

Article 

AliExpress's Internationalization: Strategies and Practices on Cross-Border E-Commerce Platforms

Zeying Chen ^{1,*}

¹ School of Finance and Trade, Zhuhai College of Science and Technology, Zhuhai, Guangdong, 519000, China

* Correspondence: Zeying Chen, School of Finance and Trade, Zhuhai College of Science and Technology, Zhuhai, Guangdong, 519000, China

Abstract: This study conducts an in-depth examination of AliExpress's globalization strategies on cross-border e-commerce platforms, highlighting how the integration of "multi-tier ecological empowerment" and "glocalization" strategies fosters systemic innovation across five critical dimensions: market selection, platform operations, product assortment and pricing, logistics and payment, and marketing promotion. The findings indicate that AliExpress adopts a "mature-emerging" dual-track model for global market expansion: leveraging overseas warehouses and localized services to enhance timeliness in European and American markets, while deploying strategies such as "cross-border express delivery" to penetrate emerging markets including Southeast Asia. In addition, the company has developed a four-dimensional operational matrix, "POP self-operation + full hosting + semi-hosting + overseas hosting", to empower diverse types of sellers. Supported by data scraping and flexible testing mechanisms, the full-hosting model has increased the blockbuster success rate to 67%. By constructing six million square meters of overseas warehouses and implementing blockchain-based settlement technologies, AliExpress has optimized logistics and payment experiences. Moreover, the platform harnesses social media channels such as TikTok to achieve viral marketing at scale. These strategies have positioned AliExpress among the global top three in personalized shopping experience in PYMNTS rankings, while its share of organic traffic has risen to 63%. The paper also underscores the challenges AliExpress faces, including compliance risks, insufficient localization depth, and ESG-related pressures, and proposes targeted optimization measures. Overall, the research not only offers a replicable pathway for the globalization of Chinese manufacturing but also provides important insights for the future evolution of the cross-border e-commerce industry.

Received: 15 December 2025

Revised: 29 January 2026

Accepted: 11 February 2026

Published: 18 February 2026



Copyright: © 2026 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>).

Keywords: AliExpress; cross-border e-commerce; globalization strategy; multi-tier hosting model; ecological empowerment system

1. Introduction

In 2025, the global e-commerce market surpassed USD 6.5 trillion, with an annual growth rate of 12.3%. This figure not only underscores the consumption potential of the digital economy era but also signifies that cross-border e-commerce has become a core engine for restructuring the global trade landscape. China's cross-border e-commerce exports account for 38% of the global share. Behind this figure lies the industrial upgrading from "Made in China" to "Intelligently Made in China," as well as the successful practice of exporting China's platform economy model. Against this backdrop, the so-called "Four Rising Dragons of Global Expansion", AliExpress, SHEIN, Temu, and TikTok

Shop, are reshaping the global e-commerce ecosystem through model innovation and localized operations [1].

As Alibaba Group's largest cross-border B2C platform, AliExpress has undergone a strategic transformation from a traditional store-based operation model to a "multi-tier hosting ecosystem" since its founding in 2010. Its evolutionary path provides a vivid case study of Chinese enterprises' globalization. By 2025, AliExpress's business had expanded to more than 200 countries and regions worldwide, reaching over 1.5 billion people. In Southeast Asia, during the Ramadan promotion in 2025, AliExpress achieved a 120% year-on-year increase in orders through localized operations. For example, children's clothing brand PatPat leveraged the "cross-border express delivery" service to achieve 95% of orders delivered within 48 hours, with order volumes reaching 46 times the daily average. In the Middle East market, the "Spring Festival Non-Stop" campaign helped a Guangzhou keychain seller surpass 1,000 daily orders, with sales revenue increasing by 356% year-on-year. This success was attributed to AliExpress's precise solutions to local pain points in payment and logistics. AliExpress's globalization practices have thus gone beyond the function of a single e-commerce platform, evolving into a vehicle for the deep integration of China's supply chain, digital technologies, and global consumer markets [2].

From an industry perspective, cross-border e-commerce is undergoing three major structural transformations: first, the penetration of social commerce, as platforms such as TikTok Shop reconstruct consumer decision-making through content-driven commerce; second, the rise of green logistics, as policies such as the EU Carbon Border Adjustment Mechanism (CBAM) compel companies to optimize their supply chain carbon footprints; and third, the rapid growth of emerging markets, with Southeast Asia, Latin America, and the Middle East becoming primary arenas of incremental growth [3,4]. Against this backdrop, AliExpress has built competitive advantages suited to the complexities of global markets through five core strategies: "layered market penetration, platform ecosystem empowerment, data-driven product selection, logistics infrastructure upgrading, and social commerce integration." This paper takes AliExpress as the research subject, systematically deconstructs its globalization strategies, and, based on industry trends, proposes forward-looking optimization suggestions, with the aim of providing methodological references for Chinese cross-border e-commerce enterprises [5,6].

2. Market Selection: Regional Deepening under a Dual-Track Strategy

2.1. Market Selection

AliExpress's market expansion follows a dual-track logic of "stabilizing stock in mature markets and capturing incremental growth in emerging markets." In mature markets such as Europe and the United States, its core strategy focuses on improving fulfillment efficiency and brand penetration: through the deployment of overseas warehouses, delivery times were reduced from 15 days to 5 days, and the launch of the "Choice Service" (benchmarked against Amazon Prime) provided free return and exchange guarantees for high-value branded products [7]. In 2024, projector brand Magcubic leveraged this service to achieve daily sales of 20,000 units for a single product and monthly sales exceeding USD 10 million, ranking among the global Top 105 in shipment volume [8]. In emerging markets, AliExpress instead focuses on adapting to localized scenarios and addressing infrastructure gaps. Figure 1 illustrates the proportional contribution of different regional markets to AliExpress's GMV in 2025, highlighting the diversified structure of its global layout.

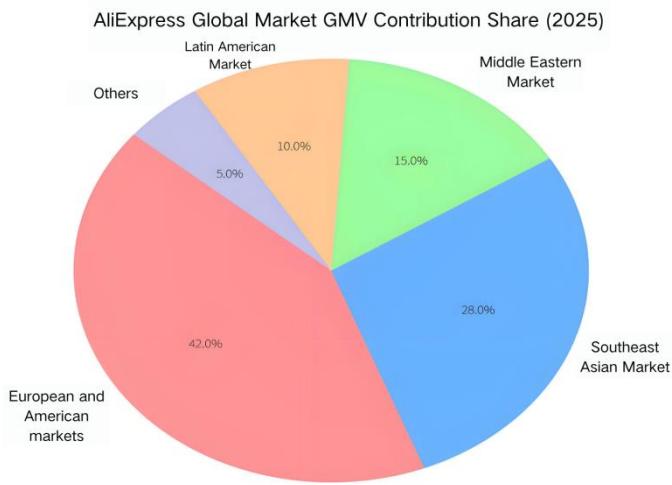


Figure 1. Contribution of AliExpress Global Market GMV (2025).

Data Source: Future Think Tank. Alibaba Research Report 2025. <https://www.vzkoo.com/read/20250324abb4092c7f9661f63a89fa13.html>, March 24, 2025

2.1.1. Southeast Asian Market

Leveraging Lazada's decade-long localized network (with 110 million annual active consumers across six countries: Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam), AliExpress launched the "cross-border express delivery" project. Through front-warehouse deployment and intelligent route planning, cross-border delivery times were shortened from the industry average of 12 days to 6-7 days. During Ramadan in 2025, children's clothing brand PatPat, supported by the platform's regional consumption heatmap, pre-positioned 300,000 hot-selling Muslim-style children's garments in Indonesian and Malaysian overseas warehouses. Combined with Lazada's last-mile delivery network, 95% of orders were delivered within 48 hours, with order volumes reaching 46 times the daily average. This model validated the synergistic effect of "data-driven operations + localized infrastructure." More than 60% of AliExpress's orders in Southeast Asia were fulfilled through local warehouses, with inventory turnover rates 3.2 times higher than those of pure cross-border models [9].

2.1.2. Middle Eastern Market

Targeting high-net-worth users in the UAE and Saudi Arabia (which together account for 72% of the regional e-commerce market) with stringent requirements for quality and service, AliExpress concentrated on fashion electronics, partnering with brands such as Huawei and Xiaomi to launch "Middle East customized" products that comply with local voltage standards and Arabic-language systems. In 2025, AliExpress collaborated with LianLian Pay to roll out local settlement functions, supporting payments in UAE dirhams. Through exchange rate locking mechanisms, merchants were able to mitigate risks associated with USD fluctuations, resulting in a 28% increase in average order value for electronic products. More importantly, AliExpress established a certification laboratory in the Dubai Free Trade Zone to test imported goods for multi-country certifications such as Saudi SASO and UAE ECAS. This reduced customs clearance times to 48 hours, six times faster than the industry average of 7 days [10].

2.1.3. Latin American Market

AliExpress formed a strategic alliance with Latin American e-commerce giant Mercado Libre, opening up logistics channels in Brazil. By utilizing Mercado Libre's

Envíos Full warehousing and distribution service, delivery times were reduced from the industry average of 14 days to just 3 days. This service integrates Brazil Post and third-party logistics resources, with dynamic routing algorithms optimizing delivery paths, reducing last-mile delivery costs by 35%. More importantly, to address Brazil's complex tax system (including import duties, ICMS value-added tax, and inter-state circulation tax), AliExpress introduced the "Compliance Worry-Free" program. Under this scheme, the platform prepaid 60% of the comprehensive tax rate, leaving merchants to settle only at net price, thereby avoiding customs clearance delays. Data from Brazil in 2025 show that merchants using this service improved customs clearance efficiency by 50%, with tax dispute rates reduced to 0.7%, far below the industry average of 5.3% [11,12].

2.2. Market Strategies

As shown in Table 1, diversified global market layouts have effectively dispersed geopolitical risks [13]. In 2024, when U.S. tariff increases on Chinese products drove costs in certain apparel categories up by 42%, AliExpress relied on its global market presence and core strategies to quickly activate a dynamic traffic reallocation mechanism, shifting in-platform exposure resources for affected categories to emerging markets such as the Middle East and Latin America. The data show that the Middle East accounts for 15% of AliExpress's global GMV, while Latin America accounts for 10%, indicating significant growth potential in both markets. In the Middle East, AliExpress employed a local payment + high-value product strategy, for instance, supporting UAE dirham payments to hedge exchange rate risks and prioritizing fashion electronics to meet the demands of high-net-worth users. During Ramadan in 2025, children's clothing brand PatPat leveraged local warehouse pre-positioning to achieve 95% of orders delivered within 48 hours, with order volumes reaching 46 times the daily average, demonstrating the region's robust growth potential. In Latin America, AliExpress partnered with Mercado Libre to open logistics channels in Brazil, using its Envíos Full service to reduce delivery times from 14 days to 3 days, while prepaying 60% of comprehensive taxes to avoid compliance risks [14]. These initiatives improved user experience and platform competitiveness. Collectively, these measures have ensured the steady growth of overall platform orders, reduced reliance on a single market, and effectively mitigated the challenges posed by geopolitical uncertainties.

Table 1. AliExpress Global Market Layout and Core Strategies (2025).

Market Type	Target Region	Core Strategy	Key Outcomes
Mature	Europe/US	Overseas Warehouses + Choice Service	Magcubic projectors exceeded USD 10 million in monthly sales
Emerging	Southeast Asia	Express Delivery + Local Warehouses	PatPat Ramadan orders reached 46 times daily average
Emerging	Middle East	Local Payments + High-Value Categories	Keychain merchants exceeded 1,000 daily orders during Spring Festival, +356% YoY
Emerging	Latin America	Local Platform Partnerships + Tax Compliance	Delivery time in Brazil shortened to 3 days

Data Source: Future Think Tank. Alibaba Research Report 2025. <https://www.vzkoo.com/read/20250324abb4092c7f9661f63a89fa13.html>, March 24, 2025.

3. Platform Operations: Ecological Empowerment through a Multi-Tier Hosting Model

The core innovation of AliExpress lies in the construction of a four-dimensional model matrix, "POP self-operation + full hosting + semi-hosting + overseas hosting", providing differentiated empowerment paths for sellers at different stages of development.

3.1. Model Innovation and Seller Cultivation

AliExpress has established a four-dimensional model matrix of "POP self-operation + full hosting + semi-hosting + overseas hosting" (see Table 2), precisely empowering sellers at different development stages. The POP model continues the traditional self-operated store model with commission charges, but following the upgrade of the "dual-track strategy" in 2023, merchants were granted greater autonomy. For example, a Guangzhou keychain merchant leveraged its IP design capabilities for frequent product launches, reaching over 1,000 daily orders during the Spring Festival in 2025. The full-hosting model allows merchants to focus on supplying goods, while the platform undertakes operations, logistics, and after-sales. For instance, Yiwu maternity and baby products merchant Edwin participated in the "Spring Festival Non-Stop" campaign, stocking 1.5 times the monthly average inventory in warehouses, achieving daily sales of 5,000 orders, all of which sold out. Launched in 2024, the semi-hosting model enables merchants to operate their own stores while utilizing the platform's logistics system, balancing flexibility with efficiency [15]. A men's clothing merchant, A Jin, adopted a "self-stock + warehouse entry" strategy, achieving more than 400% year-on-year growth in orders during the 2025 Spring Festival. The overseas hosting model targets merchants stocking overseas warehouses, with the platform responsible for pricing and marketing while merchants focus on local fulfillment. A Chengdu pet supplies merchant who joined in June 2024 experienced explosive order growth by October, when smart litter boxes combined with the "Billion-Subsidy Program" achieved rapid sales growth.

Table 2. Comparison of AliExpress Multi-Tier Hosting Models.

Model	Merchant Responsibilities	Platform Support	Suitable Seller Type	Typical Case
POP Self-operation	Full-cycle operations	Traffic allocation	Brands / experienced operations teams	Guangzhou keychain merchant with 1,000+ daily orders
Full Hosting	Supply only	Operations + logistics + after-sales	Integrated manufacturing-trade factories	Yiwu maternity and baby products merchant with 5,000 daily orders
Semi-Hosting	Store operations	Logistics system	SMEs with cross-border experience	Men's clothing merchant with 400% order growth
Overseas Hosting	Local warehouse fulfillment	Pricing + marketing	Brands with strong overseas stocking capabilities	Chengdu smart litter box merchant sold out

Data Source: Niuniu Research. Comparison of AliExpress Hosting Models. <https://www.hangyan.co/charts/3284927968891110680>, Jan 21, 2024.

3.2. Data Tools and Blockbuster Incubation

AliExpress has developed a digital operations system for merchants, with its core toolchain spanning the entire product operation cycle. The product diagnosis panel

monitors key indicators such as inventory turnover, conversion rate, and return rate in real time, establishing an intelligent early-warning mechanism. For instance, a Guangzhou keychain merchant leveraged this tool to keep unsold stock rates below 5%. The AI stocking recommendation system integrates historical sales data with seasonal fluctuation factors to generate precise replenishment forecasts, effectively preventing stockouts or overstocking risks. As a traffic engine, the "Super Burst Day" campaign integrates platform search and recommendation resources with billion-yuan subsidies. In 2023, it created a record-breaking single-day sales miracle, helping Magcubic projectors achieve 20,000 units sold in one day, validating the system's complete empowerment loop from data diagnosis to intelligent decision-making and traffic explosion.

4. Product Selection and Pricing: Data-Driven Blockbuster Mechanisms and Scenario-Based Anchoring

4.1. Data-Driven Product Selection Mechanism

AliExpress has established a data-driven product selection system, achieving precise product targeting and rapid iteration through a three-tier mechanism. At the trend-capturing stage, the platform uses web-crawling technology to track trending keywords in real time from platforms such as Google Trends and TikTok, identifying high-growth-potential categories. For example, in 2024, monitoring revealed that searches for "smart pet water dispensers" had grown by 120% annually. This promptly guided factories to develop new related products, driving GMV growth of 90% year-on-year in that category. In the testing and reorder phase, the platform applies a flexible supply chain model of "first-order testing-data feedback-blockbuster reorder," strictly limiting first-order volumes to fewer than 500 units, using 14 days of sales data to verify market response. A Chengdu pet supplies merchant's smart litter box, tested through this process, saw reorder volumes surge tenfold, successfully becoming a blockbuster product. In addition, the platform implements localized adaptation strategies, customizing products for regional consumer preferences. For example, it introduced family-sized packages for the Mexican market (raising average order value by 35%) and avoided green packaging in Brazil, where the color symbolizes bad luck, thereby improving market penetration through attention to detail.

4.2. Tiered Pricing Strategy

AliExpress achieves end-to-end price competitiveness through differentiated pricing strategies. For basic models, the platform reduces intermediary costs under the full-hosting model, enabling pricing at just 30% of Amazon's for comparable products. For instance, TEMU enforces a strict supplier price-checking mechanism, requiring supply prices not to exceed those listed for identical products on the 1688 wholesale platform, ensuring a competitive advantage in cost-performance ratio. For scenario-based premiums, the platform develops bundled product packages for specific holidays or occasions, such as Ramadan headscarf sets and Christmas gift boxes, adding emotional value to enhance product appeal. During the 2025 Spring Festival, a Guangzhou keychain merchant designed a zodiac-IP-themed red envelope pendant set, raising average order value by 22% compared with individual items. For overseas-hosted goods, the platform leveraged the "Billion-Subsidy Program" to offset overseas warehouse operating costs, enabling blockbuster items such as smart litter boxes to be sold at prices still 15% lower than those on independent websites, thereby consolidating price competitiveness.

As shown in Figure 2, the blockbuster rate for full-hosting merchants steadily increased from 38% in 2023 to 67% in 2025, demonstrating the significant advantages of this model in enhancing product market competitiveness. By contrast, non-hosting merchants' blockbuster rate rose from 12% in 2023 to 24% in 2025, but both the growth rate and absolute values were considerably lower. This comparison highlights how the full-hosting model, through the integration of platform resources and provision of

professional operational support, effectively reduces merchant operational risks and increases the likelihood of creating blockbuster products. For merchants, adopting the full-hosting model may therefore translate into more stable sales growth and stronger market penetration.

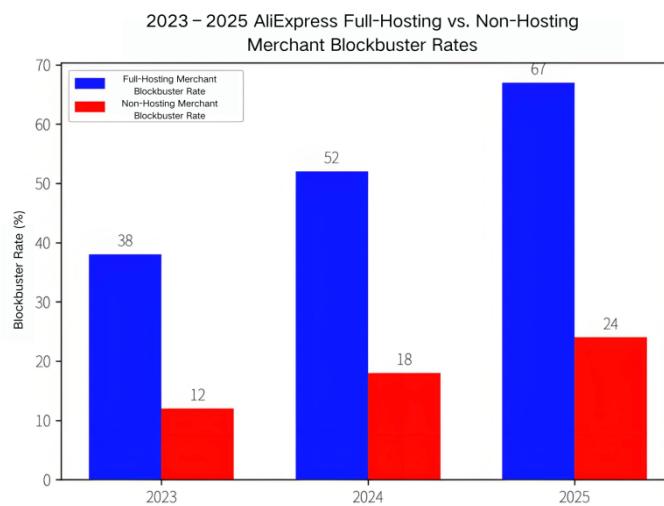


Figure 2. Contribution of AliExpress Global Market GMV (2025).

Data Source: AliExpress Official Merchant Growth Report. Contribution of AliExpress Global Market GMV. <https://www.vzkoo.com/read/20250324abb4092c7f9661f63a89fa13.html>, Mar 28, 2025.

5. Logistics and Payment: Cross-Border Infrastructure and Localized Collaborative Upgrading

5.1. Logistics Network Upgrading

AliExpress has built a three-dimensional logistics system of "air-rail intermodal transport + overseas warehouses + green supply chain," achieving a leap in global delivery efficiency. At the cross-border trunk line level, in 2025 it partnered with Cainiao to open a China-Kazakhstan dedicated charter line (processing 20,000 parcels per day) and a China-Korea weekly freight route (20 flights per week). By securing exclusive transportation capacity, parcel delivery times from East Asia to Europe were reduced from the traditional 45 days by sea to 7 days, meeting the demand for cross-border express delivery. In last-mile network construction, the platform deployed 6 million square meters of overseas warehouses in Europe, the U.S., and Southeast Asia, forming a gradient network of "regional hub warehouses + front warehouses," enabling 98% of orders to be fulfilled locally during the "Spring Festival Non-Stop" campaign. Children's clothing brand PatPat leveraged Southeast Asian overseas warehouses to achieve 95% of orders delivered within 48 hours during Ramadan promotions. In addition, the platform practiced ESG principles by promoting digital cold transfer printing technology to replace traditional printing processes. In 2024 alone, this reduced plastic usage in courier bags by 6,700 tons, saved more than 10,000 tons of water in denim washing processes, and earned Bureau Veritas certification for green supply chain practices.

5.2. Payment Ecosystem Integration

AliExpress has developed a digital payment system of "localized payment + blockchain clearing + intelligent risk control," covering more than 200 global payment scenarios. In localized integration, the platform deeply integrated methods such as Klarna's "Buy Now, Pay Later" in Europe, GrabPay e-wallet in Southeast Asia, and direct AED settlement in the Middle East, achieving 92% localized payment coverage and

effectively reducing foreign exchange risks in cross-border transactions. In settlement efficiency, it collaborated with LianLian Pay to develop a blockchain clearing system, enabling a T+1 settlement cycle, 70% faster than the traditional SWIFT model. After connecting to the central bank digital currency bridge (mBridge) in 2025, single cross-border payment times were reduced to 6-9 seconds, improving capital turnover efficiency by 90%. In risk control, the platform integrated over 200 risk indicators into a real-time monitoring system, introducing biometric authentication in high-risk markets such as Brazil, reducing fraud rates from the industry average of 3.2% to 1.76%, thereby safeguarding transaction security while reducing merchants' financial loss risks.

6. Marketing and Promotion: Social Commerce and Localized Content Viralization

6.1. Social Commerce Penetration

AliExpress has built a closed loop of social commerce through a dual strategy of "short video traffic + micro-influencer matrix." In the short video domain, it partnered deeply with TikTok Shop to launch the "#AliExpressFinds" challenge, reaching 1.5 billion users through unboxing videos and scenario-based recommendations. Data show that home goods live streams achieved a conversion rate of 8.5%, the beauty category contributed over 60% of traffic, and one digital accessories merchant generated more than one million monthly views through YouTube review videos, boosting search rankings by 200%. Meanwhile, the platform collaborated with over 100,000 micro-influencers (with 10,000-100,000 followers), adopting a 15% commission model to reduce reliance on top-tier influencers. For instance, a pet supplies merchant leveraged Reddit community marketing to achieve customer acquisition costs below USD 3, 60% lower than traditional advertising. This "pyramid-style" influencer structure (1% top-tier + 20% mid-tier + 79% grassroots) ensured precise traffic coverage and cost optimization. A clothing brand, for example, achieved an ROI of 1:8 through bulk placement of scenario-based videos by mid-tier influencers.

6.2. Global Mega-Promotion IP Operations

AliExpress combines cultural festivals with extended promotion cycles to build a global marketing calendar. The platform systematically integrates festivals such as Spring Festival, Ramadan, and Christmas. In 2025, it launched the "Spring Festival Non-Stop" IP, where cross-border express logistics and local warehouse stocking boosted men's clothing sales by 400%, with Guangzhou keychain merchants surpassing 1,000 daily orders. To address the competition of "Black Friday and Cyber Monday," the platform extended promotion cycles from a single day to several months. For example, Temu's 2024 Black Friday campaign lasted three months, adopting a staged model of "warming-up - peak - replay," achieving a steady upward sales curve. A home goods brand doubled its average monthly sales through this extended-cycle promotion. In addition, the platform partnered with LianLian Pay to launch a T+1 settlement cycle, 70% faster than traditional models, and after connecting to mBridge in 2025, single payment times were reduced to 6-9 seconds, increasing capital turnover efficiency by 90%.

6.3. Localized Content Co-Creation

AliExpress has achieved localized content through a "KOC review system + local team cultivation" approach. The platform invited local KOCs such as Middle Eastern mothers and French designers to participate in product reviews. For example, PatPat optimized its children's products through feedback from more than 200 seed users, raising the contribution of social traffic to 82.38% and reducing return rates to below 5%. At the same time, the platform established creative centers in Paris and Tokyo, collaborating with local artists to launch co-branded collections. In 2024, this raised sales in the French site by 35%, while a home goods brand increased click-through rates by 40% through localized design. In the African market, the platform set up a national showroom in

Ethiopia, allowing wholesalers to select products offline to build trust, and offered customized e-commerce solutions that reduced delivery times for Kenyan orders to 10 days. This "user co-creation + localized production" model enabled AliExpress to rank among the global top three for personalized experience in PYMNTS 2025 global shopping software evaluations, raising its share of organic traffic to 63% and saving approximately USD 300 million annually in advertising expenses.

As shown in Table 3, in the Middle East, cultural-symbol binding strategies such as signing Saudi football stars and customizing Ramadan gift boxes achieved 2.4 million exposures and a 356% sales increase, leveraging local cultural IPs. In Southeast Asia, combining TikTok co-branded challenges with express logistics raised the 48-hour delivery rate to 95%, reinforcing the synergy between social commerce and logistics efficiency. In Latin America, integrating Pix payments and cultivating bilingual streamers reduced cash-on-delivery rates to 28%, effectively addressing local payment pain points. In Europe, co-branding with French artists and adopting AR virtual try-on technology reduced return rates by 22% and increased repurchase rates by 35%, enhancing the consumer experience through technological empowerment. These strategies demonstrate that AliExpress, through a "core strategy - key actions - outcome validation" closed-loop model, is deeply integrating into regional markets, achieving a dynamic balance between globalization and localization.

Table 3. Regional Comparison of Localized Marketing Strategies (2025).

Region	Core Strategy	Key Actions	Outcomes
Middle East	Cultural-symbol binding	Signing Saudi football stars + Ramadan gift box customization	2.4 million exposures, sales up 356%
Southeast Asia	Social commerce penetration	TikTok co-branded challenge + express logistics	95% of orders delivered within 48 hours
Latin America	Payment localization	Pix payment integration + bilingual live streamers	Cash-on-delivery rate down to 28%
Europe	KOC review system	French artist co-branding + AR virtual try-on	Return rate down 22%, repurchase rate up 35%

Data Source: eMarketer. 2025 Cross-Border E-Commerce Localization Index. <https://cn.bing.com/search?pglt=169&q=eMarketer%202025%20Cross-Border%20E-Commerce%20Localization%20Index>.

7. Challenges and Optimization Suggestions: Compliance Governance and ESG Transformation

7.1. Analysis of Existing Issues

AliExpress faces three core challenges in its globalization process. On the compliance front, Brazil's comprehensive tax rate reaches 60% (including II tariffs and ICMS VAT), while Japan's new 2025 consumption tax policy requires platforms to withhold and remit a 10% tax, compressing profit margins for small and medium-sized merchants. One apparel merchant's calculations showed that compliance costs in the Brazilian market accounted for 32% of sales price, 20 percentage points higher than in Southeast Asia. Insufficient localization depth is also prominent: cash-on-delivery still accounts for more than 40% of consumer payments in the Middle East, and less than 35% of Latin American users accept international credit cards, necessitating further integration of local payment methods such as Pix (Brazil) and OXXO (Mexico). In addition, ESG pressures continue to intensify. Fast fashion categories have been criticized by Greenpeace for encouraging overconsumption, while the platform lacks unified green supply chain standards, leading to fragmented eco-certification. One fast fashion brand, for example, was delisted after failing to obtain the EU Eco-Label certification, incurring losses exceeding USD 1 million.

7.2. Strategic Optimization Suggestions

In response to the above challenges, AliExpress can implement strategic upgrades in three areas: compliance capacity building, ESG value chain restructuring, and technology-enabled localization. In compliance capacity building, the platform plans to establish tax service centers in São Paulo and Mexico City, providing automated filing tools for II and ICMS taxes, with the goal of reducing compliance costs by 40%. At the same time, it seeks to replicate LianLian Pay's successful experience in Southeast Asia by promoting QR Code payments, reducing cross-border transaction fees from 2.5% to below 0.8%. According to calculations by one electronics accessories merchant, this could increase net profit margins by 6 percentage points. In ESG value chain restructuring, the platform intends to collaborate with the Zhongshan small appliance industry cluster to develop green standards, label products using recycled materials with an "Eco Choice" tag, and grant them traffic advantages, with the goal of raising the proportion of green products on the platform to 30% by 2030 and disclosing supply chain carbon footprint data. In technology-enabled localization, the platform plans to set up live-streaming bases in Jakarta and Mexico City, cultivating local bilingual streamers to overcome linguistic and cultural barriers. It also aims to develop AR virtual try-on functions, enabling users to generate virtual avatars for product trials by scanning a code. Tests by a footwear merchant showed that this function increased conversion rates by 25% and reduced return rates by 18%.

8. Conclusion

The globalization of AliExpress is, in essence, a deep practice of the "multi-tier ecological empowerment" and "glocalization" strategies. Through systemic innovation across five core dimensions, it has built global competitiveness covering the entire value chain: in market selection, adopting a "mature-emerging" dual-track model, enhancing efficiency in European and American markets through overseas warehouses, and breaking into Southeast Asian markets with "cross-border express delivery," thereby achieving differentiated regional coverage; in platform operations, constructing a four-dimensional hosting matrix of POP self-operation, full hosting, semi-hosting, and overseas hosting, and leveraging traffic engines such as "Super Burst Day" to help brands like Magcubic projectors reach daily sales exceeding 20,000 units; in product selection and pricing, relying on data scraping and flexible testing mechanisms to raise the blockbuster rate of the full-hosting model to 67%, while in 2025 implementing tiered pricing strategies that highlighted cost-performance advantages for basic models and increased average order values through scenario-based product bundles; in logistics and payment, building a 6 million square meter overseas warehouse network, reducing cross-border settlement cycles to the second level via blockchain technology, and further accelerating transactions through integration with the central bank digital currency bridge; in marketing and promotion, leveraging social platforms such as TikTok to achieve an 8.5% live-streaming conversion rate and reach 1.5 billion users through short video challenges.

Its innovative value lies in transforming China's supply chain capabilities into a global merchant empowerment system, for example, the Zhongshan small appliance industry cluster achieved billion-yuan revenue leaps through the platform's green certification standards, while Yiwu maternity and baby merchants reached daily sales of 5,000 orders through the full-hosting model. This "industry cluster-platform" symbiotic model provides a replicable innovation pathway for the globalization of Chinese manufacturing. In the future, cross-border e-commerce competition will be defined by the "compliance dividend" era. AliExpress's practices demonstrate that platforms must continue to make breakthroughs in three dimensions: localization capabilities (tax, payment, content), ESG standards, and technology empowerment. With the application of technologies such as digital currency bridges and AR virtual try-ons, its vision of "global buying, global selling" is gradually reshaping the traditional trade value chain.

Only enterprises committed to long-termism will be able to build sustainable competitiveness in the multipolar global market.

References

1. S. Li, G. Chen, J. Zhu, Q. Xie, J. Jiang, and C. Liao, "Empowering China's cross-border e-commerce: high-quality development explored through fsQCA," *Humanities and Social Sciences Communications*, vol. 12, no. 1, pp. 1-14, 2025. doi: 10.1057/s41599-025-05551-y
2. Y. Chen, Q. Wang, and J. Zhang, "The role of cross-border E-commerce platforms in the digital economy: empower firms to gain global market insights to increase global competitiveness," *Journal of Digital Management*, vol. 1, no. 1, pp. 1-17, 2025. doi: 10.2139/ssrn.5037603
3. E. Erdogan, "The carbon border adjustment mechanism: Opportunities and challenges for nonEU countries," *Wiley Interdisciplinary Reviews: Energy and Environment*, vol. 14, no. 1, p. e70000, 2025.
4. B. Feng, and C. Feng, "SME-Platform System Development in China-ASEAN E-Commerce: A Synergetic Evolution Perspective," *Systems*, vol. 13, no. 4, 2025. doi: 10.3390/systems13040218
5. W. Duan, A. Eva, L. Andrews, and Y. Liu, "The role of platform ecosystem configuration toward performance bifurcation," *Journal of Innovation & Knowledge*, vol. 9, no. 2, p. 100490, 2024. doi: 10.1016/j.jik.2024.100490
6. Y. Han, "Platform empowerment and SMEs niches base on different life cycles," *Technology in Society*, vol. 81, p. 102848, 2025. doi: 10.1016/j.techsoc.2025.102848
7. Z. Li, and H. Zheng, "Platform" AliExpress," *Innovation of Digital Economy: Cases from China*, vol. 407, 2023.
8. M. Roh, and H. Jang, "Evolution of adoption determinants in cross-border e-commerce: comparing AliExpress and Temu," *Asia Pacific Journal of Marketing and Logistics*, pp. 1-22, 2025. doi: 10.1108/apjml-01-2025-0028
9. F. Liu, "Research on Supply Chain Integration and Cost Optimization Strategies for Cross-Border E-Commerce Platforms," *European Journal of Business, Economics & Management*, vol. 1, no. 2, pp. 83-89, 2025.
10. M. Ji, X. Gao, and Y. Liang, "Opportunities and challenges of cross-border e-commerce development cooperation between China and southeast Asian countries-based on the perspective of the entry into force of RCEP," *Academic Journal of Business & Management*, vol. 5, no. 13, pp. 133-139, 2023.
11. M. A. M. Bonilla, B. S. Da Silva, M. B. Schmitt, and M. Bouzon, "Sustainable practices in last-mile logistics of small Brazilian e-retailers: an analysis using an MCDM approach," *Academia Revista Latinoamericana de Administración*, vol. 37, no. 3, pp. 383-408, 2024. doi: 10.1108/arla-03-2022-0066
12. M. Xin, and A. Mendonça, "Does Cross-border E-commerce Promote the Internationalization of SMEs in BRICS Countries? Evidence From China and Brazil," 2025.
13. X. Wang, "Cross-border Asset Allocation Strategies and Global Capital Market Integration," *Journal of Business and Marketing*, vol. 1, no. 03, pp. 121-125, 2024.
14. A. Grudecka, "Consumer behaviour and cross-border e-commerce perspective," In *Digital Internationalisation of Firms*, 2025, pp. 119-139. doi: 10.4324/9781003617396-8
15. L. Zhao, J. Zeng, and L. Xue, "Does Increased Platform Control over Vendors' Operations Improve Vendor Performance? Insights from Mandatory Semi-Managed Services," *Insights from Mandatory Semi-Managed Services (February 04, 2025)*, 2025. doi: 10.2139/ssrn.5259505

Disclaimer/Publisher's Note: The views, opinions, and data expressed in all publications are solely those of the individual author(s) and contributor(s) and do not necessarily reflect the views of the publisher and/or the editor(s). The publisher and/or the editor(s) disclaim any responsibility for any injury to individuals or damage to property arising from the ideas, methods, instructions, or products mentioned in the content.