

Design of Cross-Border e-Commerce Supply Chain Network Driven by Machine Learning

Guangming Ji

Chengdu College of University of Electronic Science and Technology of China, Chengdu, 611731, Sichuan, China
jiguangming1988@163.com

Abstract—These days, cross-border e-commerce plays a major role in the development of new international trade infrastructure and an online Silk Road. Increasing cross-border e-commerce using intelligent technology may enhance the performance of the industrial chain as a whole. The intelligent customization paradigm has progressed to a higher learning level. This study first examines the present state of research on intelligent customization of cross-border e-commerce and its technological foundations. Next, the technical framework based on deep learning is built for intelligent cross-border e-commerce customization. The model is then trained, evaluated, and tested. Lastly, it presents the deep learning-based marketing and implementation plan for intelligent customization in international e-commerce. The system may play a critical role in assisting businesses engaged in cross-border e-commerce in selecting their goods and streamlining the manufacturing process. Additionally, it may be applied to both theoretical and actual demand forecasting in global marketplaces.

Keywords—Cross-Border e-commerce, Supply Chain Systems, Machine Learning, Logistical Strategies

I. INTRODUCTION

COVID-19 has played a major role in the rapid expansion of online international trade, both within China and internationally. Because it has more potential to expand the industrial, service, and agricultural sectors, cross-border e-commerce continues to become significant as a New Infrastructure for Foreign Trade approach. With the use of contemporary digital technology, the issues of demand and supply chain in trade are addressed, a factor that enhances cross-border e-commerce business chain may be successfully handled. First, supply chain upstream manufacturers may benefit from digitization by opening up new markets abroad, providing integrated systems that facilitate the collection and production of superior business big data, which will help in understanding foreign market demand. Second, digital technology can be more advantageous for downstream distributors [1].

Based on the accumulation of collected big data primarily from clients on cross-border e-commerce, it can accurately ascertain the needs of customers, train systems through the use of intelligent models to support the process of cross-border e-commerce sellers in supply chain networks. In the global market, there are substantial differences in the desires and preferences of customers. Therefore, the main challenges faced by cross-border e-commerce enterprises are the production and selection of products. In the context of cross-border e-commerce, it provides the most personalized shopping experience and collaborates in real-time with supply chain partners to establish production and service capacity to accurately ascertain customer wants. Companies that participate in international e-commerce must possess a

certain level of big data expertise, be able to analyze and optimize this data dynamically in real time and be able to leverage artificial intelligence technology to assist in the development and personalization of products [2]. The cross-border e-commerce industry is transitioning into a higher intelligence era with features including intelligent customization, on-demand manufacturing, client preference catering, and simultaneous supply-side and demand-side upgrading.

II. RELATED LITERATURE

A. Cross-Border e-Commerce in China

As established, e-commerce allows consumers to buy products from suppliers all around the world. Unlike traditional e-commerce, cross-border e-commerce uses global marketplace integration to link customers with businesses and products from different regions globally. In recent years, China has seen significant growth in cross-border e-commerce. Chinese consumers may purchase products from foreign companies online through this type of e-commerce, usually for less money than they would spend in local stores. The popularity of this form of e-commerce is partly due to the ease and convenience of online shopping and the wide range of imported products available. Using intelligent customization technology, cross-border e-commerce companies need to address three major problems as soon as possible. First, we carefully investigate and evaluate market demand worldwide. The deep neural network has extremely fine-grained feature recognition [3]. By identifying the smallest shifts in consumer demand and adapting accordingly. Second, the use of these systems may enhance foreign e-commerce sellers choose their products. Demand prediction, business prognosis, and decision-making, product recommendations appropriate for customization and development, bringing product design, creativity, and development closer to target market consumer preferences, using a scale to gain bargaining power, and wisely allocating supply chain and logistics resources are all areas where the artificial intelligence model can be helpful. Thirdly, we expedite the product development process for firms engaged in cross-border e-commerce. Digitalization boosts the industry's ability to integrate resources, speeds up, integrate, and visualize the entire supply chain and transaction chain in cross-border e-commerce, and helps product manufacturers advance intelligent, customized production and develop flexible production systems [4]. It also improves the order and fairness of supply chain operations, lowers manufacturing and procurement costs, and provides international e-commerce clients with an improved overall shopping experience.

B. Supply Chain Networks Driven by Machine Learning

The advancement of automation technology is bringing about significant transformation in the logistics industry in China, thus opening up new business opportunities. Supply chain operations now depend heavily on machine learning as transportation companies strive for efficient delivery. Logistics organizations need to adapt to new demands and expectations as the COVID-19 pandemic has irreversibly changed customer behavior. Delivery that is accurate, timely, economical, and tracks goods to their intended places is the new norm. Using machine learning to automate logistics, Acropolium, a company that has been in operation for over nine years, has lately offered more than twenty-three logistical software systems and solutions. Logistics companies use artificial intelligence and machine learning in their sophisticated data analytics to boost client happiness and productivity [5]. It is predicted that software with progressive analytics capabilities and machine learning and artificial

intelligence would power almost 50% of supply chain operations. Machine learning-based software improves operations and reduces costs by enabling better demand forecasts and automated route building.

A recent research found that firms using automation technologies reduced their logistics costs by 15%. In its widest sense, artificial intelligence (AI) technology includes machine learning (ML) as a subset. Organizations handle and systematize vast amounts of data to get insights on how to improve performance. The projected valuation of the Chinese machine-learning market in 2022 was \$38.11 billion. From 2023 to 2032, the compound annual growth rate (CAGR) is projected to rise by over 35.09%, or rather \$771.38 billion. Automation, supply chain management, and machine learning work together to revolutionize the transportation sector's efficiency [6]. One of the newest developments in logistics technology, this system collects valuable data from inventory, risk management, security, and route logs.



Figure 1: Growth of the Supply Chain Networks Driven by Machine Learning in China

III. DESIGN OF THE CROSS-BORDER E-COMMERCE SUPPLY CHAIN NETWORK

A. Examination of Machine Learning Algorithms

Machine learning systems and algorithms help in the analysis of data by determining their word associations. The algorithm further finds keywords considered to have a closer association with the required queries, an aspect that helps in generating profound solutions to inquiries. This is primarily achieved by generating frequency vectors used in determining similarities within the vectors used to represent varied words. The CMDP problem can be in this case be optimized as detailed in Figure 1, in which the resulting vectors are considered as excessively scant, making similarity calculations challenging. Addressing this issue establishes the need for a decomposed system and matrix, however doing so is difficult when working with large volumes of data and introduces too much processing complexity. It may perform nonlinear transformations on linear data; the sigmoid function, for example, can move an input value into the [0,1] range. Since the direction of the gradient must be determined by the back-propagation algorithm's mistake, all of the activation prospect of the functions that are differentiable [7]. This step's main objective is to collect a sample from RBM. Then, samples

from the course materials may be obtained by the remaining parts of the model using a single raw sampling. Before training the system, the need to determine the points of divergence through a random maximum likelihood in the training of the system through RBM may be considered in maiming the data as given below.

$$\frac{\alpha U(Y, X, Z)}{\alpha x \delta y \delta z} - \frac{\alpha(I-X)^{-1} * \alpha CT}{\alpha X \alpha Y} \quad (1)$$

For example, the study uses a prediction index model (RMSE) in regressing the problems and the classification accuracy (F1-score) as the assessment indices for classification problems. There will be sample imbalances, especially in the forecast made by the antifraud model [8]. The proportion of typical, non-fraudulent samples is high, whereas the proportion of fraudulent samples is low. As a result, detailing the systems quantity of training samples that the government provides will be uneven. An erroneous result will be obtained from the systems rate of accuracy widely used in the evaluation of the correctness of the system and model.

$$\frac{\sum_i^n 2 \mu(x) \times C(i) + \sum_i^n \mu(x) \times P(i)}{\sum_i^n 2 \mu(x) \times C(i) + \sum_i^n \mu(x) \times P(i)} = \begin{cases} 1 & i + x \in R \\ 0 & i + x \in P - R \end{cases} \quad (2)$$

Next, it tracks the model's impact using AUC or KS, the model's assessment indicator. When measuring the effectiveness of data mining models, methods such as confusion matrices, ROC curves, or methods for determining classification accuracy are commonly employed [9]. Here, the Selenium module plays a critical role in enhancing the web application and systems testing tool, mainly using WebDriver to simulate the operation of a Google Chrome browser. This allows for the examination of certain web pages widely considered as complex in finding an anticrawl mechanism within the systems web pages.

B. System Functions of the e-Commerce Supply Chain Network

The computer can determine the internal links between the data and eventually abstract the gold features it discovers by layer-by-layer mixing and extracting the incoming data throughout the network. A suboptimal solution of the initial problem is obtained using the energy state evolution equation. Neural networks are fundamentally different from other machine learning approaches in that they depend on feature engineering to accurately choose an effective network to launch its systems [10]. A neural form of network can do machine recognition and automatically summaries characteristics with the aid of the data it has mined. As a result, the method is more accurate and productive than feature engineering by hand as equated below:

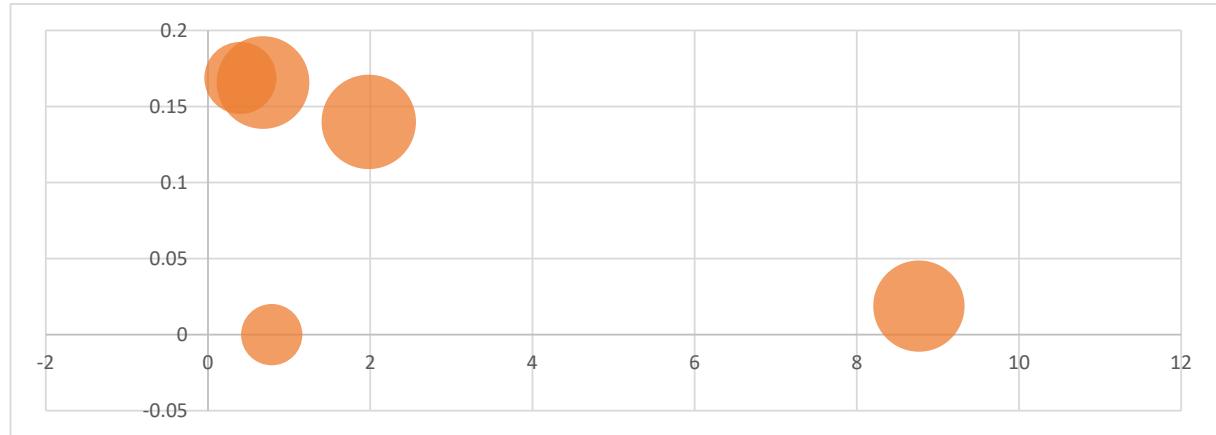


Figure 2: Process Systems Variable Weighting

After analyzing any criticism, we were ultimately able to gather additional relevant analytical proof. The systems users and their experiences significantly increase [12].

C. Analysis of the e-Commerce System and Network Conversion Rate

The likelihood of the matching action in each state is provided by the cross-border e-commerce strategy. In each stage, the denoted strategies marked as t , there is a chosen deterministic approach to addressing the queries presented. Consequently, the cumulative return for every state may be computed when a deterministic strategy t is provided. The statistical frequency used in determining a positive emotional level through words, proper conversion as are used in denoting the positive and the negative outputs of the data as seen the combination of "negative words + negative emotion words" is known as Reversal_Negmember or Re_Neg [13]. It must thus be multiplied by two as provided below:

$$x(y(i)w(n-i+1), x(i-1) = \begin{matrix} x(i) & 1 & 2 \\ 1 & x(y-1) & 1 \\ 1 & 1 & x(y-2) \end{matrix} \quad (3)$$

The first difficulty in expressing the Q table using a neural network is figuring out the training loss function. The group was able to reduce the significant and frequent oscillations in the neural network parameter training by utilizing an auxiliary system and form of neural network that is programmed to Target Q as detailed in the DQN approach [11]. Table I shows how to use two neural networks—one for real training and the other for developing learning objectives—to ensure that the neural network learns smoothly. Its illustration is given in Figure 2.

TABLE I PROCESS SYSTEMS IN NETWORK LEARNING

Data	Variable 1	Variable 2	Variable 3
Modeled Training	0.67835	0.16574	0.65831
Actualized Training	0.78567	0.62986	0.28791
Analyzed Training	1.98234	0.13987	0.68326
Indicated Training	0.39875	0.16875	0.39870
Reviewed Training	8.76581	0.01876	0.63861

$$\therefore \frac{S(m,x)}{T(m,x)} > 2 \parallel G(T-S) + \sum_{x=1}^n 2 \sum_{y=1}^n 2 X(x,y) \times S(y,z) = 0 \quad (4)$$

This classifier utilizes this result as a benchmark for assessing other classifiers as it discovers that the positive ratio through the consideration of the falsified positives and the true positives, indicating a challenge in the classifiers capacity to distinguish the variables. The ideal classifier scatter in Figure 2, on the other hand, passes across regions where it is -10% true-positive that is revealed to stand at 0%. Before misidentifying any negative results, it had successfully detected all true-positive samples. Falling between the ideal classifier and the classifiers with low predictive power, the majority of classifiers resemble the test classifiers.

IV. ANALYSIS OF THE DESIGN OF THE E-COMMERCE SUPPLY CHAIN NETWORK

The algorithm data's root and mean square error therefore serves as an assessment metric to determine the regression model's quality. The root mean square error is calculated by taking the square root of the sum of the squares of the deviations between the observed and actual values, dividing by the number of observed samples (n), and then dividing the result by n. In case the model's test results are not accurate enough [14], it is necessary to either convert the model properly or modify its parameters. Simultaneously, you may also attempt to combine several distinct models, which frequently yields superior outcomes than a single model as provided below:

$$\sqrt{\begin{cases} t(m, c) < 1 & x(t(m, \frac{n}{t} - 1)) \\ p(n-1, m-1) > 0 & c(\frac{m}{n}) \end{cases}} \quad (5)$$

$$+ \frac{\exp(t-1) - \exp(t+1)}{t(m) + t(n)}$$

Furthermore, since Doc_total_frequency is the text's total word count, the Sentiment orientation value can be used to determine the emotional intensity as a percentage. An absolute value that is closer to 1 denotes a tendency towards positivity, and a negative absolute value indicates a tendency towards negativity. The sentiment value is represented by F(wi), which equals -1 established as R(wi), the current sentiment word is represented by S(wi), and x specifies the

number of negative words that came before it. Sentiment computing specialists have built quantitative word look-up tables from which the overall sentiment value and the weights of the coefficients are obtained. For vector words to be learned later on, a training system and corpus may need to be considered as large, given the dense data provided to the system [15]. Word2vec is a program that trains word vectors by comprehending semantic links in a text corpus using unsupervised learning and neural networks. 140,000 online reviews of the mall were used in the Table II corpus from the experiment to train the word vector.

$$\left[\begin{array}{l} \frac{1}{2} \times \sin(n) \sin(m) + \frac{2}{2} \times \cos(m) \cos(n) = 0 \\ \frac{2}{3} \times \cos(n) \sin(m) + \frac{2}{3} \times \sin(m) \cos(m) = 2 \end{array} \right]$$

TABLE II WEIGHTS OF THE SYSTEMS COEFFICIENTS

Logistical Strategy	Training Procedure	Distribution Level 1	Distribution Level 2
1	General Loss Functions	0.46857	0.03265
2	Text Sentimental Evaluation	0.02654	0.36862
3	Emotional Tendency (+-)	0.68791	0.37681
4	Coefficient of the Systems Interjections	0.64879	0.65786
5	Appropriate Conversion	0.56187	0.28691

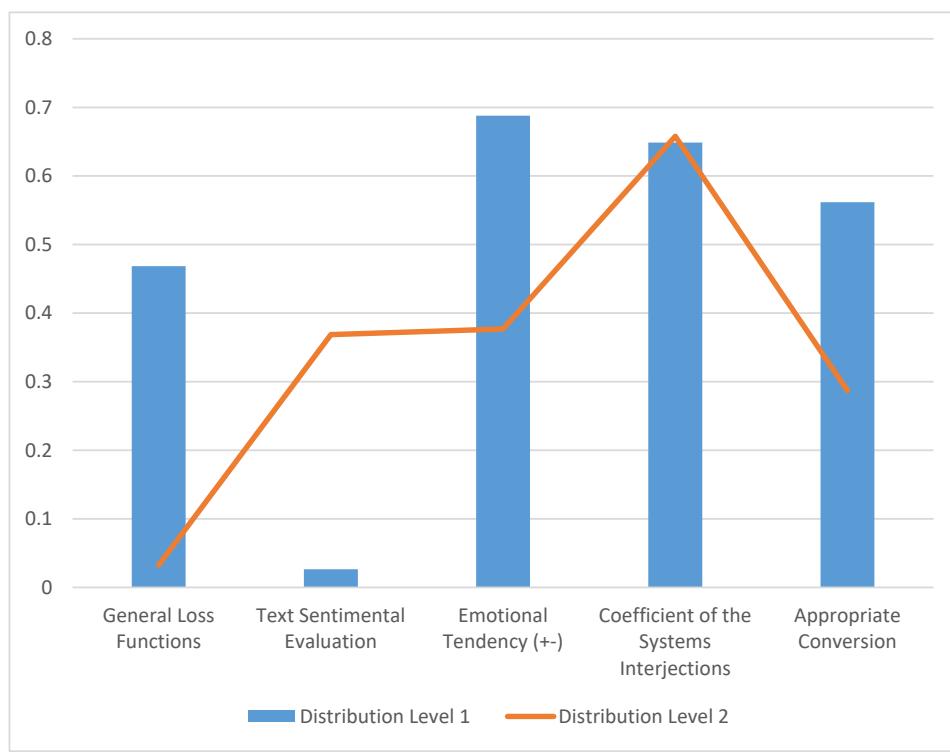


Figure 3: Weights of the Systems Coefficients

The entire experiment's code was written in TensorFlow framework fully supported by different systems. The architecture of this machine-learning platform allows for

rapid modelling and cross-language interoperability. Both the system's energy usage and the organization's service latency might be significantly reduced. It seems that value iteration

updates the value function, but not the improvement link of the intermediate strategy. The weights of the systems coefficients were represented in a combo graph (see Figure 3). The system equally combines other different phases into a single strategy to enhance the process of evaluation and enhancement [16]. A series of policy evaluations took place prior to the choice of an avaricious course of action. This updating approach converges faster. All of these methods are also referred to as "shortened policy iteration.

V. CONCLUSION

Large-scale gathering of big data connected to this form of e-commerce may enable an in-depth investigation on profound methods of customization label portions in e-commerce. This study used machine learning and artificial intelligence, mostly through the analysis of item-related tag attributes, to provide recommendations about the viability of producing and launching a product. The production schedule is determined by this cost after supply chain optimization. For example, products on different cross-border platforms play a significant role in several product categories that do well on global e-commerce platforms: clothing, accessories, jewelry, watches, bags, and so on. More industries are beginning to pay attention to these characteristics and fashion elements as well as how to differentiate their brands to increase their value as China's export e-commerce businesses build their brands. Therefore, mining popular features from the future age, using fashion labels for deep learning, historical popular data for trend forecasting, and incorporating these factors into the creation of intelligently customized things are necessary to develop an intelligent customization system. The variables are handled using dimensionality reduction, which raises the model's efficacy over that of a single model and improves its capacity for generalization. Given this, cross-border e-commerce allows consumers to buy products from suppliers all around the world [17]. Unlike traditional e-commerce, which is limited to domestic transactions, cross-border e-commerce uses global marketplace integration to link buyers and sellers from all over the world. In recent years, China has seen significant growth in cross-border e-commerce. As viewed, Chinese clients may engage in the purchase of products and services from foreign based entities online through this type of e-commerce, usually for less money than they would spend in local stores [18].

REFERENCES

- [1] A. Goti, L. Querejeta-Lomas, A. Almeida, J. G. de la Puerta, and D. López-de-Ipiña, "Artificial Intelligence in Business-to-Customer Fashion Retail: A Literature Review," *Mathematics*, vol. 11, no. 13, p. 2943, Jan. 2023, doi: <https://doi.org/10.3390/math11132943>.
- [2] K. Li, D. J. Kim, K. R. Lang, R. J. Kauffman, and M. Naldi, "How should we understand the digital economy in Asia? Critical assessment and research agenda," *Electronic Commerce Research and Applications*, vol. 44, no. 101004, p. 101004, Nov. 2020, doi:<https://doi.org/10.1016/j.elerap.2020.101004>.
- [3] Q. Sun, M. Dong, and A. Tan, "An order allocation methodology based on customer repurchase motivation drivers using blockchain technology," *Electronic Commerce Research and Applications*, vol. 56, p. 101218, Nov. 2022.
- [4] S. Massa, María Carmela Annosi, L. Marchegiani, and Antonio Messeni Petruzzelli, "Digital technologies and knowledge processes: new emerging strategies in international business. A systematic literature review," *Journal of Knowledge Management*, Nov. 2023, doi:<https://doi.org/10.1108/jkm-12-2022-0993>.
- [5] J. Chen et al., "Exploring the Development of Research, Technology and Business of Machine Tool Domain in New-Generation Information Technology Environment Based on Machine Learning," *Sustainability*, vol. 11, no. 12, p. 3316, Jun. 2019, doi:<https://doi.org/10.3390/su11123316>.
- [6] U. Majeed, L. U. Khan, I. Yaqoob, S. M. A. Kazmi, K. Salah, and C. S. Hong, "Blockchain for IoT-based smart cities: Recent advances, requirements, and future challenges," *Journal of Network and Computer Applications*, vol. 181, p. 103007, May 2021, doi:<https://doi.org/10.1016/j.jnca.2021.103007>.
- [7] M. Wedel and P. K. Kannan, "Marketing Analytics for Data-Rich Environments," *Journal of Marketing*, vol. 80, no. 6, pp. 97–121, Nov. 2016, doi: <https://doi.org/10.1509/jm.15.0413>.
- [8] J. Chen et al., "Exploring the Future Development of Research, Technology and Business of Machine Tool Domain in New-Generation Information Technology Environment Based on Machine Learning," May 2019, doi: <https://doi.org/10.20944/preprints201905.0201.v1>.
- [9] L. Guo, "Cross-border e-commerce platform for commodity automatic pricing model based on deep learning," *Electronic Commerce Research*, Nov. 2020, doi: <https://doi.org/10.1007/s10660-020-09449-6>.
- [10] Li J, Wang T, Chen Z, et al. "Machine Learning Algorithm Generated Sales Prediction for Inventory Optimization in Cross-border E-Commerce," *International Journal of Frontiers in Engineering Technology*, vol. 1, no. 1, Dec. 2019, doi:<https://doi.org/10.25236/IJFET.2019.010107>.
- [11] J. Wang, L. Yang, and S. Zhang, "Optimization of cross-border intelligent e-commerce platform based on data flow node analysis," 2021 5th International Conference on Trends in Electronics and Informatics (ICOEI), Jun. 2021, doi:<https://doi.org/10.1109/icoei51242.2021.9452822>.
- [12] Y. Wang, F. Jia, T. Schoenherr, Y. Gong, and L. Chen, "Cross-border e-commerce firms as supply chain integrators: The management of three flows," *Industrial Marketing Management*, vol. 89, Sep. 2019, doi:<https://doi.org/10.1016/j.indmarman.2019.09.004>.
- [13] X. Liu, Z. Dou, and W. Yang, "Research on Influencing Factors of Cross Border E-Commerce Supply Chain Resilience Based on Integrated Fuzzy DEMATEL-ISM," *IEEE Access*, vol. 9, pp. 36140–36153, 2021, doi: <https://doi.org/10.1109/access.2021.3059867>.
- [14] H. Wang and F. Fang, "Research on E-Commerce Supply Chain Design Based on MVC Model and Virtual Image Technology," *IEEE Access*, vol. 8, pp. 98295–98304, 2020, doi:<https://doi.org/10.1109/access.2020.2996675>.
- [15] He J. "Retracted: Analysis of the Business Model of C2B Cross-Border E-Commerce Platform Based on Deep Learning," *Security and Communication Networks*, vol. 2023, Dec. 2023, doi:<https://doi.org/10.1155/2023/9850156>.
- [16] L. Junfang and C. Shan, "Design of Sino-Japanese cross border e-commerce platform based on FPGA and data mining," *Microporcessors and Microsystems*, p. 103360, Oct. 2020, doi: <https://doi.org/10.1016/j.micpro.2020.103360>.