises can conduct regular compliance reviews to ensure that their business meets the requirements of relevant laws and regulations. At the same time, enterprises can also strengthen the cooperation with international banks and payment institutions to jointly cope with the risks and challenges in cross-border payment.

#### 3.4 Enhance brand competitiveness

Cross-border e-commerce enterprises must constantly innovate their marketing strategies and channels to attract more users. On the one hand, social media platforms can be used to carry out brand publicity and product promotion, and improve the visibility of the brand in the target market by releasing attractive content, such as product pictures, introduction videos, user comments, etc. For example, an international fashion brand has successfully attracted a large number of young consumers and increased its brand awareness and sales by publishing photos of fashion bloggers



and sharing user comments on social media. On the other hand, enterprises should actively interact with users, respond to their inquiries and feedback, manage customer relationships, and improve user participation. By holding online activities and launching topic discussions, we will stimulate users enthusiasm for participation and enhance their sense of identity and loyalty to the brand.

In addition, personalized recommendation is also an effective way to attract users. Enterprises can push relevant commodities and preferential information according to users behavior data, such as browsing history, purchase records, etc., to improve the user conversion rate of purchase. For example, the personalized push of Wish platform is a good example. According to users browsing and purchase behavior, relevant products and preferential information are pushed to improve the conversion rate of user purchase. Enterprises can use big data technology to analyze users interests and needs, and provide users with more accurate product recommendation and personalized shopping experience.

#### **Conclusion**

Digital marketing brings opportunities and challenges to cross-border e-commerce enterprises. Enterprises need to gain competitive advantages in the international market through market research, multi-channel marketing network construction and brand strategy formulation. At the same time, enterprises are faced with laws and regulations, logistics, payment and competition challenges, and need to adopt coping strategies. In the future, enterprises should continue to innovate digital marketing strategies, enhance competitiveness, and achieve sustainable development. Under the digital marketing mode, enterprises can accurately select the target market and users, and formulate targeted marketing strategies. Build a multi-channel marketing system, and use social media and personalized recommendation to improve brand exposure and user purchase conversion rate. Brand strategy is helpful to establish a unique brand image and enhance the brand value and competitiveness. In the future, enterprises should innovate digital marketing strategies and use artificial intelligence, big data, blockchain and other technologies to improve marketing efficiency and security. Strengthen the cooperation with domestic and foreign enterprises, expand the market, and achieve mutual benefit and win-win results. Pay attention to social responsibility, actively participate in environmental protection, public welfare and other activities, establish a good corporate image. Only by continuous innovation and improving competitiveness can enterprises achieve sustainable development in the international market competition.

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