

You Can Export: Accessing the Global Ecommerce Market

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Department for
International Trade

 **EXPORTING
IS
GREAT**
BRITAIN & NORTHERN IRELAND



Overview

- The Ecommerce Opportunity
- Top Global Ecommerce Markets
- Identifying & Prioritising Markets
- Your Export Journey - Challenges & Considerations
- Why Marketplaces?
- DIT Support - The E-Exporting Programme

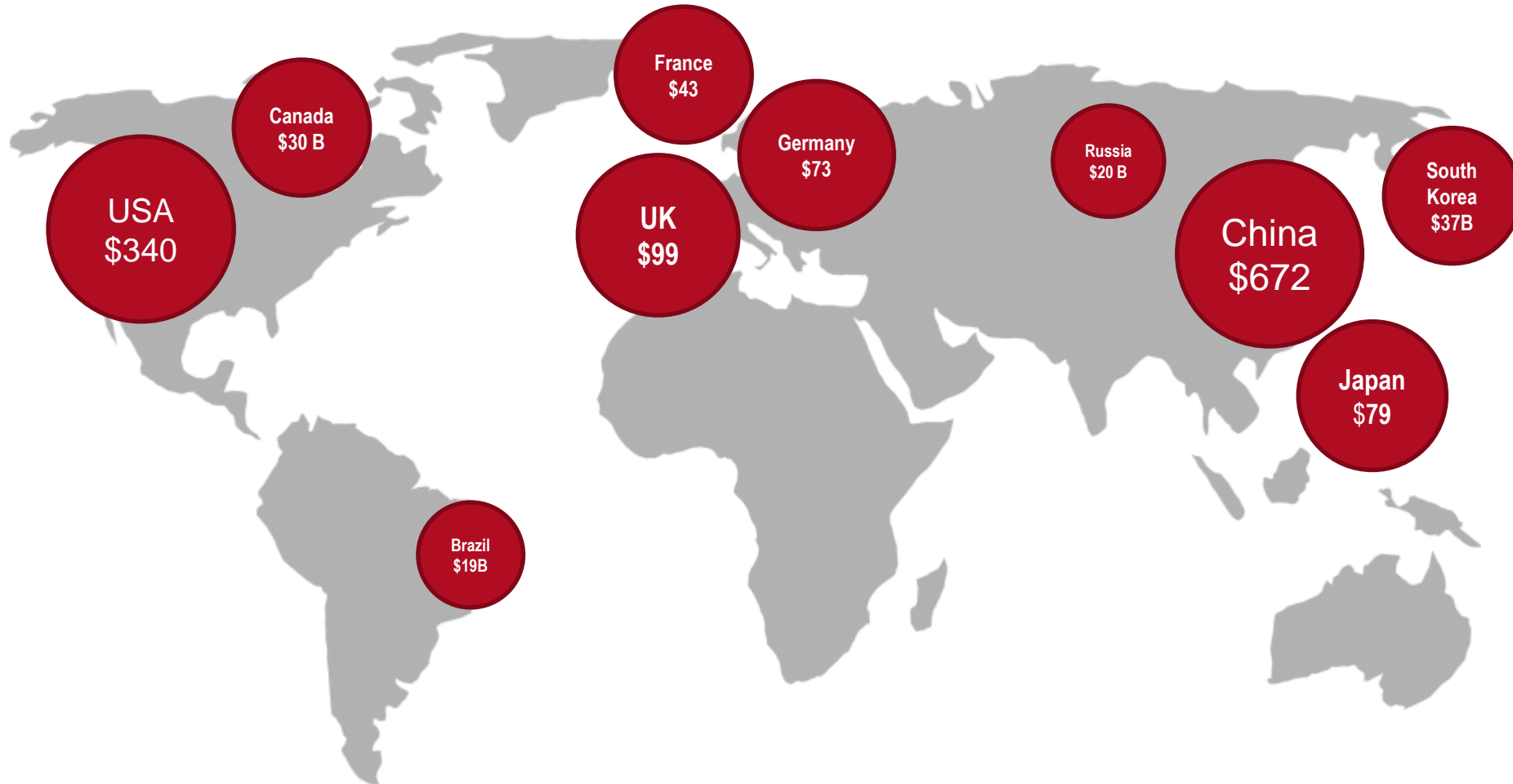
The Ecommerce Opportunity

- **3.8 billion** active internet users globally
- Global ecommerce sales:
 - B2C: **\$3.2 trillion by 2021**
 - B2B: \$6.6 trillion by 2020
- Ecommerce as % of global retail:
 - 8.7% in 2016
 - Expected to reach **15.5% by 2021**
- Marketplaces:
 - **40% of global online retail**
 - 90% of all Chinese ecommerce transactions
 - 2/3 consumers purchase from a marketplace monthly

Sources: <http://www.internetlivestats.com>, [Statista](#), Eurostat, [Forrester Consulting](#)

Top Ecommerce Markets in 2017

By Billion \$ USD



Identifying & Prioritising Markets – Data & Tools

- Identify the relevant universe and gather data points
- Use your existing data from online and offline
- Data points:
 - Total market size
 - Category market size - demand for your products
 - Internet penetration
 - Ecommerce as % of total retail
 - Online demand
 - Competitors
 - Trends & customer behaviour
 - Barriers
- Helpful tools and data sources...

Google Analytics



What entices people to shop cross-border?



60%

Free shipping



47%

Accept local currency



47%

Safe payments

And what doesn't?



41%

Shipping costs



36%

No shipping option to their country



32%

Payment in foreign currency

When do people get spend happy?



Christmas



Seasonal Sales



Black Friday



Cyber Monday

Your Export Journey - Challenges & Considerations

Logistics: delivery & returns handling

- Key trust builder
- Return rates vary widely (S. America: 2%, Germany 49%)
- Parcel2Go, Zigzag Global, Clicksit, ReBound
- Marketplace fulfilment solutions

Payment preferences

- Average cart abandonment: 68%
- Localised checkout: multiple currencies, landed cost
- Local payment methods (COD, ELV, iDeal, mobile wallets)
- Deferred payment options: Klarna

Your Export Journey - Challenges & Considerations

Localisation

- Language and cultural differences
- Customer service: local language and time zone
- Holidays, shopping days – Single's day, Mother's day

Marketing

- Paid and organic search (Google, Baidu, Naver, Yandex, Amazon)
- Social: local networks, tools (Buzzsumo, Brandwatch, WeChat, Weibo)

Tax

- VAT thresholds EU, US sales tax nexus
- Tax specialists: Meridian, Avalara, SimplyVAT, TaxJar

Legal obligations/regulations

- Product quality/ compliance, IP protection

Why Marketplaces – Key Benefits & Considerations

- 100s marketplaces
- Established customer base
- Price control and retail margins
- Excellent way to test the local demand for your products
- Counter-seasonal in antipodean markets
- Capture users who are ready to buy
- Partners – integrators (Channel Advisor, We Are Pentagon, Linnworks), currency (World First, Currencies Direct, Payoneer)
- De-facto search engines & market dominance (multi channel strategy)

Market Entry Channels: Website v. Marketplace

	Pros	Cons
Branded Site	<ul style="list-style-type: none">- Full brand control- Own customer data- Ability to email, retarget- Better upsell opportunities	<ul style="list-style-type: none">- Platform setup = time/resource intensive- Traffic generation- Localisation: payment options, CS, content
Marketplace	<ul style="list-style-type: none">- 100s of MPs globally- Quick and easy to set up- Built-in customer base- Test new markets before localising website- Reduced costs?	<ul style="list-style-type: none">- Often discount/price-led- Competing brands on the same platform- Customer belongs to the marketplace- Difficult to build brand loyalty

The E-Exporting Programme



- Launched by UK Gov in September 2014
- Help UK brands and retailers export through ecommerce
- Over 4,300 companies assisted to date
- 4 main services
- Additionally:
 - International Trade Advisors
 - Face-to-face support
 - OMIS
 - Embassy network

Visit: www.gov.uk/e-exporting and www.great.gov.uk

Marketplaces

 **Rakuten**

尚品 SHANGPIN

trademe 

 **阿里巴巴**
1688.com

amazon


ebay™

Flipkart 

 **INIO**

天猫国际
TMALL GLOBAL

spartoo.com 
TOUTE LA MODE À VOS PIEDS

frugo®

Cdiscount.com

 **newegg**®

manomano


otto group

唯品会
vip.com

 **京东全球购**
JD Worldwide

catch·
.com.au

Selling Online Overseas



Department for
International Trade

[Register](#) | [Sign in](#)

[Home](#) [Your export journey](#) [Export readiness](#) [Guidance](#) [Services](#)

Find online marketplaces

Reach over 2 billion consumers online around the world
Get special deals negotiated on behalf of UK businesses

What do you sell? Enter your product type and pick a category

Where do you want to sell? Leave this empty if you are not sure

[Find marketplaces \(42\)](#)

La Redoute



THE ICONIC

唯品会
vip.com



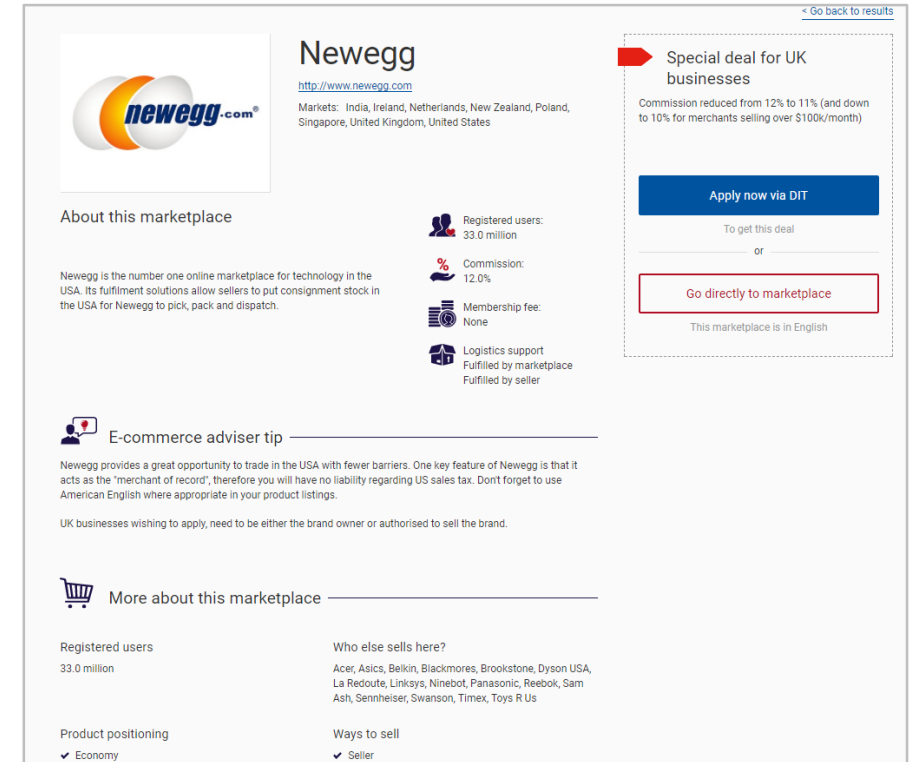
Randomly loaded marketplaces from our database

How this tool can help your business




Selling Online Overseas

- Marketplace description
- Customer profile
- # Registered users
- Current brands
- Operating model
- Logistics support
- Fees: commission, registration, deposit
- Payment terms
- Requirements (translation, local bank account)
- Product management options (API, CMS, integrators)
- Marketing & merchandising help
- Seller support



The screenshot shows the Newegg marketplace page. At the top left is the Newegg logo. To its right, the text 'Newegg' is displayed with the URL 'http://www.newegg.com' and a list of markets: India, Ireland, Netherlands, New Zealand, Poland, Singapore, United Kingdom, and United States. Below the logo, there's a section 'About this marketplace' which states that Newegg is the number one online marketplace for technology in the USA, offering fulfillment solutions for sellers. To the right of this text, there are four key metrics: Registered users (33.0 million), Commission (12.0%), Membership fee (None), and Logistics support (Fulfilled by marketplace). On the far right, there's a 'Special deal for UK businesses' box with a red arrow icon, stating that the commission is reduced from 12% to 11% (and down to 10% for merchants selling over \$100k/month). Below this, there's a blue button 'Apply now via DIT' and a red button 'Go directly to marketplace'. At the bottom, there's an 'E-commerce adviser tip' section and a 'More about this marketplace' section which lists other brands sold on the platform like Acer, Asics, Belkin, etc. The bottom of the page shows 'Product positioning' as 'Economy' and 'Ways to sell' as 'Seller'.

< Go back to results

 **Newegg**
<http://www.newegg.com>
Markets: India, Ireland, Netherlands, New Zealand, Poland, Singapore, United Kingdom, United States

About this marketplace

Newegg is the number one online marketplace for technology in the USA. Its fulfillment solutions allow sellers to put consignment stock in the USA for Newegg to pick, pack and dispatch.

Registered users: 33.0 million
Commission: 12.0%
Membership fee: None
Logistics support: Fulfilled by marketplace

Special deal for UK businesses
Commission reduced from 12% to 11% (and down to 10% for merchants selling over \$100k/month)

[Apply now via DIT](#)
To get this deal or [Go directly to marketplace](#)
This marketplace is in English

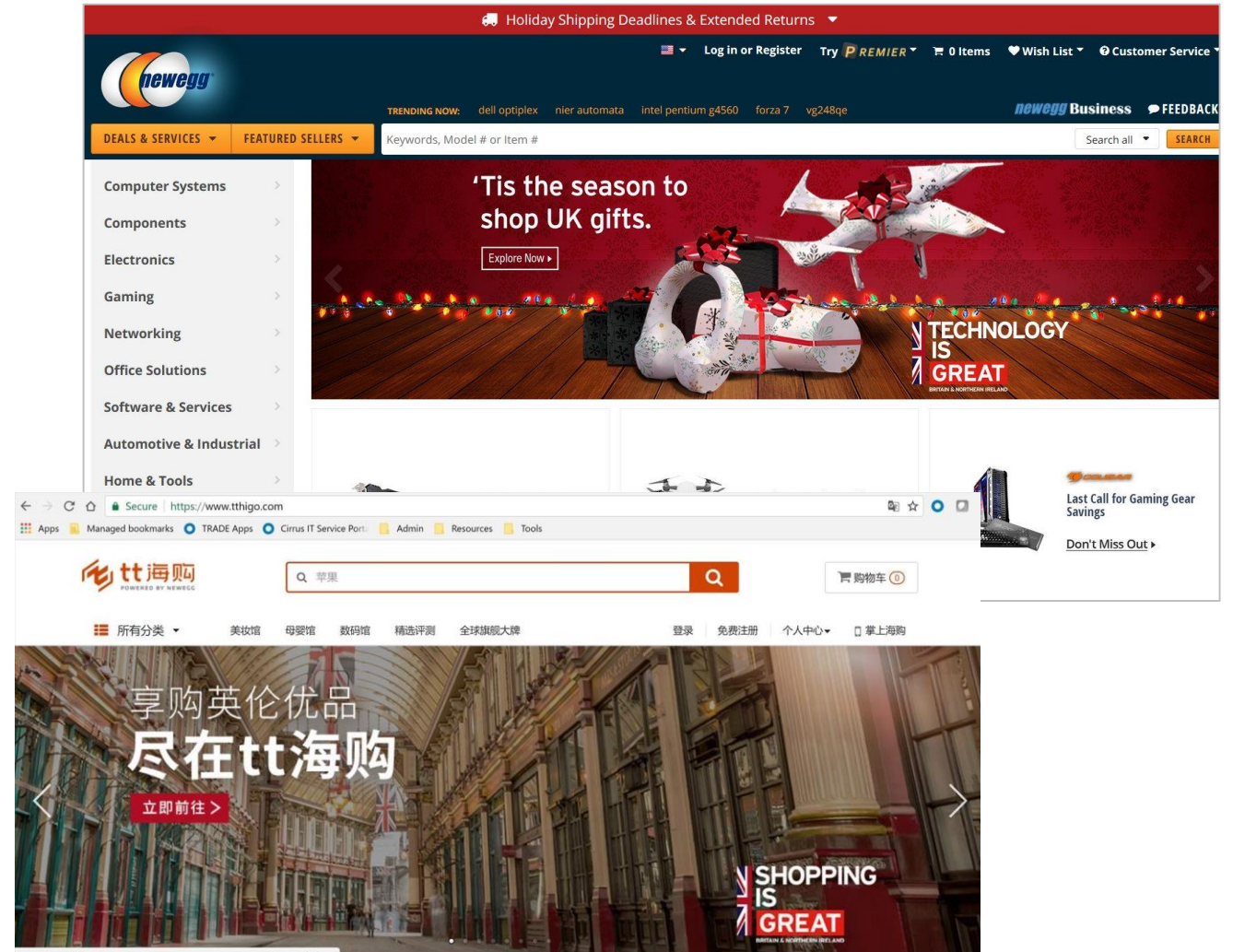
E-commerce adviser tip
Newegg provides a great opportunity to trade in the USA with fewer barriers. One key feature of Newegg is that it acts as the 'merchant of record', therefore you will have no liability regarding US sales tax. Don't forget to use American English where appropriate in your product listings.
UK businesses wishing to apply, need to be either the brand owner or authorised to sell the brand.

More about this marketplace

Registered users: 33.0 million
Who else sells here? Acer, Asics, Belkin, Blackmores, Brookstone, Dyson USA, La Redoute, Linksys, Ninebot, Panasonic, Reebok, Sam Ash, Sennheiser, Swanson, Timex, Toys R Us
Product positioning: ☒ Economy
Ways to sell: ☒ Seller

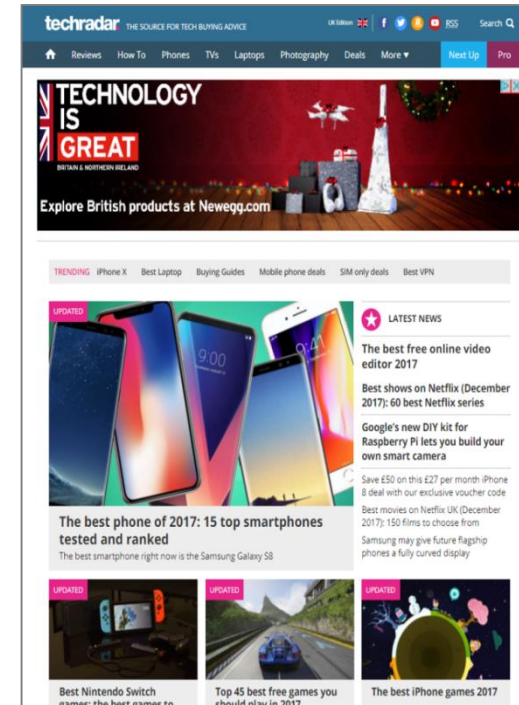
GREAT promotions

- Feature British products on **marketplace homepage**
- Amplification via digital, social, email
- **Traffic uplift: 40%**
- **Sales uplift: 30%**
- 16 campaigns so far
- **Free for brands to participate**



Newegg/ Technology is GREAT campaign – Dec 2017

- Homepage leaderboard banner
- 1 week in December
- DIT's 1st consumer-facing digital marketing campaign
- **21 UK brands** participated
- Facebook, digital display and outdoor kiosks
- Drive awareness of UK tech products on Newegg
- **32 million impressions**
- National and regional press coverage
- **Revenue: 128% YoY increase** across all participants



Success Stories – Maxwell Scott Bags

- York-based retailer, specializing in handmade leather goods
- Have grown their business by 300% in 3 years through online exporting and marketplaces

“We were introduced to an E-Commerce Adviser, who recommended global marketplaces we could also sell through. Since then, we’ve employed our first Head of E-Marketplaces to focus solely on how we can grow our business through marketplaces.”

William Forshaw, Founder



York bag retailer goes global via e-commerce

York-based retailer Maxwell Scott Bags was already selling internationally from its UK website when its owners made the decision to launch...

Reading time: 1 minute

Testimonials from brands

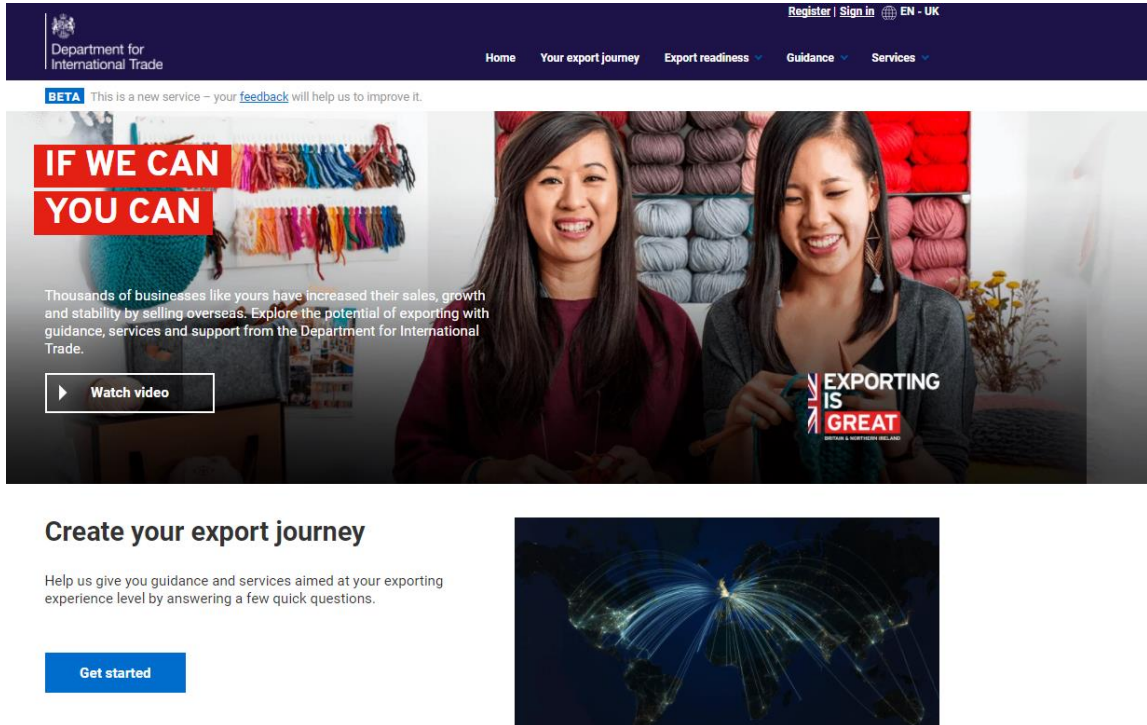
"Using platforms like Newegg allows us to supply our fans across the globe with custom gaming equipment. If we can do it, so can many other growing Yorkshire businesses."

Ben Lawton, founder, Custom Controllers

"Out of our small design studio in South London, we have built one of the UK's leading drone technology companies. "With DIT's E-Exporting Programme our products can quickly reach exciting new markets." **Vernon Kerswell, CEO, Extreme Fliers**

"We went from 0 to \$1000 a day within a few days of listing on the platform. Considering we're selling niche products to a small market, we never could have imagined achieving these types of sales." **Shaun Loughlin, Managing Director, Freestyle Xtreme**

E-Exporting Support



The screenshot shows the Department for International Trade website. The header includes the department's name, a navigation menu with links like 'Home', 'Your export journey', 'Export readiness', 'Guidance', and 'Services', and user options for 'Register', 'Sign in', and language settings 'EN - UK'. A 'BETA' banner indicates a new service. The main content area features a video thumbnail with the text 'IF WE CAN YOU CAN' and a description about the benefits of exporting. Below this is a 'Watch video' button. Further down, there's a section titled 'Create your export journey' with a brief description and a 'Get started' button. A world map graphic is also visible.

Department for International Trade

Register | Sign in | EN - UK

Home Your export journey Export readiness Guidance Services

BETA This is a new service – your [feedback](#) will help us to improve it.

IF WE CAN YOU CAN

Thousands of businesses like yours have increased their sales, growth and stability by selling overseas. Explore the potential of exporting with guidance, services and support from the Department for International Trade.

▶ Watch video

EXPORTING IS GREAT

Create your export journey

Help us give you guidance and services aimed at your exporting experience level by answering a few quick questions.

Get started

- Visit: great.gov.uk
- Search: “Selling Online Overseas”
- Follow: [@tradegovuk_ecom](https://twitter.com/tradegovuk_ecom)
- Judith.McElhinney@trade.gov.uk



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