

# The Impact of Rcep On Cross-Border E-Commerce

-- A Case Study of JD International

Yuzhuo Wang \*

Grade 12; JingHua No.1 High School; LanXi; ZheJiang; 321100; China

\* Corresponding author: Yuzhuo Wang (Email: 3216762841@qq.com)

**Abstract:** As one of the largest free trade agreements globally, the Regional Comprehensive Economic Partnership (RCEP) has had a profound impact on the Cross-Border E-Commerce sector. This study uses JD International as a case study and employs literature review and case analysis to explore the specific effects of RCEP on Cross-Border E-Commerce platforms. The research findings indicate that since the implementation of RCEP, JD International has experienced a 27.8% increase in total sales of imported goods, with particularly significant growth in sales from Southeast Asian countries. Additionally, the average customs clearance and logistics time for imported goods on JD International have notably decreased by 15% and 20%, respectively. The study also analyzes operational model adjustments and innovations at JD International within the context of RCEP, as well as the opportunities and challenges it faces, while proposing targeted development strategies. This research provides foundational evidence for understanding how RCEP shapes new competitive dynamics in Cross-Border E-Commerce and offers insights for strategic adjustments and business optimization for not only JD International but also other Cross-Border E-Commerce platforms.

**Keywords:** RCEP, Cross-Border E-Commerce, JD International.

## 1. Introduction

### 1.1. Research Background

The Regional Comprehensive Economic Partnership (RCEP) is one of the largest free trade agreements globally, covering 15 member states from Southeast Asia to Northeast Asia, marking an important milestone in regional economic integration. RCEP reduces tariff barriers and unifies market access rules, exerting a profound impact on the Cross-Border E-Commerce field and providing a more convenient environment for Cross-Border E-Commerce transactions among member states. Under this background, JD International, one of China's leading Cross-Border E-Commerce platforms, leverages its powerful logistics network, advanced digital supply chain system, and profound understanding of domestic and foreign markets, playing an important role in promoting regional trade facilitation and meeting the diverse needs of consumers. With the gradual implementation of the RCEP agreement, JD International has ushered in new development opportunities, while also facing challenges from market changes and adjustments in the competitive landscape.

### 1.2. Research Significance and Objectives

The impact of RCEP on JD International's cross-border consumption scale has important theoretical and practical significance. Firstly, as the largest free trade agreement covering the largest population and most diverse member structure with the greatest development potential globally, the profound impact of RCEP on the Cross-Border E-Commerce field is worth further exploration. Secondly, as a leading Chinese Cross-Border E-Commerce enterprise, JD International's cross-border consumption scale changes directly reflect the effects and challenges of the RCEP agreement in actual trade. This study aims to analyze the specific impact of RCEP implementation on JD International's e-commerce platform, especially on the types

of imported goods, sales revenue, logistics and clearance efficiency, and the platform's overall operational strategy. Through detailed data analysis and case studies, this study reveals the changes and effects of RCEP policies in practical operation on JD International. Additionally, by exploring the opportunities and challenges faced by Cross-Border E-Commerce in the RCEP context, this study provides theoretical basis and practical guidance for platform optimization of operations and government formulation of relevant policies. Ultimately, the study's findings will provide reference for JD International and other Cross-Border E-Commerce platforms in their strategic adjustments and business optimization under the RCEP context, and serve as research basis for understanding how RCEP shapes the new competitive landscape of Cross-Border E-Commerce.

## 2. Literature Review

### 2.1. Overseas Related Research

Overseas scholars have conducted extensive research on RCEP and its impact on Cross-Border E-Commerce, providing multi-perspective analyses and insights. Guanhu Wang and Zengyu Cao (2021) investigated the trade effect of Cross-Border E-Commerce between China and ASEAN under the RCEP framework, emphasizing the role of RCEP in promoting regional economic integration [1]. Eun-Teak Oh (2021), from the perspective of digital trade regulation, compared the e-commerce chapters of RCEP, CPTPP, and JSI, analyzing the current situation and differences of digital trade rules in the Asia-Pacific region [2]. Kaiwen Zhang (2022) studied the impact of the logistics performance index of RCEP member countries on China's export trade, highlighting the key role of logistics efficiency in the success of Cross-Border E-Commerce [3]. Lin Zhang and Jin Zhang (2023) conducted research on the current situation, problems and countermeasures of Cross-Border E-Commerce between China and ASEAN in the context of RCEP [4]. Wanwan Liu

(2023) conducted a comparative analysis of digital trade provisions under RCEP and CPTPP, providing a reference for understanding the impact of different free trade agreements on Cross-Border E-Commerce [5]. These studies provide theoretical underpinnings for evaluating the potential impact of RCEP on Cross-Border E-Commerce.

## 2.2. Domestic Related Research

The domestic academic community has also shown a keen interest in the research of RCEP and Cross-Border E-Commerce and has achieved a series of outcomes. Huang Xiaohuang (2021) analyzed the impact of the signing of RCEP on the development of Cross-Border E-Commerce in China in his research, pointing out the new opportunities brought by RCEP to the e-commerce industry [6]. Zheng Chunfang and Xiao Xuxiang (2021) thoroughly discussed the six major impacts of RCEP on the development of Cross-Border E-Commerce in China, covering aspects such as market access and tariff preferences [7]. Cai Huiyun (2023) deeply analyzed the impact mechanism of RCEP on the development of Cross-Border E-Commerce in China, providing a theoretical perspective for understanding the intrinsic role of the agreement [8]. Liu Yizhan and Zhang Anping (2023) comprehensively analyzed the development of Cross-Border E-Commerce in China under the RCEP framework from three dimensions of rules, impacts and responses [9]. The research of Huang Yiqing et al. (2023) focused on the specific impact on the development of Cross-Border E-Commerce in China after the entry into force of RCEP, providing coping strategies for e-commerce enterprises [10]. These research achievements not only enrich the theoretical discussions on the relationship between RCEP and Cross-Border E-Commerce but also offer guidance and suggestions for the practice of the e-commerce industry in China.

## 2.3. General Comment

The existing literature has made certain progress in exploring the impact of RCEP on Cross-Border E-Commerce; however, it mostly concentrates on macro policy analysis and theoretical discussions, with insufficient research on the micro mechanisms of how specific provisions of RCEP affect enterprise operations. Although domestic research has deeply analyzed the opportunities and challenges brought by RCEP, there are still deficiencies in data-driven research and interdisciplinary comprehensive analysis. The novelty of this study lies in combining macro policies and micro data and, through quantitative analysis of the transaction data of JSD International, delving deeply into the specific impact of RCEP at the enterprise level, providing a new perspective and basis for understanding the actual effect of RCEP in the field of Cross-Border E-Commerce.

## 3. Research Methods

To ensure the depth and comprehensiveness of the research, this study will be conducted through a combination of quantitative and qualitative research. The research methods encompass case analysis and data analysis.

### 3.1. Case Analysis Method

The case analysis method will focus on Jingdong International as a typical case. Through the systematic collection and analysis of JD International's business data, market performance, and user feedback before and after the

implementation of the RCEP agreement, it reveals the specific effects of policy changes on enterprise strategic adjustment, operational efficiency, and market competitiveness. Simultaneously, it explores the opportunities and challenges presented to Jingdong International after the implementation of RCEP and how JD International adjusts its enterprise operation strategies to address the opportunities and challenges brought by RCEP.

## 3.2. Data Analysis

### 3.2.1. Data Collection

Collect and analyze the sales data, logistics time and customs clearance time data of the JD International platform before and after the entry into force of RCEP respectively; collect user purchase behavior and consumption habit data on the Jingdong International platform, including user reviews, shopping frequency and average order amount, as well as policy documents and industry reports related to RCEP to understand the specific clauses of the policy and its impact on the Cross-Border E-Commerce industry.

### 3.2.2. Data Analysis

#### 1) Statistical Analysis

Firstly, descriptive statistical methods are employed to collate and summarize the collected data, and calculate key indicators such as the sales growth rate and the reduction rate of logistics time. Secondly, regression analysis and time series analysis methods are utilized to explore the changing trends and significance of various indicators before and after the implementation of RCEP.

#### 2) Comparative Analysis

Conduct a comparative analysis of the key operational data of the JD International platform before and after the entry into force of RCEP to assess the specific impact of policy implementation. Compare the commodity data from different RCEP member countries and analyze which countries and regions have the most prominent performance of commodities on the platform.

### 3.2.3. Data Sources

1) Public data of JD International: including sales data, logistics data, user behavior data, etc.

2) Third-party market research reports: including industry analysis reports, market trend reports, etc.

3) Policy documents and research reports issued by the government and industry associations: including RCEP-related policy documents, customs reports, etc.

## 4. Specific Impact of RCEP Agreement on JD International

### 4.1. Specific Impact on the Types and Sales of Imported Goods

The variety of cross-border goods on JD International platform has increased significantly after the implementation of RCEP. According to the <White Paper on Overseas and Hong Kong, Macao and Taiwan Consumption Trends in 2022>, the number of cross-border goods on JD international platform increased by 27 times year-on-year in the first half of the year. In addition, JD National Pavilion project has also been greatly expanded, since the launch of the project in 2019, the number of online national pavilions on JD has continued to grow, and the number of national pavilion products in 2022 has increased by more than 300% and the number of brands has increased by more than 160%. The implementation of

RECP also contributed to a significant increase in sales. In 2022, the overall turnover of JD International's national Pavilion increased by more than 12 times year-on-year. According to the <JD Import Consumption Report>, the total purchase of imported branded goods on JD international platform has reached 500 billion yuan in the past three years. The report also pointed out that from 2020 to 2022, the

categories with the fastest growth in the proportion of cross-border import consumption include electronic products, beauty makeup and skin care, health products, furniture, food and beverage and clothing shoes and hats, with growth rates of 100% and 80% respectively, among which the fastest growth is health products and clothing shoes and hats, with a growth rate of 66.7%. 62.5%, 75%, 50%.

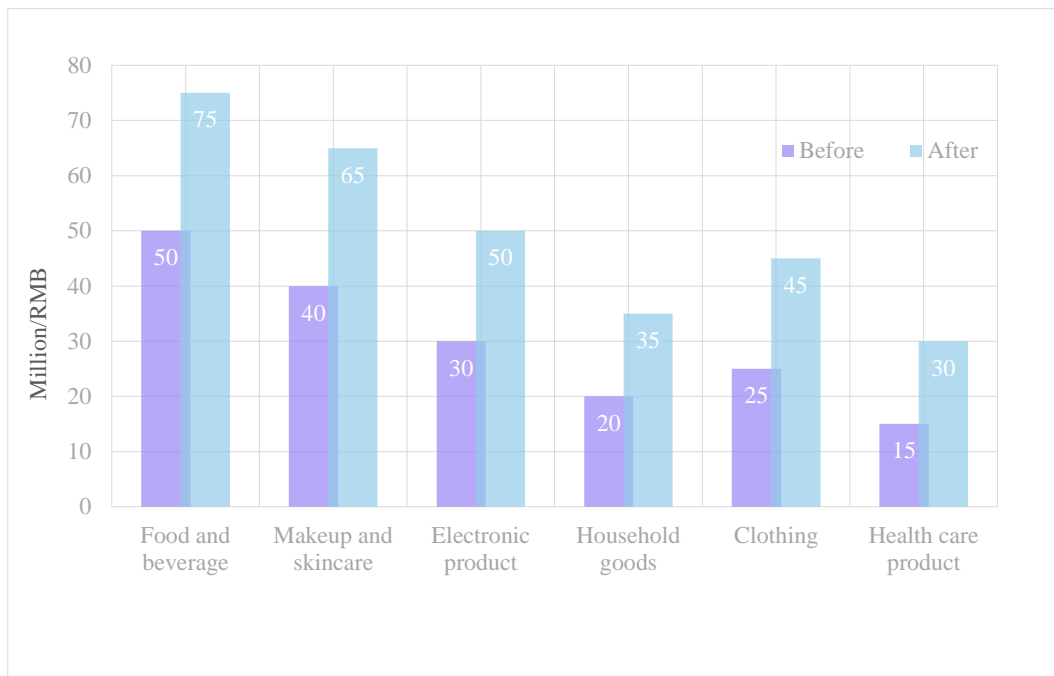


Figure 1. Sales of Different categories of Products Before and After the Implementation of RCEP

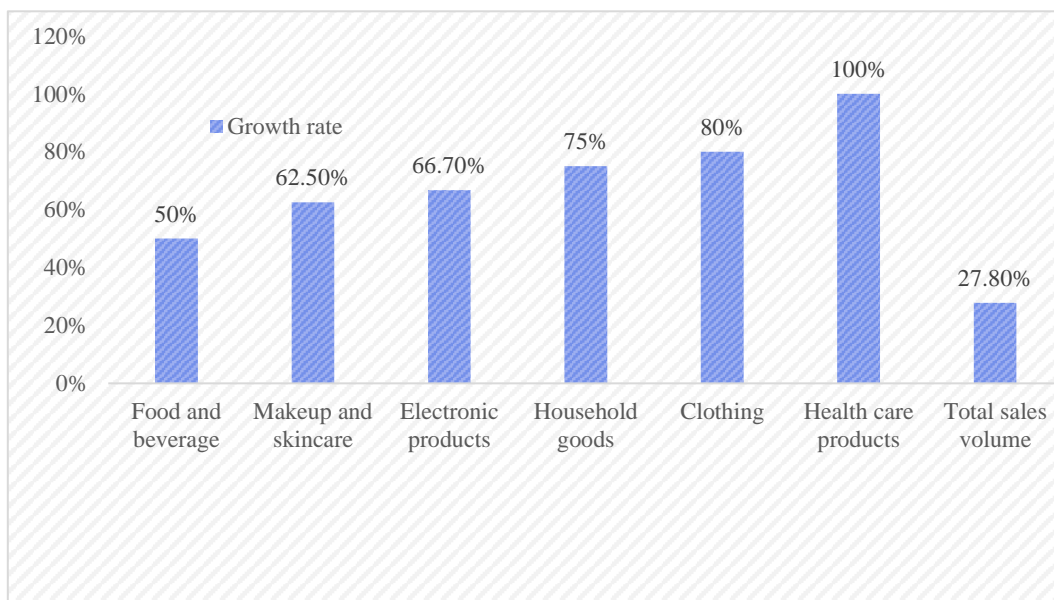


Figure 2. Sales Growth Rate of Different categories of Products Before and After the Implementation of RCEP

In addition, JD International's overall sales have also increased significantly, according to the "Jingdong Import Consumption Report" from 2022 to 2023, Jingdong International's total sales of imported goods increased from 5 billion yuan to 6.5 billion yuan. Among them, the increase in the sales of imported goods accounted for about 66.7% of the total growth. At the same time, in the growth of imported goods, Southeast Asian countries imported goods sales growth is the most significant.

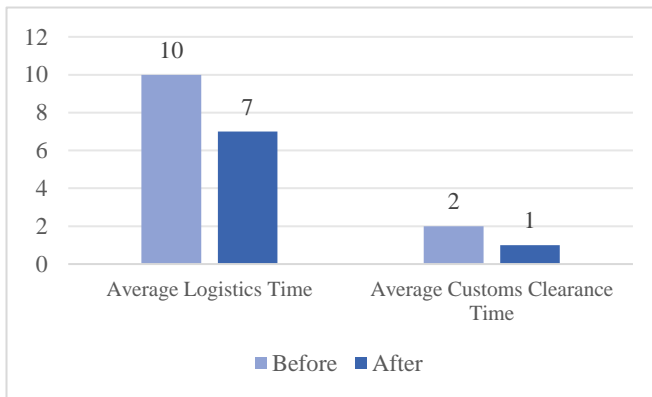


**Figure 3.** Comparison of JD International Sales Before and After the Implementation of RCEP

## 4.2. Impact on Logistics and Customs Clearance Efficiency

### 4.2.1. Changes of logistics time and customs clearance time before and after RCEP takes effect

Before and after the implementation of RCEP, the logistics and customs clearance efficiency of JD International imported goods has been significantly reduced. According to the specific data, the average logistics time of JD international imported goods dropped from 10 days to 7 days, a reduction of about 20%. The average clearance time has dropped from 2 days to 1 day, a decrease of about 15%. This efficiency improvement is mainly due to the simplified customs procedures and improved customs clearance efficiency of RCEP.



**Figure 4.** Comparison of Average Logistics and Customs clearance Time of JD International Imported Goods Before and After the Implementation of RCEP

### 4.2.2. Impact of Changes in Logistics and Customs Clearance Time on the Operating Costs and Service Quality of the Platform

The improvement in logistics and customs clearance efficiency not only reduces the operating costs of JD international imported goods platform (about 10% reduction in logistics costs), but also significantly improves the quality of service. Faster delivery times and more reliable logistics services enhance the shopping experience of consumers and enhance the competitiveness of the platform. Customer feedback indicates that order punctuality and satisfaction have improved.

## 4.3. Impact on the Market Competitiveness of JD International Platform

1) Tariff reduction improves the price competitiveness of commodities. RCEP's tariff reduction policy stipulates that more than 90% of goods will eventually achieve zero tariff, which directly reduces the import cost of Cross-Border E-

Commerce, making imported goods more competitive in price. For example, the average price of electronic products fell by about 8%, and the price of beauty products fell by about 10%. This increase in price competitiveness has not only attracted more consumers, but also promoted the sales growth of the platform.

2) Trade standardization and trade barriers weaken the improvement of logistics. With the implementation of unified rules of origin, customs procedures, inspection and quarantine, technical standards and other rules, intra-regional trade rules are gradually standardized and unified. greatly weakens trade barriers and simplifies customs clearance procedures, improves cross-border trade facilitation, enables more high-quality commodities to enter the Chinese market more quickly, and significantly shortens logistics time. Thus, the market competitiveness of the platform is enhanced. On JD International platform, consumers can obtain the purchased goods more quickly and obtain a more satisfactory consumption experience.

3) The further cooperation and development of Cross-Border E-Commerce will enhance the competitiveness of the platform. The signing of the RCEP has provided a new platform for economic and trade cooperation between China and ASEAN countries, promoting the eastward shift of global demand. This trend has brought new industries, new forms and models to East Asia and Southeast Asia, and provided new opportunities for China to expand cooperation with these regions. JD International takes the opportunity of RCEP, to expand its business in Southeast Asia and other regions, by cooperating with local enterprises, to provide more diversified goods and services, provide consumers with diversified shopping experience and attract more consumers, thus enhancing the competitiveness of the platform.

## 5. Optimization of Response Strategy and Operation Model of Jingdong International

### 5.1. Adjustment and Innovation of Operation Model

In order to adapt to the market changes brought about by the RCEP agreement, JD International has carried out a series of operational model adjustments and innovations. First, in response to tariff reduction and trade facilitation measures among RCEP member states, JD International has optimized supply chain management, reduced cross-border transaction costs, and improved logistics distribution efficiency. Secondly, the platform has increased its direct acquisition of overseas markets by establishing more overseas warehouses and direct mail services, shortening the time from the origin of goods to the hands of consumers. In addition, JD International has strengthened its cooperation with international brands, introduced more products that meet the tastes and needs of consumers in RCEP member states, enriched the commodity types of the platform, and also strengthened its marketing strategy, focusing on promoting goods from RCEP member states and increasing the market share of these goods. In order to improve the user experience and service quality, the platform improves the user experience by providing a more diversified selection of goods, faster logistics services, and better after-sales service. For example, an exclusive RCEP product zone has been launched, and the product recommendation system has been optimized through big data

analysis and user feedback to achieve precision marketing and personalized recommendations. The platform has also increased the training and resource investment of the customer service team to ensure that the problems of users in the shopping process can be solved in a timely manner, thus enhancing the market competitiveness. In addition, JD International expands the new boundary of business and opens up a new business pattern. Centering on the three development strategies of "Based on bond, linkage with tax, and development of tax exemption", we have launched diversified innovative businesses such as tax exemption, national pavilion, official website purchase, and trend category "FIRST Plan", which can not only collect more abundant and high-quality global good goods for Chinese consumers, but also maximize the promotion of overseas brands, enterprises, and merchants to achieve high-quality development. The adjustment and innovation of these strategies not only enhance the market competitiveness of JD International, but also provide consumers with a better cross-border shopping experience.

## **5.2. Opportunities and Challenges Brought By RCEP**

The RCEP agreement has brought unprecedented development opportunities for JD International, but also brought a series of challenges. As an opportunity, the signing of RCEP has significantly reduced trade barriers between member states, providing conditions for JD International to expand overseas markets, increase commodity diversity and improve cross-border transaction efficiency. Taking advantage of the tariff reduction and reduction of non-tariff barriers brought about by RCEP, JD International is able to introduce more high-quality overseas goods at more competitive prices to meet the needs of domestic consumers. At the same time, RCEP also promotes the integration of regional supply chains and strengthens JD International's position in the global supply chain.

However, there are also challenges. The competition in the Cross-Border E-Commerce market under the RCEP agreement will be more intense, and JD International needs to face the competitive pressure from other e-commerce platforms in RCEP member countries. In addition, differences in regulations, intellectual property protection, data security and privacy issues in different countries also require JD International to invest more resources to adapt and solve. In order to meet these challenges, JD International needs to constantly innovate its operation model, strengthen cooperation with partners in various countries, enhance its international competitiveness, and develop flexible market strategies to adapt to the market environment of different countries.

## **5.3. Solution Suggestions and Development Strategies**

First, deepen supply chain integration. JD International should further deepen supply chain integration and make full use of the advantages of tariff reduction and trade facilitation brought by RCEP. It is suggested that by establishing more overseas direct purchasing centers and optimizing logistics networks, cross-border transaction costs can be reduced and the response speed and flexibility of the supply chain can be improved. At the same time, cooperation with suppliers from RCEP member states should be strengthened to improve the diversity and quality of goods and meet consumers' demand

for personalized and high-quality goods. Second, strengthen digital transformation. Digital transformation is the key for JD International to grasp the opportunities of RCEP. It is suggested to increase investment in technology fields such as big data and artificial intelligence, and gain insight into consumer behavior through data analysis to achieve precision marketing. At the same time, digital means should be used to enhance the user experience, such as through augmented reality (AR), virtual reality (VR) technology to provide a richer product display and shopping experience, enhance user stickiness. Third, respond to market changes and compliance challenges. In the face of market changes and compliance challenges brought by RCEP, JD International needs to develop a flexible market strategy and risk management mechanism. It is recommended to pay close attention to the policy changes of RCEP member states, adjust market entry strategies in a timely manner, and ensure compliance. At the same time, the protection of intellectual property rights should be strengthened to ensure that the commodities sold on the platform comply with the laws and regulations of the member States, and maintain the international image and market position of the platform. Through these strategies, JD International can better grasp the opportunities brought by RCEP and achieve sustainable development.

## **6. Conclusion**

### **6.1. Research Conclusions**

Through a comprehensive analysis of JD International's sales data, logistics and customs clearance data, platform competitiveness and operational strategy before and after the implementation of the RCEP agreement, this study draws a conclusion that RCEP has a significant positive impact on JD International. The implementation of RCEP has reduced tariffs on imported goods and improved the price competitiveness of goods. At the same time, the implementation of RCEP has greatly shortened the logistics and customs clearance time of JD's international imported goods, with the average logistics time reduced by 20% and the average customs clearance time decreased by 15%, so that consumers can get the goods at a low price and quickly, enhance the competitiveness of the platform, and then promote the sales growth of JD's international platform. Since the implementation of RCEP, the total number of goods and sales on JD's international platform have grown significantly. Total sales of imported goods increased by 27.8% in 2022. Among them, the categories with the fastest growth in the proportion of cross-border import consumption include electronic products, beauty makeup and skin care, health products, furniture, food and beverage, clothing, shoes and hats, with growth rates of 66.7%, 62.5%, 100%, 75%, 50% and 80%, respectively. At the same time, the implementation of the policy has also prompted the platform to adjust its operating model to adapt to the new market environment.

### **6.2. Research Limitations and Future Prospects**

Although this study provides an analysis of the impact of RCEP on the scale of cross-border consumption of JD, there are still some limitations. First, the study is mainly based on the case of JD international platform, and the situation may be different for other platforms. In addition, the research data is mainly based on public information of JD International, which may not cover all changes at the micro level and has

certain limitations. Second, the time span of the study is limited to the early implementation of the RCEP agreement, which does not fully reflect the long-term effect. Future research can expand the scope of data to include more Cross-Border E-Commerce platforms for cross-platform comparative analysis. At the same time, it is recommended to continue to track the long-term impact of the RCEP agreement and explore changes in effects under different economic cycles. In addition, the profound impact of RCEP on consumer behavior, brand strategy and industry structure can be further analyzed to provide more comprehensive theoretical support and practical guidance for the sustainable development of Cross-Border E-Commerce.

## References

- [1] Wang, Guanhui, and Zengyu Cao. (2021) "An Empirical Study on the Trade Impact of Cross border E-commerce on ASEAN and China under the Framework of RECP." E3S Web of Conferences. Vol. 275. EDP Sciences.
- [2] Oh, E J. (2021) "Digital Trade Regulation in the Asia-Pacific: Where Does It Stand? Comparing the RCEP E-commerce Chapter with the CPTPP and the JSI." Legal Issues of Economic Integration 48. 4.
- [3] Zhang, K W. (2022) "The Effect of Logistics Performance Index of RCEP Countries on China's Export Trade." Review of Economic Assessment 1. 1: 52-62.
- [4] Zhang L, and Jin Z. (2023) "Research on Current Situation, Problems and Countermeasures of Cross-border E-commerce between China and ASEAN under the RCEP Background." E3S Web of Conferences. Vol. 409. EDP Sciences
- [5] Liu, W W. (2023) "Comparative Analysis of Digital Trade Terms Under RCEP and CPTPP Agreements." Highlights in Business, Economics and Management 17: 153-164.
- [6] Huang X H. (2021) "Analysis of the impact of RCEP signing on the development of cross-border e-commerce in China." [J]. Journal of Business Economics, No.536(04): 75-77.
- [7] Zheng C F, Xiao X. (2021) "Six impacts of RCEP signing on China's cross-border e-commerce development." [J]. Review of Economic Research, No.2979(11): 116-127.
- [8] Cai H Y. (2023) "Analysis on the influence mechanism of RCEP on China's cross-border e-commerce development." [J]. North China Economic and Trade: 33-37.
- [9] Liu Y Z, Zhang A P. (2023) "China's cross-border e-commerce development under the framework of RCEP: rules, implications and countermeasures." [J]. Foreign Economic and Trade Practice: 63-70.
- [10] Huang Y Q, Li X and Du X Y. (2023) "Research on the impact of RCEP coming into effect on the development of cross-border e-commerce in China." [J]. China Market: 180-183.