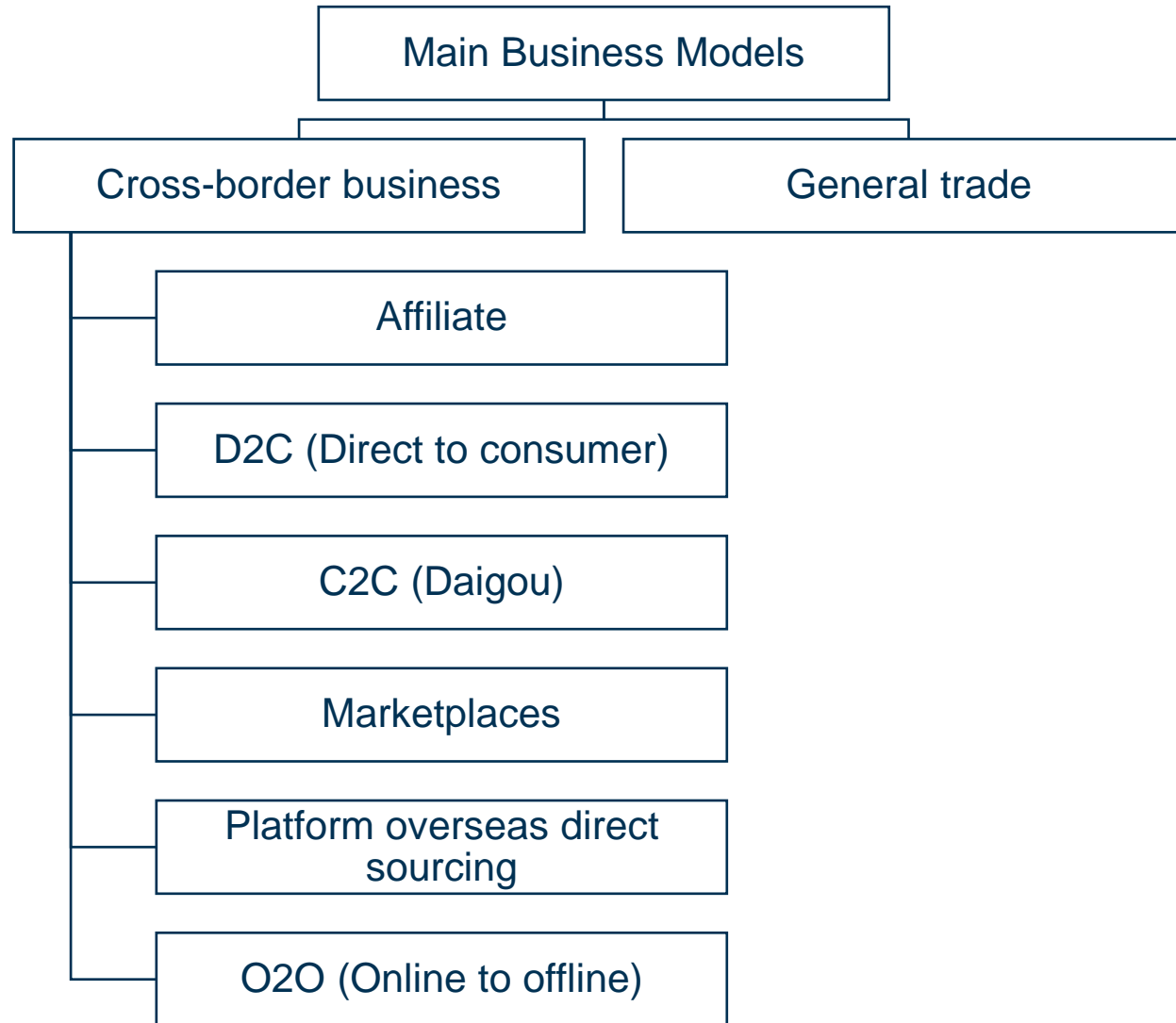


Xi'an Anber Consulting

Main Chinese Business and Logistics Models

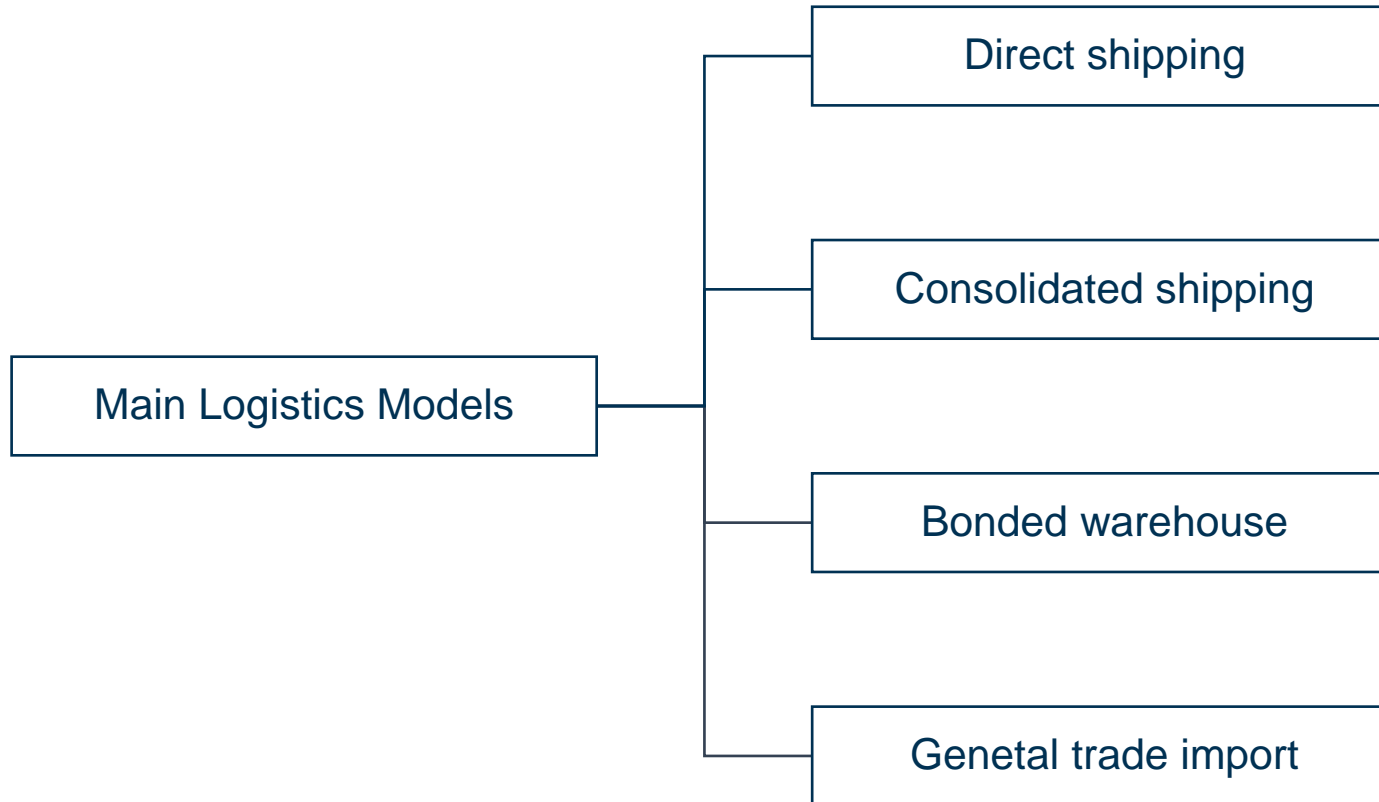
A brief introduction overseas enterprises need to know

Main Business Models



Cross-border business	Affiliate	Platforms guide shopping traffic to other platforms, such as SMZDM.com
	D2C (Direct to consumer)	Brands or merchants sell their products directly through their own website, mobile app, or WeChat mini program.
	C2C (Daigou)	Customers and personal buyers (Daigou) make deals on Daigou platforms, such as Yangmatou or on WeChat. Daigou then send the products via international parcel or deliver them in person.
	Marketplaces	Marketplaces, such as Tmall Global, Koala, and Alibaba.com, offer merchants and manufacturers a platform to sell their products through their own shops on the marketplaces.
	Platform overseas direct sourcing	The platform purchases products directly from overseas manufacturers. Therefore, the cost is lower, and the source of the products is relatively safe and reliable, such as VIP and Tmall Global Zhiying.
	O2O	This model combines traditional brick-and-mortar stores with e-commerce to achieve simultaneous online and offline sales. For example, customers can purchase goods from overseas airport duty-free stores in advance through Tmall Global before and during their trip abroad. Later, they can pick them up directly from the airport duty-free stores when they return home.
General trade	When an overseas brand or manufacturer wishes to export its products to China but lacks a business license in the country, they must engage an intermediary with import-export rights. The intermediary then imports the products and sells them either through B2B or B2C channels in China. Conversely, if they possess a local legal entity with import-export rights, they distribute and sell the products themselves.	

Main Logistics Models



Direct shipping	<p>Here is a description of a common direct shipping process:</p> <ol style="list-style-type: none"> 1) Customers place orders on marketplaces, brand websites, or through Daigou via WeChat. 2) The merchant or Daigou prepares the products and packs them. 3) The products are then sent via international parcel using sea transportation or air freight. 4) The parcel arrives in China and goes through Chinese customs. 5) After customs declaration, the parcel is delivered to the customer.
Consolidated shipping	<p>Consolidated shipping is like direct shipping, but suppliers consolidate parcels together and forward them collectively. This method helps reduce logistics costs, but it typically results in longer delivery times.</p>
Bonded warehouse	<p>A bonded warehouse is indeed a secured area within a special customs supervision area in China where dutiable goods are stored before the payment of duties. Here is a process description for a bonded warehouse scenario:</p> <ol style="list-style-type: none"> 1) Overseas merchants ship the products in bulk to China. 2) The products are stored in a bonded warehouse in China. 3) A customer places an order on e-commerce platforms. 4) Warehouse employees pick, pack, and label the products. 5) The products undergo electronic customs clearance. 6) The merchant or platform organizes the last mile delivery to the customer.
General trade import	<p>When an overseas merchant seeks to export goods to China without possessing a business license in the country, they must engage an intermediary to import the goods on their behalf. This legal entity in China is responsible for clearing customs and legally importing the goods into the Chinese market. Additionally, this entity is required to pay duties and taxes based on the CIF price (cost, insurance, freight) before the products can be sold. Once customs clearance is completed, the products are typically sold in brick-and-mortar stores.</p>

If you have any questions, please feel free to contact us at:

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