

SELLING ONLINE INTERNATIONALLY: How to Sell on Local & International Marketplaces

SILVIA CARTER

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The Digital Exporter Series consists of seven independent books with more than 100 international case studies, each sharing the best tools, actionable solutions, and step-by-step explanations on how to sell online across channels and borders.

- Book 1 – [STARTING THE GLOBAL DIGITAL JOURNEY: How to create the best international web strategy.](#)
- Book 2 – [GETTING CLIENTS OVERSEAS, ORGANICALLY: How to set up local, international & global SEO.](#)
- Book 3 – [GETTING CLIENTS OVERSEAS, BY ADVERTISING: SEA, SMA and other acquisition channels.](#)
- Book 4 – [SELLING ONLINE INTERNATIONALLY: How to set up & manage a cross-border e-commerce.](#)
- Book 5 – [SELLING ONLINE INTERNATIONALLY: How to sell on local & international marketplaces.](#)
- Book 6 – [DEVELOPING A STRONG INTERNATIONAL BRAND: Multilingual social media & social selling.](#)
- Book 7 – [DEVELOPING A STRONG INTERNATIONAL BRAND: Multilingual inbound marketing & marketing automation.](#)

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Thanks

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....

Special thanks go to Claudia Piunti, who designed the cover of this book.
Cover photo by [Igor Miske](#) on Unsplash.

The Author

Silvia Carter has been active in international multichannel sales for more than 20 years. She has developed her career in cross-border trade and global digital marketing for both consumer products and B2B sectors.

As an entrepreneur with a dual expertise in export development and online sales, she founded and manages ToWebOrNotToWeb, a service provider specialized in multichannel export growth to help businesses increase sales and brand awareness in several countries, online and beyond.

In her work as an author, Silvia contributed to *Le marketing des start-ups* by Véronique Hermann-Flory (Eyrolles, 2017) and is a co-author with Jean-Éric Pelet of *User Experience in Web 2.0 Technologies and Its Impact on Universities and Businesses* (IGI Global, 2020). She is also the author of *Développer son business à l'international grâce au webmarketing* (Eyrolles, 2019), which inspired The Digital Exporter Series.

Silvia holds an Executive MBA from HEC Paris, where she is the pro-bono chair of the Alumni Advanced Technologies Club, and a degree in web development and digital strategy from the Digital Campus Paris. She also teaches courses in the field of global web marketing at the EMLV Business School and at ISCOM in Paris. Silvia decided to start teaching, in addition to her other professional activities, to share her expertise and develop new professions in digital export management.

Introduction

Marco Polo, Amerigo Vespucci and Christopher Columbus are just a few examples, among so many others, of international Italian spirits It is a fact that Italians are particularly 'international'. But I have had to learn how to become so: when I was young, I was marked by a total phobia of German and a deep allergy to other languages, all combined with a real aversion for any foreign cultural universe. Too complicated! Why bother when I had everything I needed near my home in Italy and in Italian?

Until the day when my home filled up with travelers: almost everyone around me spent time traveling, for work, study, holidays. So much so that remaining Italo-Italian became a handicap. So, there I was, launched for an Erasmus year at Trinity College in Dublin with an English vocabulary of ten words! Since then, my international journey has also become part of my work. First as an international marketing manager, then as an export and international sales director. As an expatriate in France, I started dealing with all the internet-related issues on the international scale. That was in the late 2000s when the internet was not as 'easy' as it is now. The level of confusion was the normal thing almost everywhere. Fed up with that confusion, I wanted to understand how the internet worked technically and to learn the best practices. That is why I decided to take a master's degree in web marketing in 2012 and, after that, to create ToWebOrNotToWeb. Today, I help companies sell internationally online on the several digital channels that the internet offers.

Nowadays more and more affordable and simple digital tools are available for entering foreign markets in a way that would have been unthinkable ten years ago. The recent 'Future of Business Survey' carried out by Facebook, the Organisation for Economic Cooperation and Development (OECD) and the World Bank about companies active on the internet, shows that two out of three exporting companies achieve more than half of their international turnover through the web and that 45% of them achieve even more than 75% of their

international turnover. The OECD also argues that, since these online tools are available to any type of business around the world, even microenterprises can now achieve significant business overseas¹.

That was the situation before the Covid-19 crisis. The coronavirus brought lockdowns, social distancing and an unprecedented drop in traditional business. That forced people to enter a new digital age where the web, the social networks and all the other digital applications are the key tools they can use to have an almost normal life. Digital technologies are therefore essential, now more than ever, to preserve a business as well as to develop it in new markets. Companies that are behind with these digital technologies will risk losing their business at home and abroad. And many of them are still struggling to understand how to use these digital technologies on the international scale. Consider the case of a French business that wants to develop its online sales in Germany. It can choose among different options for the website domain to use, such as www.example.de, or www.example.com/de, or de.example.com, or www.example.fr/de, or fr.example.com/de. However, each one of these options will reach a different number of people depending on the different digital technologies applied to the website, as you can see in the following table.

¹ Organisation for Economic Cooperation and Development, *Entrepreneurship at a Glance 2017* (Paris: OECD Publishing, 2017), https://www.oecd-ilibrary.org/industry-and-services/entrepreneurship-at-a-glance_22266941.

Domain type & SEO techniques	The target that search engines understand	Segment	Number of people that the website can reach
www.example.de	Country = Germany	German people in Germany	79,127,551
www.example.com/de + geolocalisation & hreflang	Country = Germany Language = German	German people in Germany	79,127,551
www.example.com/de + hreflang	Language = German	German-speaking people around the world	92,304,792
de.example.com + geolocalisation & hreflang	Country = Germany Language = German	German people in Germany	79,127,551
www.example.fr/de	Country = France Language = German	German people in France	130,000*
fr.example.com/de	Country = France Language = German	German people in France	130,000*

Why digital technologies are important².

Helping those companies is critical and it is the purpose of these books. The Digital Exporter Series brings immediate actionable solutions on how to grow a B2B, B2C and C2C online business and on how to do that internationally. It consists of seven books, each on a different topic, with more than 100 case studies that describe step-by-step all the web tools and techniques for cross-border digital business.

The idea for The Digital Exporter Series came from my French book, *Développer son business à l'international grâce au webmarketing*, which was published by Eyrolles in France at the end of 2019. I wrote that book mainly for French-speaking digital exporters. Although inspired by it, this new series is very different from the French book. It is not just a simple translation from French into English: it is a full adaptation to the digital environments around the world. And, for that reason, The Digital Exporter Series, instead of being one book, is seven independent books, each on a different topic.

[The Digital Exporter Series](#) is for all entrepreneurs that want to start or accelerate their cross-border online business in the most effective way at the lowest risk during the Covid-19 crisis and beyond.

That's also what motivates me in my professional life: contributing to value creation around the world by increasing the number of companies selling online beyond their national borders with the

² The sources of the numbers followed by * are

[&](https://www.internetworldstats.com/stats18.htm#german)
[https://fr.wikipedia.org/wiki/Communaut%C3%A9_allemande_en_France.](https://fr.wikipedia.org/wiki/Communaut%C3%A9_allemande_en_France)

innovative digital tools that are available today. Because, for everyone and everywhere, growing export sales is much easier nowadays, thanks to digital tools used the right way. So, for all entrepreneurs around the world, I have a piece of advice: don't miss the train!

P.S.: I am always fascinated by the experiences of international business expansion and would love to read yours if you want to share them with me here: silvia.carter@towebornottoweb.com.

Disclaimer

It took me several months to research and write The Digital Exporter Series, even a bit longer than originally planned.

During the same time, the internet and the web ecosystems did not stop. That might have produced some discrepancies between what I wrote and what you can find on the web.

While I will do my best to update the content of The Digital Exporter Series as regularly as possible, I am not able to keep it perfectly updated all the time.

If you find something that should be changed or added or if you cannot find something specific in The Digital Exporter Series, contact me at silvia.carter@towebornottoweb.com, and I'll be happy to help you out.

All the companies that I have mentioned as examples or as tools or for other reasons relevant to the purpose of The Digital Exporter Series are totally independent from my work. They do not have any direct or indirect interest in The Digital Exporter Series, nor do I in their business.

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SILVIA CARTER

SELLING ONLINE INTERNATIONALLY: How to Sell on Local & International Marketplaces

With Covid-19 all marketplaces, and not just Amazon, have grown dramatically. Whether combined to your own cross-border e-commerce or not, the marketplaces are nowadays key for a digital export project.

In this book you will find the list of the major B2C and B2B marketplaces around the world with their differences, and how to set up different international seller accounts.

Book 5



CHAPTER 1

E-COMMERCE AND MARKETPLACES: SAME BUSINESS, DIFFERENT MODELS

“

In a digital and multichannel export development project, you need to understand the differences between e-commerce and marketplaces.

While they are the same in terms of business, i.e., selling online, they differ in terms of business models. The ownership of the products or services sold is not the same, nor is the financial investment. You will find the explanation in this chapter.

THE MARKETPLACE, AN E-COMMERCE LIKE NO OTHER

The marketplace system was created in the United States in the early 2000s by Amazon to compete with eBay: Amazon opened its doors to third-party resellers that started selling on its platform for a commission on their sales. This is the business model at the heart of any marketplace: the company that owns this type of platform rents space on it to third-party companies that want to sell their products or services and that pay a variable or fixed price, or both, to use that rented space. With the evolution of online retail, nowadays the marketplaces are also able to provide complementary services, such as product warehousing and delivery, even internationally, several payment systems with different currencies, after-sales service, multilingual presentations, specific web-marketing tools, etc.

The wide range of products and services sold by the marketplaces, whether domestic or international, also generates high traffic, which represents a better opportunity for e-merchants. With them, internet users around the world can access a wider choice of products and services, make a single payment instead of going to different e-commerce websites, get better and more offers, compare prices more easily, have a centralized after-sales service, use secure payment systems, etc.

The choice of products, in particular, is so wide that more and more internet users start a product search on a marketplace rather than on a search engine like Google. In 2019, almost 50% of people in the U.S. started a product search on Amazon vs. 22% on Google³. In February 2021, Amazon.com represented 40% of total e-retail in the U.S.⁴

³ 'Do Most Searches Really Start on Amazon?', eMarketer, 7 Jan 2020,
<https://www.emarketer.com/content/do-most-searchers-really-start-on-amazon>.

⁴ Alicia Phaneuf, 'Ecommerce Statistics: Industry benchmarks & growth', Insider Intelligence, 29 July 2021,
<https://www.insiderintelligence.com/insights/ecommerce-industry-statistics/>.

Looking more closely at the global online sales level, you can easily see the importance of the marketplaces. According to Statista, as of July 2019, 47% of all online purchases worldwide were made on marketplaces, 26% on e-retailers, 18% on brand e-commerce, and 9% on other emerging online sales channels⁵.

As for e-commerce, marketplaces can be classified according to several variables:

1) By type of business:

- Sale of products: apparel, cosmetics, shoes, etc.
- Sale of services: music, language training, travel, etc.

2) By type of customers:

- Business to consumer (B2C), when marketplaces sell to local and foreign individuals, for example, in the DIY sector, ManoMano selling in France, Spain, Italy, the UK, and Germany, etc.
- Business to business (B2B)⁶, when marketplaces sell to local and foreign businesses, for example Amazon's platforms, which are separate from the B2C marketplaces and specifically dedicated to businesses selling to other businesses.
- Consumer to consumer (C2C), when individuals sell to other local and foreign individuals. Here the examples are the same as for e-commerce because the sellers and buyers are of the same type: eBay, Vinted, Craigslist, Catawiki, etc.

⁵ <https://www.statista.com/statistics/861336/share-online-shopping-customers-vs-sales-by-platform/>.

⁶ Global B2B online sales were valued at \$25.5 trillion in 2017, almost seven times greater than that of B2C. United Nations Conference on Trade and Development, *Digital Economy Report 2019* (New York: United Nations, 2019), p. 15, https://unctad.org/system/files/official-document/der2019_en.pdf.

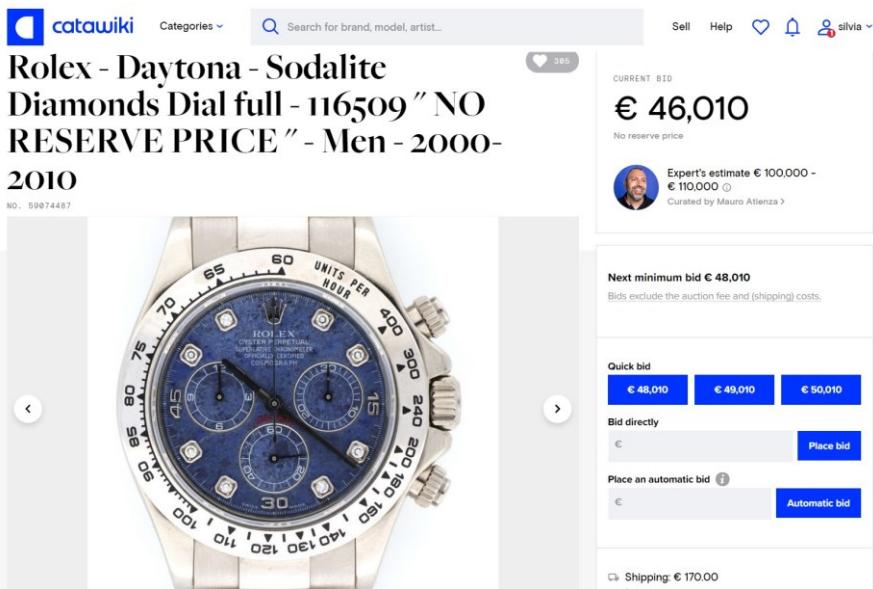


Figure 1: Catawiki the international C2C online auction e-commerce.

3) By business model:

- Generalist, also known as 'horizontal', whose offer covers several segments or categories of products. Some examples are Jumia, Flipkart, Amazon, eBay, etc.
- Specialized, also known as 'vertical', whose offer is focused on a specific sector or on a niche market such as AutoScout24 for cars, Artsy for art, Treatwell for beauty salons, etc.
- Pure-player, when the marketplaces only sell online, domestically or internationally, and do not have any physical store, for example Etsy or AirBnb. They simply act as intermediaries between sellers and buyers.
- Hybrids, which are marketplaces that mix two or more business models, for example, they act as a reseller by selling the products they previously bought from different suppliers, and at the same time they act as marketplaces by letting third-party manufacturers use their platform to sell their products or services directly to consumers or to businesses. Some examples of this kind are Walmart, Amazon, Fnac, Darty, etc.
- Selective, which are marketplaces on which businesses can sell only if they're invited. Some examples are Net-à-Porter, YOOX,

Farfetch, etc. To be accepted to sell on such marketplaces you must meet specific requirements, such as a strong brand, high online sales volumes, good customer service, active social networks with a lot of followers, etc.

Bugatti Veyron EB16.4 (1 owner, German car)

Add to list Share

€ 1,280,000.-



12,000 km 08/2006 736 kW (1,001 hp)
Used - (Previous Owners) Automatic
Gasoline 24.1 l/100 km (comb)¹ 591 g/km (comb)¹

1/15

Classic Youngtimers Consultancy
NL-5405 BS UDEN

Figure 2: a Bugatti car for sale on AutoScout24.

What type of marketplace should you choose for your digital export project? It depends on your goals, your sector, and the foreign countries you are targeting. If you sell luxury goods, such as travel bags, a luxury marketplace that caters to your target customers will be a good choice, whether local or international. On the other hand, if you are at the start of your internationalization and want to test a new market first, a generalist marketplace can be useful too.

As a general rule, one of the most effective approaches is the one that optimizes the multichannel visibility in the foreign country where you want to sell. With this approach, you must plan the gradual use of as many marketplaces as possible in those countries: for example, for a Canadian brand of low-cost shoes that wants to sell online in Europe, Amazon would not be enough; it will also need Zalando, Asos, Otto, La Redoute, etc.

MARKETPLACE VS. E-COMMERCE: THE PROS & CONS FOR YOUR DIGITAL EXPORT PROJECT

The first advantage of a marketplace for your digital export project is the web development budget: with a marketplace, there's no need to develop a cross-border e-commerce, since everything is already in place on the marketplace platform.

You will only have to list your products and services through the platform's dashboard. The same goes for search engine optimization (SEO) and for other web-marketing levers: you can use the specific marketplace free tools.

The second advantage is linked to the synergies that you can create between the marketplaces and your cross-border e-commerce, if you have one. The SEO of your website will benefit from that thanks to the additional searches on search engines by people that want to know more about your brand after having seen you on a marketplace.

If they don't know your brand, the first thing they will do to learn more about you and your business is to open Google or their favorite search engine and type your brand name, probably followed by one or two keywords.

They will then visit your website, which, if it is a cross-border e-commerce, could also convince them to buy there instead of on the marketplace. If you only use your e-commerce, you cannot take advantage of these synergies, and to compensate for not having them you'd have to run more ads.

The third advantage, especially for export, is the simplicity of creating a store on an international marketplace, compared to the development of a cross-border e-commerce on its own.

This allows you to gain visibility quickly and take the first steps to test a foreign market while minimizing risks and costs.

Since advantages never come alone, marketplaces also have some drawbacks. The two most important are:

- You have to pay some fees for the use of the marketplace and for its services.
- The customer data remain entirely in the marketplace.



TIP

To get around this last problem, you need to set up on- and off-line marketing tools to create a link with these same customers: for example, adding a coupon in the packaging of the product sold on the marketplace with a special discount for a future purchase in its stores or on its e-commerce, or a brochure presenting the complete offer and all the company's contact details, etc.

	INTERNATIONAL MARKETPLACES	CROSS-BORDER E-COMMERCE
BENEFITS	<p>High visibility and quick large audience in the foreign countries. A multilingual website on its own will not achieve the same results without spending a lot in advertising.</p> <p>The start and the management are simple and often inexpensive, even for the logistical aspects.</p> <p>Foreign customers trust the marketplaces more than an unknown foreign e-commerce, especially for secure payments and delivery tracking.</p> <p>It is a good solution for testing a new market with low risk and investment.</p>	<p>Full power over the website and brand awareness. You can freely make all the changes you want to adapt it to the specific local needs of each foreign market.</p> <p>The customer relationship is closer, which will help you strengthen their loyalty.</p> <p>All the customer data are for you! That will help you better understand the purchasing journey, which is useful for personalizing the customer service and for developing new products.</p> <p>You are free to manage discounts and promotions in the way and with the frequency you want.</p>
DISADVANTAGES	<p>More complicated for developing brand awareness in the foreign countries.</p> <p>All the customer data remain in the marketplace.</p> <p>The terms of use and the sales terms of the marketplace are applied to all transactions and are not negotiable.</p> <p>High price competition, which tends to reduce profits.</p> <p>Sometimes it is difficult or impossible to customize your store on the marketplace.</p>	<p>It can be difficult to obtain a good ranking in foreign search engines without a high budget for SEO or SEA.</p> <p>Little customer trust, especially at the beginning, when you start and when you are a small business.</p> <p>The management of international payment systems and those that are specific to foreign markets, can be sometimes complex and expensive</p> <p>If you have little or no experience, it can take longer to familiarize yourself, implement the best practices, and start selling online cross-border.</p>

Figure 3: pros & cons of marketplaces versus e-commerce.

As mentioned, the marketplaces are generally a much better playground than an e-commerce to test your business in a foreign country before investing more heavily. However, the advantages and disadvantages of the two systems are so varied that it is impossible to state what the best solution is in general.

To choose between the two, you have to think carefully about your target foreign markets but also about your sector, your brand awareness in these markets, your skills, or those of your team, in international web marketing, and your competitive environment.



TIP

To help you choose between the international marketplaces and your own cross-border e-commerce, analyze the detailed information on the state of e-commerce in the countries where you want to sell online.

You can find such information free of charge on the internet, for example:

- *Webretailer: it offers lots of insights and data on marketplaces around the world and a global ranking of the top marketplaces by number of visitors*⁷.
- *Ecommerce Europe: it brings together 24 European e-commerce associations, representing more than 100,000 companies, and it regularly publishes reports on e-commerce mainly for Europe*⁸.
- *We Are Social & Hootsuite provide annual digital reports measuring the key digital trends, including online shopping, for almost all the countries in the world as well as on the global level*⁹.
- *Euromonitor: another good source of information on the digital scene around the world*¹⁰.



KEY TAKEAWAYS

- *The dominant position of marketplaces in global e-commerce represents a strategic opportunity to expand internationally: it is an additional and inexpensive channel to find new customers quickly in foreign countries.*
- *If you have invested in a multichannel sales strategy by using both marketplaces and your own e-commerce, you will have a better digital export performance, because this combination creates sales synergies: on the one hand, internet users will be able to find information on your website more easily and on the other hand you will be able to retrieve more data indirectly on these internet users, which would otherwise remain locked in the marketplace.*

⁷ <https://www.webretailer.com/>.

⁸ <https://ecommerce-europe.eu/>.

⁹ <https://datareportal.com/>.

¹⁰ <https://www.euromonitor.com/insights/digital>.

CHAPTER 2

PANORAMA OF B2C MARKETPLACES AROUND THE WORLD

“

In 2020, everything changed in online shopping. Nothing else has had such fast and unforeseen growth brought by the Covid-19 crisis. As social distancing and lockdowns became the new normal, people around the world ‘went digital’ to buy what they needed online, and in almost 50% of cases they did it on a marketplace.

In a B2C digital export project, marketplaces are, therefore, essential, but which ones are the best for your business? In this chapter you will find the list of the most used B2C marketplaces in the world with some details on how they work and on how much they cost.

INTERNATIONAL B2C MARKETPLACES

The following figure and table, which are not exhaustive and are constantly evolving, list some of the most widely used B2C marketplaces in the world.

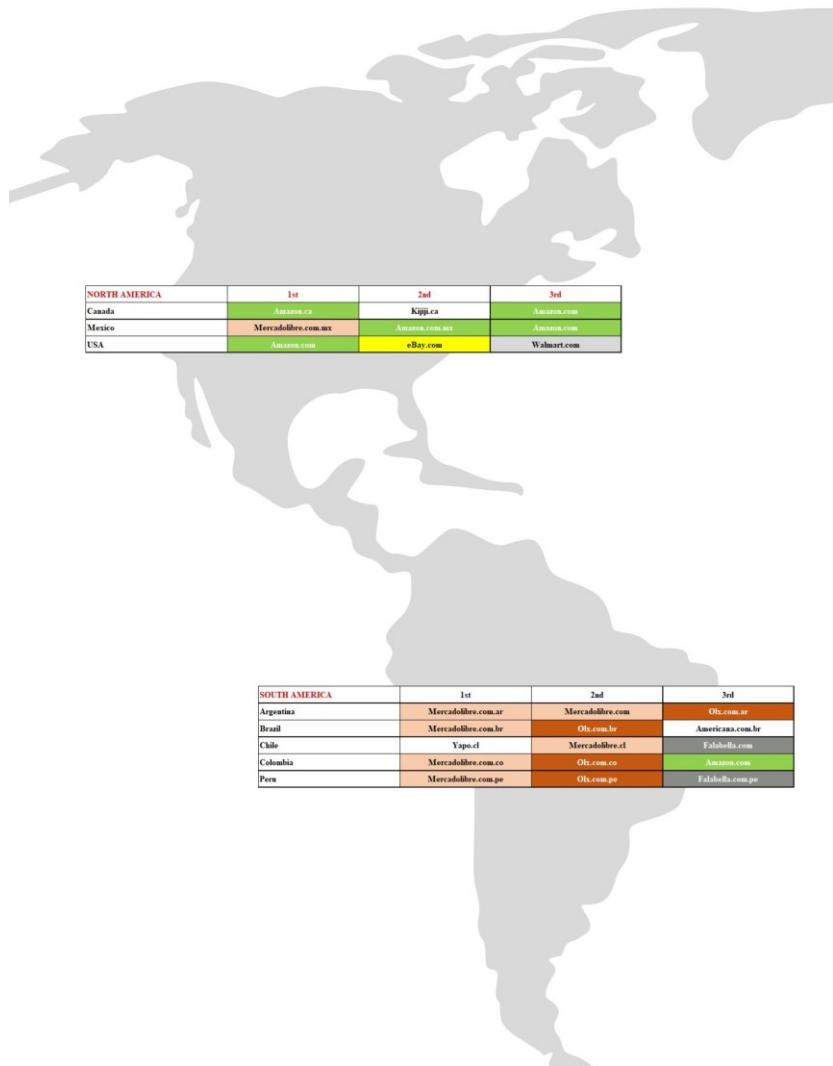




Figure 4: the top three marketplaces around the world by region (same color means same group).

Amazon		
Amazon <i>Generalist</i>	<p>One of the largest B2C online marketplace in the world, Amazon claims more than 300 million users worldwide, half of which are Prime users. It runs 20 marketplaces, all accessible to third-party sellers from almost anywhere in the world: amazon.com, amazon.ca, amazon.com.mx, amazon.com.br, amazon.co.uk, amazon.de, amazon.fr, amazon.it, amazon.es, amazon.nl, amazon.pl, amazon.se, amazon.co.jp, amazon.in, amazon.com.au, amazon.sg, amazon.com.tr, amazon.ae, amazon.sa, amazon.eg.</p> <p>According to Statista¹¹, in the first quarter of 2021, the global net revenue of third-party sellers on Amazon was \$23.7 million, twice as much as in Q1 2019, before the Covid-19 crisis, which was \$11.1. It represents 55% of the total net revenue of the B2C platforms worldwide. Amazon also offers Amazon Business, B2B marketplaces dedicated to businesses selling to other businesses.</p>	<p>Commission 7%-15 % + €40 monthly fee for professional sellers</p>
Souq <i>Generalist</i>	<p>The biggest marketplace in the Middle East, where it captures 80% of the population and 45 million users, Souq operates in Saudi Arabia, UAE, Egypt, Kuwait, Bahrain, Oman and Qatar.</p> <p>Bought by Amazon in 2017, the platform has been rebranded, maintaining all the original features, including the automatic translations into Arabic.</p>	<p>Commission 5%-20 %</p>

¹¹ <https://www.statista.com/statistics/999686/amazons-net-revenue-by-product-group-quarter/>.

Alibaba B2C		
TMALL & TMALL Global <i>Generalist</i>	<p>TMALL Global is TMALL's subsidiary specialized in international products.</p> <p>It allows some foreign companies to sell in China even without a local license or local domicile (unlike most Chinese marketplaces, which require foreign companies to be registered in China, have a bank account, legal representatives, etc., all of which makes the process complicated if you do not have a subsidiary or partners on site).</p> <p>TMALL has more than 400 million users in total and 50% market share of B2C e-commerce in China.</p>	<p>Commission 2%-10 % + annual fees (starting at \$5,000) + security deposit (between \$8,000 and \$25,000, refundable)</p>
Taobao <i>Generalist</i>	<p>Created in 2003, this marketplace is comparable to eBay with C2C and B2C sales in China. Taobao is the largest e-commerce company in China and probably in the world, with more than 600 million active users thanks to the built-in TMALL features in its application.</p> <p>Together, the two websites have 80% of the market share of Chinese e-commerce. Its 'strength' is to have little control over the quality and the origin of products and resellers, allowing for easier listing, and thus attracting a larger number of users.</p> <p>The low cost also represents an advantage to reduce the risks and the investment that entering China's e-commerce entails.</p>	<p>Although free, paid advertising services are needed to be visible in a myriad of resellers.</p>

AliExpress <i>Generalist</i>	<p>This marketplace focuses on the small B2C and C2C sellers that want to sell internationally.</p> <p>To sell on this platform, you need a Chinese business registration, or a Chinese identity document for an individual, and pay a fixed fee every year.</p> <p>Customers, on the other hand, can use one of the versions available in Russian, Portuguese, Spanish, French, German, Italian, Dutch, Turkish, Japanese, Korean, Thai, Vietnamese, Arabic, Hebrew and Polish.</p>	Commission 5%-8 %
Lazada <i>Generalist</i>	<p>Created in 2012, this B2C and C2C marketplace serves Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam.</p> <p>By entering the Lazada marketplace, you can sell to about 600 million people in Southeast Asia.</p>	Commission 0%-4 % + 2% payment processing fee
Trendyol <i>Generalist</i>	<p>Considered the largest marketplace in Turkey, Trendyol is headquartered in Istanbul, and Alibaba is the major shareholder. It has a direct link with Dolap, the largest second-hand platform in the country.</p> <p>Currently with about 210 million visitors monthly, Trendyol is planning to expand in Europe soon.</p>	Commission 20%

Walmart		
Walmart <i>Generalist</i>	The second largest marketplace in the United States after Amazon, Walmart has more than 100 million users. It is also accessible in the United Kingdom, Canada and China. To sell on Walmart's marketplace you need to have an entity in the United States as well as a local warehouse.	Commission 8%-20 %
Jet.com <i>Generalist</i>	Part of the Walmart Group since 2016, it has been redirected completely to walmart.com since May 2020.	N/A
Flipkart <i>Generalist</i>	The largest marketplace in India after Amazon, Flipkart has more than 200 million registered users. Walmart recently bought the majority of the company. International sellers must have a local address to get listed on the marketplace.	Commission 2%-25 % + fixed fees
Other B2C marketplaces for consumer goods		
Allegro <i>Generalist</i>	Based in Poland, Allegro is the most important marketplace in the Eastern European countries with about 20 million customers, essential to break into this area. Like eBay, Allegro is also an auction website. The product descriptions and all related information must be provided entirely in Polish.	Commission 0%-15 % + fixed fees

Asos <i>Fashionn & lifestyle</i>	Asos is a hybrid e-commerce, reselling both its own and third-party products but on a dedicated platform: Asos marketplace. With operations in Europe, Russia, and the U.S., Asos has almost 80 million visitors per month.	Commission 20%
Avito <i>Generalist</i>	Avito is a Russian C2C and B2C platform for classified ad sales, comparable to eBay, welcoming 10.3 million unique visitors per day. Its recent takeover by the South African conglomerate Naspers, also a shareholder in Chinese giant Tencent, provides a glimpse of innovative technological synergies.	Fixed costs by category and region
bol.com <i>Generalist</i>	Based in the Netherlands, bol.com, with eight million users, is an interesting alternative to Amazon in the Benelux.	Commission 2.1%-20.7%
Cdiscount <i>Generalist</i>	Owned by the Casino Group, Cdiscount is one of the most visited marketplaces in France with almost 24 million unique visitors per month. Through a multi-channel strategy with more than 18,500 collection points in France, Cdiscount is investing increasingly in its international development. Since July 2018, it has been delivering to Germany, Belgium, Italy, Spain, Luxembourg, the Netherlands, Austria, Ireland and Portugal via local partners Kaufland (Germany), e-price (Italy), eMag (Romania), VidaXL (Spain, Italy and Germany), and its International Marketplace Network.	Commission 5%-20 % + €39 monthly fees

Darty <i>High-tech & home appliances</i>	After the acquisition by Fnac in 2016, Fnac-Darty has become one of the European leaders in high-tech multichannel retailing. Darty marketplace now has 10 million unique visitors per month in France.	Commission 6%-15 % + €39 monthly fees
Decathlon <i>Sport</i>	Decathlon is a newcomer on the marketplace scene, since it started in 2020 in Belgium. After a gradual deployment, it now serves Belgium, France, Germany, Italy, Poland, Spain, the Netherlands, and the United Kingdom.	Commission 9%-17 % + €40 monthly fees
Ebay <i>Generalist</i>	With a platform that allows you to sell both C2C and B2C, and with a dedicated marketplace for B2B, eBay has 23 websites worldwide and covers 190 countries. Both new and second-hand products are allowed, and they can be sold at auction or at a fixed price. It has about 187 million users.	Commission 0%-15 %
eMAG <i>Generalist</i>	The biggest marketplace in Romania, eMAG has dedicated platforms in Hungary, Poland, and Bulgaria, with 44 million users per month. In partnership with Cdiscount, ePrice, and Kaufland, it allows you to sell to France, Germany, and Italy as well, reaching about 230 million people.	The cost is not on the eMAG website unless you create a seller account, which requires payment data.

ePrice <i>Generalist</i>	Headquartered in Italy, it is one of the most used marketplaces in this country. In partnership with Cdiscount, eMAG, and Kaufland, ePrice allows you to sell to France, Germany, and Romania as well, reaching about 230 million people and getting more than 43 million visitors every month.	Commission 5.5%-8% + €29 monthly fee for Italy or €39 for Europe
Etsy <i>Handmade</i>	Users sell handmade and vintage products. A niche marketplace that still has almost 36 million users and 1.6 million sellers worldwide.	Commission 5% + 12%-15% Ads fees + \$0.20 for four months' listing per item
Flubit <i>Generalist</i>	In November 2017, Flubit was ranked the second marketplace in the UK behind Amazon and in the top 20 in Europe. It has ten million users and does not charge any costs! In 2018, the acquisition by MonetaryUnit, specialized in blockchain technology, aimed to make Flubit.com the world's largest marketplace accepting cryptocurrencies.	Commission 0 % without fixed cost
FNAC <i>High-tech & home appliances</i>	Fnac is one of the largest French marketplaces with more than 20 million unique visitors per month, also present in Belgium, Portugal and Spain. It has more than ten million users.	Commission 6%-16 % + €39 monthly fees
Fruugo <i>Generalist</i>	As a British marketplace, Fruugo has more than 25 million users in 46 countries around the world, with 31 currencies, and automatically translates product descriptions into 28 languages.	Commission 15 % + 2.35 % payment processing fee

JD.com & JD Worldwide <i>Generalist</i>	The second largest Chinese marketplace and e-commerce with more than 300 million users worldwide. It offers several services to international companies wishing to target the Chinese market and is expanding in other countries such as the United States, Germany, Japan, Spain, Russia and France.	Commission 2%-8 % + annual fees (starting at \$1,000) + security deposit (between \$10,000 and \$30,000, refundable)
Jumia <i>Generalist</i>	Algeria, Egypt, Ghana, Ivory Coast, Kenya, Morocco, Senegal, Tunisia, Uganda, South Africa: these are the countries where Jumia operates, with a bid-or-buy model comparable to eBay. It has about 24 million unique visitors monthly.	Commission 4.61%-21.5 %
Kaufland (former Real) <i>Generalist</i>	A very popular marketplace in Germany with excellent customer service and about 19 million users per month, Kaufland is the former Real.de. In partnership with Cdiscount, eMAG, and ePrice, it allows you to sell to France, Italy, and Romania as well, reaching about 230 million people.	Commission 6.5%-12.5 % + €39 monthly fees
Linio <i>Generalist</i>	The second largest marketplace in Latin America with 270 million users, Linio covers South America from Chile, Colombia, Mexico, and Peru.	Commission 8%-20 % + \$19 monthly fee

ManoMano <i>DIY</i>	<p>It is fully dedicated to DIY, gardening, and home improvement.</p> <p>This French marketplace is expanding quickly in the rest of Europe and is already selling in Germany, Italy, Spain, and the United Kingdom.</p>	Commission 15%-25% + €100 monthly fees
Mercado Libre <i>Generalist</i>	<p>With 160 million users per month, Mercado Libre, or Livre depending on the language, is the leading generalist marketplace in Latin America.</p> <p>It allows you to sell to Argentina, Bolivia, Brasil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Salvador, Uruguay, and Venezuela with the same account.</p> <p>Also, it offers automatic translations for products and customer service.</p>	Commission 12.5%-23% + fixed fees
n11 <i>Generalist</i>	<p>n11.com is Turkey's leading consumer marketplace.</p> <p>It has more than 23 million registered users and sells all categories of products, including groceries and second-hand vehicles.</p>	Commission 5%-20%
Newegg <i>High-tech</i>	<p>This U.S. marketplace specialized in tech products has 37 million users and sells products in 20 countries.</p>	Commission 8%-15 %

Otto <i>Fashion & lifestyle</i>	<p>Specialized in fashion and lifestyle, Otto is the second largest marketplace in Germany after Amazon, and almost half of the German population has shopped on it.</p> <p>Although Germany is the key market, Otto serves 20 other countries. It requires a local entity or the use of a local approved service provider.</p>	Commission 7%-18% + €39 monthly fee
Ozon <i>Generalist</i>	<p>Probably the oldest marketplace in Russia, Ozon is also the second largest in this country.</p> <p>It has more than 16 million registered users and an audience of more than 85 million people.</p> <p>Its business model is mainly inspired by Amazon.</p>	Commission 4%-15%
Rakuten <i>Generalist</i>	<p>The leading generalist marketplace in Japan, Rakuten reaches 80% of the Japanese population.</p> <p>With 105 million users, it is the fourth largest in the world.</p> <p>It allows sellers to create their own fully customizable shop.</p> <p>It is also present in other countries through the acquisitions of Buy.com in 2010 in the United States, Tradoria in 2011 in Germany, and PriceMinister in 2010 in France.</p>	Commission 2%-6 % + ¥60,000 registration + ¥19,500 to ¥100,000 monthly fees

Sears <i>Generalist</i>	<p>Despite the decline of its department stores and the related financial issues, this marketplace has about eight million visitors per month, and it is one of the largest in the U.S.</p> <p>The Sears Group is also multi-channel, including kmart.com and shopyourway.com.</p> <p>Selling on Sears requires a taxpayer identification number as well as a warehouse, own or sub-processed, and a bank account in the United States.</p>	Commission 8%-20 % + \$39 monthly fees
Shopee <i>Generalist</i>	<p>First launched in Singapore in 2015, it is the largest platform in Southeast Asia with 343 million visitors per month.</p> <p>Indonesia, Taiwan, Mongolia, Vietnam, Thailand, Philippines, Malaysia, Singapore, Brazil, Mexico, Colombia, and Chile are the key countries that you can cover with Shopee, which is now Southeast Asia's most visited marketplace, overtaking Lazada.</p>	Commission 0%-2 % in Southeast Asia, 12% in South America
Spartoo <i>Fashion & lifestyle</i>	<p>Another French marketplace, fully dedicated to fashion items, Spartoo sells in more than 30 countries around Europe, including the United Kingdom and Germany, and is developing in China, for about five million unique visitors per months.</p>	Commission 15%-20% + €39 monthly fees

VidaXL <i>Generalist</i>	Headquartered in the Netherlands, this marketplace has 31 platforms in Europe, the United States, and Australia, reaching about one billion people. Celebrating its 15th birthday in 2021, VidaXL is a hybrid marketplace, since it also sells products under its own brand that you might find in other marketplaces as well.	Commission 8%-20 % + \$30 monthly fees
Zalando <i>Fashion & lifestyle</i>	With more than 200 million monthly visitors, Zalando is specialized in apparel, shoes, lingerie, jewelry, accessories, and sports items. It has access to more than 45 million active customers across 23 markets in Europe.	Commission 5%-25%
Wildberries <i>Generalist</i>	Founded in 2004 by Tatyana Bakalchuk, now the richest woman in Russia, Wildberries is the biggest marketplace in this country and sells in Armenia, Belarus, Europe, France, Germany, Italy, Kazakhstan, Poland, Russia, Slovakia and Spain with more international openings in progress.	Commission 15%
Wish <i>Generalist</i>	Wish is the first mobile marketplace in North America and Europe. It has 300 million users and sells in more than 140 countries. The goods must be shipped within five days, or else Wish will cancel the order and refund the customer.	Commission 5%-25 %

Figure 5: some of the largest international B2C marketplaces in the world with some details about their cost as of September 2021.



TIP

Although the majority of the marketplaces shown in this table are generalist, do not limit your searches to these. They certainly tend to have more traffic, but vertical marketplaces offer you much more qualified prospective clients.

This list concerns consumer goods only. It is not, and cannot be, exhaustive, not only because of the enormous number of local marketplaces around the world, but also because of other business sectors. Think, for example, of:

- Education: Coursera, Udemy, Masterclass, Udacity on the global scale, or e-learning in Europe, or Cogna Educação in Latin America, etc.
- Food: UberEats or Glovo on the global level, but also instacart or Foodler, acquired by GrubHub, in North America, Jumia Food in Africa, Foodora in Europe, etc.
- Freelancing: Fiverr, Freelancer, Upwork, dribbble on the global level, or F65 in the MEA region, GetNinjas or SoyFreelancer.com in Latin America, Airtasker in Europe and Asia, etc.
- Travel and hospitality: Booking.com, Expedia, Tripadvisor, Airbnb on the global level, or KAYAK and DreamTrips in North America, LastMinute, eDreams and GoVoyages in Europe, etc.

Just to name a few.

THE RIGHT APPROACH WITH INTERNATIONAL MARKETPLACES

Before you read about the technical steps on how to start on the international B2C marketplaces in the next pages, there are two important facts to take into consideration.

The first one is that, today, one marketplace is not enough! With the ever increasing local and international competition on the internet, you need to be more visible and more findable than your competitors.

As for the second, it is a question that you might have been asking yourself already. Do you need an international website, whether a cross-border e-commerce or something simpler, to sell on a marketplace? Technically, no.

But, if your potential foreign customers do not know your brand, the first thing they will do is to search for it on Google or another search engine before buying on the marketplace. If they do not find your brand's website, or something they can understand, they will buy from your competitors that do have a website, local or international.

To achieve good sales on the international marketplaces, the good approach is to sell not only on one marketplace but on as many as you can, all clearly consistent with your digital export project, and combined with your own website translated at least into English, if your business is not based in one of the English-speaking countries.

IS GOOGLE SHOPPING A MARKETPLACE?

Google Shopping has been around for a while. It was born in 2002 as Froogle, then became Google Product Search, and eventually Google Shopping in 2012¹². Originally available in a few countries, and with a business model that required companies to pay to use the service, it is now available in 121 countries, and it has been completely free since 2020. When people click the Shopping tag on Google, they can search for products, compare prices from different sellers, and buy what they like.

¹² https://en.wikipedia.org/wiki/Google_Shopping.

The system is like other marketplaces but has additional features:

- Any business can list products on Google Shopping, not simple sellers, but also retailers and other marketplaces.
- The checkout can be on Google Shopping, by selecting the ‘Buy-on-Google’ option¹³, or on the seller’s e-commerce.
- For the listing, you must use Google Merchant Center, and, when it is connected to Google Ads, you can run Google Shopping Ads, which are displayed at the top or on the right side of the search results pages and include the picture of your products.
- Through the same Google Merchant Center, you can also choose to use the Comparison Shopping Services (CSSs), which can place Google Shopping Ads and free listings on Google for your products as well.
- When you set up your Google Merchant Center and your Google Shopping Ads, you can choose the countries to target, consistent with your digital export project.

¹³ Only available in the U.S. and France in 2021.

Checkout

Sac Lancel Ninon A09222 10 Noir
Noir
€595.00

Order summary

Items (incl VAT)	€595.00
Shipping	€0.00
Total	€595.00

When you place your order, you're agreeing to the following:

Terms of Service: [Buy on Google](#)
Merchant Terms of Sale (CGV): [Gsell.fr](#)

Your name and billing addresses from Google Payments can be accessed and used as described by the [Payments Privacy Notice](#).

Your Google Payments (name and billing addresses) and personal info (name, delivery address, and other contact info), along with your orders, may also be used as described by Google's [Privacy Policy](#), and shared with the retailer, delivery personnel, and other vendors in order to fulfill your order. The retailer may also use your personal info for its analytics (such as sales and performance metrics). For some purchases (TVs, for example), the retailer may share your info with governmental entities where required by law.

Google is compensated by retailers for purchases made here. The retailer may contact you directly regarding your order.

Place order

Figure 6: the checkout on Google Shopping using the Buy-on-Google option.

In conclusion, Google Shopping is a marketplace in the sense that it allows you to sell online internationally, but, on top of that, it can improve the SEO of your website in the countries you target overseas.

You can check [book 3 of The Digital Exporter Series](#) to find out how to set up Google Shopping Ads and Merchant Center.



CASE STUDY

How much does it cost to sell on a B2C marketplace internationally?

As indicated in the previous table, cross-border marketplaces usually apply the same business models: either a monthly fixed cost or a commission on sales, or both. Some are free of charge, but you should check how they make money, because, if they do not make money, they don't invest adequately in international advertising to make sure their marketplace is discovered and used by consumers. In that case, your listing in such a marketplace across countries would be a waste of time.

For the other international marketplaces, you will need to pay either only once for selling on several countries or a special price for selling on a given number of countries. An example of the first type is Amazon: if you open your B2C seller account in Germany you will need to pay €39 per month, excluding VAT, plus the commission on sales, between 7% and 20% depending on your product category, and that entitles you to sell on all the other Amazon's European marketplaces. No extra cost is added.



KEY TAKEAWAYS

- If your digital export project is B2C, you can choose among many different marketplaces, vertical or generalist, according to the foreign country that you are targeting.
- You can start right away on some international marketplaces, such as Amazon, to test different foreign countries, and then select those in which you want to reinforce your investment, because they are delivering good sales. Or you can start with some local marketplaces to take advantage of proximity with your target markets and to learn the best techniques for managing and optimizing the marketplaces before investing on the global ones.

CHAPTER 3

PANORAMA OF B2B MARKETPLACES AROUND THE WORLD

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According to the United Nations Conference on Trade and Development (UNCTAD), B2B represented 82% of total online sales worldwide in 2019 with a value of \$21.8 trillion¹⁴. As for e-commerce, with the Covid-19 pandemic almost all aspects of B2B marketplaces were accelerated, with new or existing B2B platforms replacing some other offline B2B channels, such as trade shows or showrooms. For your B2B digital export project, B2B marketplaces can, therefore, be a key driver, but which ones are the best for your business? In this chapter you will find the list and some details of the most used B2B marketplaces in the world.

INTERNATIONAL B2B MARKETPLACES

B2B marketplaces differ from B2Cs in many ways, such as:

- Volume orders, often in bulk, not by unit.
- Choice of customization: sometimes all orders are custom made.
- Prices may be different and negotiable depending on the type of customer, product or quantities, or a combination of the three.
- Negotiable payment terms.
- Flexible delivery and logistics depending on quantity.
- Specific tax and legal conditions.
- Enterprise resource planning (ERP)¹⁴ connection for automatically integrating products, prices, purchases history, logistics status, etc. directly from the B2B marketplace to the customers' system.

The following list presents some of the largest international B2B marketplaces in the world:

- **Alibaba¹⁶:**
 - **Alibaba.com**: created in 1999, it is the largest B2B marketplace specializing in Asian markets. With versions in Spanish, Portuguese, German, French, Italian, Hindi, Russian, Korean, Japanese, Arabic, Thai, Turkish, Dutch, Vietnamese, Indonesian and Hebrew, the platform today has global B2B capabilities.
 - **1688.com**: one of Alibaba.com's subsidiaries with 120 million users and ten million suppliers. Since it does not charge any commission or registration or subscription fees, it allows more competitive prices than on other B2B platforms. On the other hand, you have to manage logistics and ensure deliveries directly, and you also have to have an entity in China, whether

¹⁴ United Nations Conference on Trade and Development, 'Estimates of Global E-Commerce 2019 and Preliminary Assessment of Covid-19 Impact on Online Retail 2020', *UNCTAD Technical Notes on ICT for Development*, No. 18 (2021),

https://unctad.org/system/files/official-document/tn_unctad_ict4d18_en.pdf.

¹⁵ ERP is integrated software for managing the main business processes

https://en.wikipedia.org/wiki/Enterprise_resource_planning.

¹⁶ Alibaba, which was one of the first to build on this business model, allows companies all over the world to connect with Chinese manufacturers. Today, Alibaba has significantly expanded its offering and is reaching sellers and buyers around the world.

it's a partner or a wholly owned subsidiary. The target clients of this platform are small Chinese resellers that use other B2C or C2C marketplaces in China, such as Taobao or WeChat.

- **jinkou.1688.com:** it is a subsidiary of 1688.com specializing in the international import of food and cosmetic items.
- **ankorstore.com:** this online B2B marketplace is focused on the European countries and is specialized in the fashion, home decoration, cosmetics and grocery categories.
- **business.amazon.com:** this domain is Amazon's B2B marketplace with more than a million customers worldwide and dedicated platforms in the U.S., India, the UK, France, Germany, Spain, Italy, Canada and Japan.
- **thomasnet.com:** Thomas is one of the largest B2B marketplaces for North America, with more than 500,000 sellers and 1.3 million B2B buyers.
- **en.china.cn - China Suppliers:** this platform belongs to the China Internet News Center, which is controlled by the State Council Information Office. We can, therefore, consider it as the indirect marketplace of the Chinese government.
- **DHgate.com:** the marketplace connecting international buyers with Chinese wholesale sellers that offer the same quality products found elsewhere at a fraction of the price. With more than 30 million products, DHgate offers a wide range of categories: clothing and accessories, computers and telephones, consumer electronics, toys, DIY, beauty, automotive, and more.
- **ec21.com:** South Korea's leading B2B marketplace, EC21 is very popular with Korean and Chinese manufacturers seeking international buyers.
- **europages.com:** considered a rich directory, Europages is also a marketplace with 2.6 million sellers, translated into 26 languages.

- **exportpages.com**: started in 2020, this young platform allows businesses to sell almost all over the world, automatically translates into 24 languages, including Chinese and Russian, and provides additional services such as country statistics, and consulting on how to adapt offers to foreign markets.
- **faire.com**: this marketplace is specialized in the fashion, beauty, home decoration, grocery, jewelry, and pets categories. Focused on the 'Shop Local' movement, Faire was founded in 2017 in the U.S., and, with already more than 200,000 buyers, is now expanding into Europe offering its platform in English, French, German, Italian and Spanish.
- **foodgates.cn**: as its domain name indicates, this marketplace is dedicated to food products. With local presence in France and China, Foodgates is focused on Chinese B2B buyers.
- **globalsources.com**: probably the oldest marketplace, it started in 1971 with its B2B global trade magazine 'Asian Sources' and opened its online import/export platform in 1995. With a high level of supplier control, 16 different verticals, and 14 languages, Global Sources supplies 240 countries from Hong Kong.
- **hc360.com**: one of the most important B2B marketplaces in China after Alibaba Group, with around 7% market share. It provides several innovative internet services for SMEs, such as solutions for online payments, logistics, mobile application, etc.
- **hktdc.com**: the historic role of this marketplace, which is managed by the Hong Kong Trade Development Council, was to help Hong Kong businesses sell to the world. Today, its scope is no longer limited to Hong Kong, and it is a good sourcing platform globally.
- **indiamart.com**: with 60% market share, Indiamart is a leading B2B marketplace in India. Today, with more than 110 million registered buyers, and six million sellers, it provides a specific platform for large enterprises on indiamart.com/enterprise-solutions/ while concentrating on SMEs and individuals.

- **joor.com:** it is the largest B2B marketplace specialized in fashion, beauty, and home decoration, based in New York with offices in Los Angeles, Philadelphia, London, Madrid, Milan, Paris, and Melbourne. Joor counts more than 12,500 sellers and 300,000 buyers across 144 countries. It has special offers for virtual showrooms and online trade shows.
- **made-in-china.com:** very similar to Alibaba.com, made-in-china.com is one of the leading marketplaces in China. Translated into 11 languages, the platform has more than six million sellers and more than twice that number of registered buyers.
- **mfg.com:** this American marketplace is specialized in connecting buyers looking for 'tailor-made' project suppliers and custom part manufacturers.
- **solostock.com:** founded in 2000 and based in Barcelona, this B2B marketplace has subsidiaries in Germany, France, Italy, Poland, Portugal, Argentina, Brazil, Chile, Colombia, Mexico, Spain and Morocco.
- **tradeindia.com:** it is the second B2B marketplace in India with three million registered users.
- **tradekey.com:** founded in 2006, this marketplace is very well positioned in the Middle East and also has a strong presence in China with offices in Guangzhou, Shanghai, and Beijing.

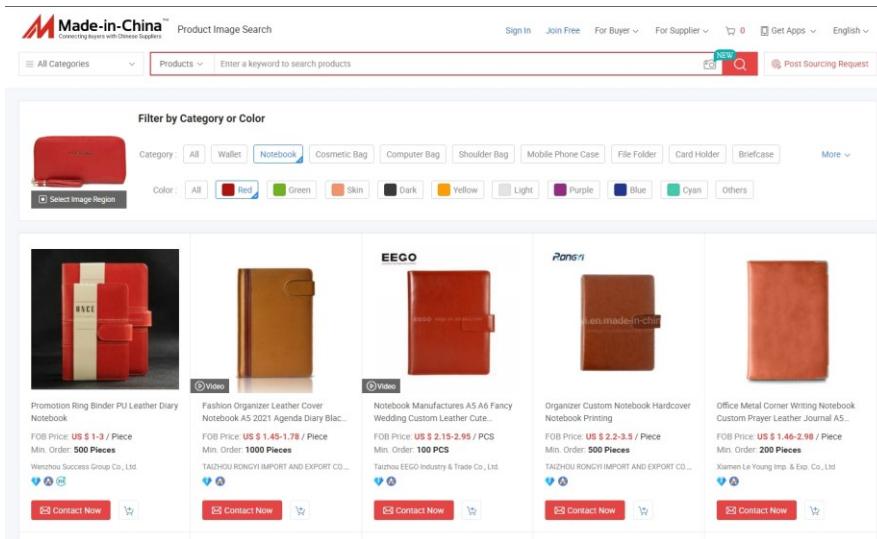


Figure 7: the search by image on made-in-china.com.

As for the B2C marketplaces, this list cannot be exhaustive, mainly because for your B2B digital export project you also have numerous local platforms. Let's take the example of the U.S.:

- **bulletin.co**: specialized in high-quality cloth, but also beauty, jewelry, home, and lifestyle products, this marketplace allows brands to sell directly to independent stores or retailers nationwide.
- **jupiterproparts.com**: the nation's largest marketplace to sell used and remanufactured parts to automotive repair shops.
- **goyesler.com**: a marketplace dedicated to B2B sellers and buyers in the lumber & building material industry.
- **landscapehub.com**: it connects wholesale buyers with suppliers of gardening and plant material.
- **net32.com**: dedicated to dental products, this marketplace allows 4,000 sellers to trade with more than 45,000 dentists in the U.S.

- **sevenfifty.com**: specialized in the beverage alcohol vertical, it connects breweries, distilleries, and wineries with importers, distributors, pubs, restaurants, and other B2B buyers.
- **skyselect.com**: the marketplace for buyers and suppliers of aircraft parts.
- **vetcove.com**: a marketplace to supply veterinarians, animal clinics, farm practices, zoos, aquariums, parks, etc. across the 50 states.

Just to name a few.

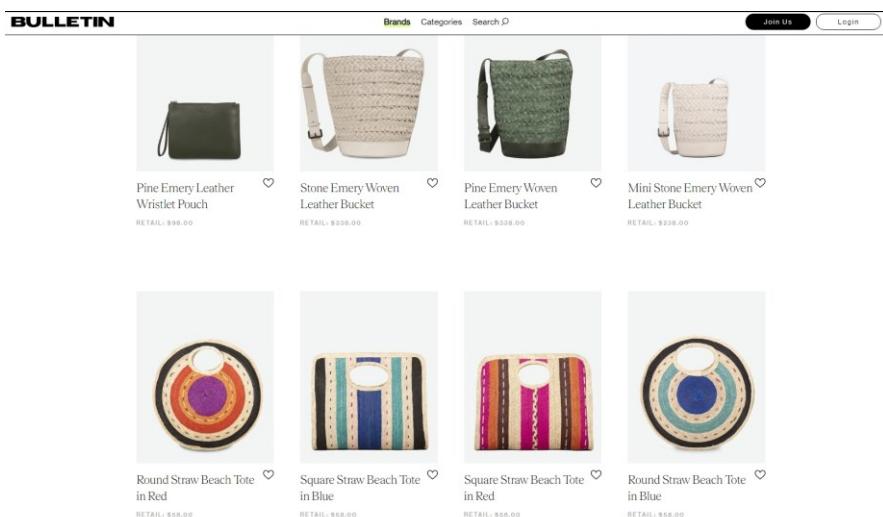


Figure 8: an example of the products for sale on bulletin.co.



TIP

Depending on your sector, and on your digital export project, you should analyze the landscape of local marketplaces and the conditions to use them for entering the foreign countries that you are targeting.



CASE STUDY

How much does it cost to sell on a B2B marketplace internationally?

Each B2B marketplace has its business model:

- Fixed year subscription or a monthly fee.
- Commission on sales.
- A mix of those the above two.
- None of the above, i.e., free of charge.
- Selling additional sourcing services: market research, business matching, quality control, etc.

Make sure you have it clear and that your selling price includes this additional intermediation cost.



KEY TAKEAWAYS

- As for the previous chapter, if your digital export project is B2B, you can use a large number of marketplaces, either vertical or generalist, depending on the foreign markets that you are targeting: to be listed on tradeindia while you target Japan, for example, will be of little use.
- Again, as we saw in the previous chapter, you can start right away on some global marketplaces, such as Amazon, to test different foreign markets, and then select those in which to invest more because they're delivering better sales. Or, you can start with some local marketplaces to take advantage of proximity to your target market and to learn the best techniques for managing and optimizing the marketplaces before investing on bigger or global ones.

CHAPTER 4

HOW TO START DIGITAL EXPORT ON INTERNATIONAL B2C MARKETPLACES

“

As previously mentioned, marketplace sales represent one in two of global online sales. It is, therefore, essential for your digital export project to use them.

But competition on these platforms, whether vertical or horizontal, and whether from local or foreign businesses, is fearsome. In this situation, you need to get prepared and use the best practices for getting off to good results.

GET STARTED IN SEVEN STEPS: 1 - FIND THE IDEAL MARKETPLACES

As you saw, with hundreds or thousands of marketplaces around the world, you have plenty of opportunities for your digital export project.

But achieving successful results and profitable sales on these platforms requires a certain investment of time and resources. You, therefore, need first to identify the marketplaces that are the most suitable for your business. If you choose to use too many or bad ones, you will waste time and money.

Depending on the foreign countries that you're targeting, you need to list the marketplaces that are used by your prospective clients, whether domestic or international. You also need to understand their shopping habits and whether they are compatible with your capabilities:

- What payment terms do they expect?
- What delivery method do they use most?
- What is the average return rate?

To that list, you should add the marketplaces used by your competitors, benchmarking their strategy as well:

- Are they selling in marketplaces?
- If yes, on how many?
- Which ones?
- What products or services, brands, prices?
- Do they have positive comments? Etc.

Once you have your list of marketplaces, to choose among them you need to compare the key criteria, such as:

- Geographical scope: domestic or international and, in the second case, in which country.
- Online services for international sales:
 - Automatic translations of your product titles, descriptions, units of measure, etc.

- Use of foreign currencies and localized payment systems to sell in several countries.
 - Multilingual customer support.
 - etc.
- Offline services:
 - Multiple storage and warehouse network.
 - International deliveries.
 - International reverse logistics.
 - etc.
- Total number of sellers, total number of sellers in your category, i.e., your direct or indirect competitors.
 - Category depth and breadth that the marketplace offers for your products or services.
 - The marketplace turnover for the last three years, or more if the figures are available.



TIP

If you're new to marketplaces, you should start in countries that are relatively close to you in terms of language. For example, Belgium and Switzerland for a French company or Austria, France, Germany and Italy for a Swiss company.

This will help you have better control of deployment cost and risks while learning how the marketplaces work with regard to opening your seller account, listing your products or services, optimizing the descriptions, etc. Once you are familiar with all these functions, you can pick up the pace by starting with more international marketplaces that provide automatic translations to deploy your offers in a broader area.

But don't forget that your choice must remain consistent with your digital export project: do not invest in marketplaces outside this scope or in those that you prefer more for personal than professional reasons.

GET STARTED IN SEVEN STEPS: 2 - CREATE YOUR SELLER ACCOUNT

In this step you open the official seller account for your business in the marketplace that you selected in the previous step, which, if completed correctly, will allow you to start selling.

To start this process, you must find and click the link on the marketplace indicating 'sellers', or 'professionals', or 'registration', often quite visible in the footer or menu at the top of the website. You will thus be redirected to the pages with the application form to create your account and to enter all your professional information.

Be sure to describe your business in the local language if you have chosen to start in a foreign marketplace. This process will be specific to each platform, and it will be followed by a verification system, which may take a few minutes or a few days depending on the techniques used by the marketplace.



TIP

If you have no experience, don't start in the most strategic marketplace with the greatest potential for your digital export project. You could make mistakes that would endanger your visibility for a while on the marketplace. Take the time to learn and improve your skills in a less exposed marketplace.



CASE STUDY

To open an international account on Amazon Seller Central (ASC), you need:

- 1) A primary contact person that will be in charge of ASC. All actions taken by this primary contact person will be deemed to have been taken by the company owning the account.
- 2) A mobile phone that will be used for the first verifications. This number can be changed afterwards.
- 3) A credit card in the exact name of the primary contact. It will be used for the monthly fee of €39.
- 4) A color scanned copy of both sides of a valid ID or passport of the primary contact with exactly the same name. It cannot be a screenshot.
- 5) The business registration number and address. It must be the address where you have registered your business and where the management is located. Amazon will perform identity checks to confirm your business operates from that address. If Amazon is unable to verify it, your account will not be opened.
- 6) A color scanned copy of a recent bank statement showing the business name and address of your company, which must match with your registration document and with the name and address that you used for the ASC account. It cannot be a screenshot.
- 7) The business bank account number. It will be used by Amazon to credit the money of your sales less the commission corresponding to the category of your products or to debit any other costs such as fulfillment, ads, etc.
- 8) The number, and possibly the names, of all the 'Beneficial Owners of the Business'.
- 9) The trademark registration number and confirmation document.
- 10) The name for your ASC account, ideally matching your registered brand.
- 11) You will be asked to specify whether your products have Universal Product Codes (UPCs).
- 12) You will be asked to specify whether you are a 'manufacturer or brand owner' for your products.
- 13) If you ship directly, you must provide the address from which you fulfil your orders. This address will be used by Amazon to determine the originating jurisdiction of your sales for the VAT calculation.
- 14) You need to provide a VAT registration number issued in the same country as your business address and mark it as primary. You need other VAT registration numbers if your inventory is in other countries, in the EU or outside. Check the second Case Study in the chapter on duties and VAT.
- 15) Any of the above documents must be provided in Chinese, English, French, German, Italian, Japanese, Portuguese, or Spanish. If your documents are not in one of these eight languages, you must provide a notarized translation of all your documents into one of them.

This process must be followed with extreme care. Submitting a wrong or illegible or expired document will block it for a long time, sometimes forever.

Opening an ASC in Germany, France, the UK, Italy, Spain, Poland, the Netherlands or Sweden will automatically allow you to sell in all the other European countries and beyond. To take advantage of that, you must first list your products in the language of your opening marketplace account. Then you can link it to the other European countries or to the U.S. or to Japan etc. through the 'Sell Globally' page on Seller Central and manage your business from that same page. And, for the translations, you can either let Amazon do them with its automatic translator or upload your own.

Once your products are listed, you can enroll your registered trademark in the Amazon Brand Registry of the country where you opened your ASC. As soon as your trademark has been validated by the Amazon Brand Registry, you can start creating your Store and Content A+. See some examples in the following figures.

If you don't have a registered trademark, you will not be able to have a Store or Content A+. That will not prevent you from running ads campaigns on Amazon advertising platform.

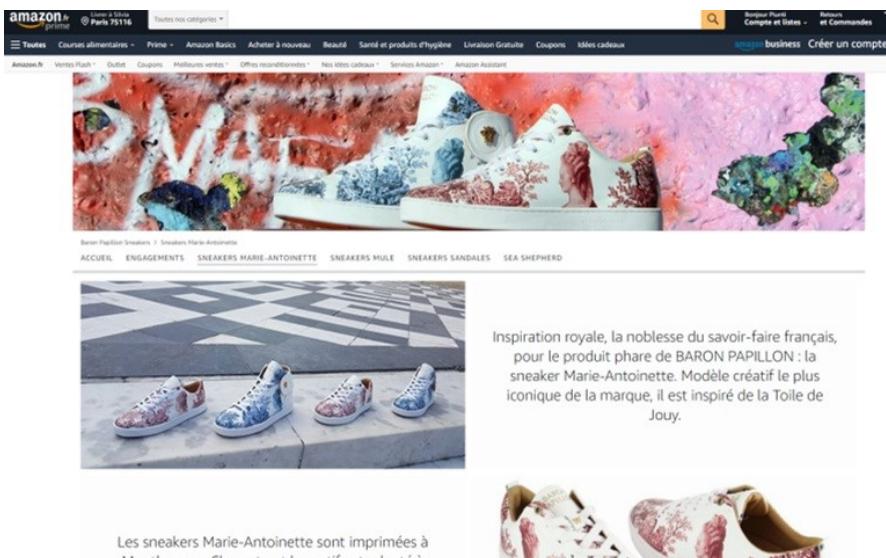


Figure 8b: the store of Baron Papillon on amazon.fr.

Descrizione prodotto

Dalle Piane Cashmere affonda le sue radici nell'esperienza di una famiglia di artigiani, la famiglia Dondini, che da ben tre generazioni tramanda di padre in figlio l'arte tessile italiana. Una tradizione che col tempo si è rafforzata, elevandosi fino alla lavorazione del filato più nobile e pregiato: il cashmere.

Questo percorso virtuoso è stato possibile grazie anche al territorio in cui Dalle Piane Cashmere nasce e si sviluppa: Prato, famosa in tutto il mondo per il suo distretto tessile. Proprio in queste terre, già dal '1200, venivano realizzati indumenti di alta manifattura venduti in tutta Europa. Indossare Dalle Piane Cashmere oggi significa quindi portare con sé oltre 800 anni di storia tessile toscana.

La famiglia

La storia della nostra famiglia, che è la storia di un mestiere, che ebbe inizio con la lavorazione della matassa prima e che continua tutti oggi con la produzione del capo finito, composto dalla fibra più nobile, il cashmere.

La nostra avventura nel mondo maglieria ha iniziato con la **filaratura del nonno Valter**, che trasformava in filati e rocche la lana. I figli, Roberto e Massimo, appena poterono, iniziarono a lavorare nella filatura di famiglia.

La storia di Dalle Piane Cashmere è anche - e forse soprattutto - una storia d'amore. Fu infatti grazie alle mogli dei due fratelli, Luana e Linda, che ne seguì l'**idea del maglificio**. Inizio come un gioco, ma dato il rapido successo le prime maglie prodotte incisero, si trattava ben presto in un'attività vera e propria. Fu così che, dopo investimenti per l'ammodernamento degli spazi e l'acquisto di macchinari all'avanguardia, nel 1988 nacque il **maglificio Anguarella**.

Qualità 100% made in Italy

Dalle Piane Cashmere testimonia con orgoglio la qualità produttiva manifatturiera italiana attraverso la tracciabilità 100% Made in Italy.

I capi Dalle Piane sono ideati, progettati e realizzati esclusivamente dall'azienda, in Italia. Sono composti da materiali naturali di qualità e di prima scelta, con tracciabilità della provenienza delle materie prime. Essere testimoni del Made in Italy significa anche realizzarsi i capi grazie a particolari lavorazioni artigiane e a tecniche tradizionali tipiche, appunto, tramandate da generazioni in azienda.

Figure 8c: the content A+ on a product page of Dalle Piane Cashmere on amazon.it.

GET STARTED IN SEVEN STEPS: 3 - CHOOSE THE FULFILLMENT

International fulfillment¹⁷ refers to the processes required to satisfy international purchase orders, including warehousing, picking & packing, shipping, handling customs operations, delivering, reverse logistics, customer service, sometimes even collecting payments. For the international marketplaces, you have two main options for that:

¹⁷ If you have read [book 4 of The Digital Exporter Series](#), you can skip to the next step.

- **Self-fulfillment:** to self-fulfill the purchase orders of your foreign customers you need some of the same elements that you would use for your domestic customers, such as a warehouse with a picking & packing area, shipping materials, such as boxes, tape, bubble wrap, foam, etc., transport documents, invoices or proformas, and shipping labels.

However, while you might use your own transporters or some local carrier for your domestic customers, they are often not effective for foreign customers, especially for the last-meter delivery.

In this case, the best solution is to work with one or more international carriers like UPS, FedEx or DHL that can provide the door-to-door delivery for you, it means that you or your team will take care of the warehousing, picking, packing, and documents while your international carrier or carriers will manage the rest until receipt by your foreign customers.

Advantages:

- Your inventory is centralized for serving both your domestic and cross-border markets.
- By using external carriers, you can choose those that can use the localized delivery methods preferred by your foreign customers.
- A single team to fulfill domestic and international orders will allow you to make economies of scale and improve the return on investment (ROI) of your business.

Disadvantages:

- In peak seasons you might struggle to hire additional logistics people to help you fulfill all your orders. Likewise, in down periods, you might struggle to reduce your warehouse headcount, having a bad impact on your financial results.
- Your centralized warehouse might be too far from your target foreign customers, which can make your delivery time less competitive than that of your competitors that operate in the same country or in closer ones.

- Managing returns and customer service in several foreign languages can be difficult and expensive.



TIP

If your digital export project concerns the European Union, you can check the tariffs on cross-border parcel delivery services between countries here:

https://ec.europa.eu/growth/sectors/postal-services/parcel-delivery/public-tariffs-cross-border_en

- **Third-party logistics provider (3PL):** fulfilling your international purchase orders with a 3PL means that you will have to give him the stock that you plan to sell overseas, and he will store it in consignment. Then, he will take care of warehousing, picking & packing, shipping, and additional services, such as handling customs operations, delivering, managing returns, customer service, collecting the payments, etc. depending on the contract and on the provider's organization.

You have a large choice of well-known companies and other less-known 3PLs that operate globally or regionally, including Amazon Multi-Channel Fulfillment (MCF), UPS Supply Chain Solutions, FedEx Fulfillment Center, ShipBob, Shipwire, Red Stag for the U.S., DCL Logistics, Deutsche Post DHL especially for Europe, Byrd, BoxMe for Asia, SkyPostal for Latin America, GEODIS, Easyship, Kerry Logistics Network Ltd., Fulfillment for China, F4E - Fulfillment 4 Europe, etc.

Some of them provide additional services, related to logistics or not, that can be very useful for cross-border, such as customer service in multiple languages or dealing with customs formalities, translating packaging, re-packaging, adaptation of labels, and web marketing, etc. In this case they are sometimes referred to as 4PLs. However, if you don't need any of these additional services, for instance because you can only sell within the European Union, or because your product doesn't require customer service, you can

turn to smaller and simpler 3PLs that can sometimes be cheaper than the big names for the same quality of service.

Most 3PLs charge an upfront fee, for the integration, followed by either a fixed monthly fee, or a sales commission when you can demonstrate that your products sell well. The 4PL services are mainly charged by the use.

Advantages:

- Depending on the 3PL you choose, your inventory can be located in several fulfillment centers, meaning that you will be able to offer quicker deliveries in a much larger geographical area.
- More flexibility to manage peak and low seasons as well as the fixed costs associated with them.
- You'll be free to spend more time on more strategic functions, such as sales and marketing development.

Disadvantages:

- The upfront set up cost can be high.
- You have less control of your inventory, and, if you need to move it to other regions or recover it for quality reasons, it will take longer.



TIP

To choose the right 3PL for your international marketplaces, it's important that you know not only the types of services you need but also in which country or countries you want to sell.

Only a few 3PL companies are effective on the global scale, probably FedEx or ShipBob, while most of them are specialized by region, for example North America, Europe, APAC, etc.

They can be better than the global ones especially when your products require special distribution conditions or need to comply with specific local obligations.



CASE STUDY

Is Fulfillment by Amazon (FBA) a 3PL? Yes and no!

First, you need to understand, and maybe already do, that Amazon started in the 1990s as a reseller, meaning buying stock to resell through its website to consumers. That has been its core business for a long time. Since then, Amazon invested a lot in developing the tools and services it needed to offer its customers as good a shopping experience as possible, and that included logistics. Then it launched its marketplace, and with that it allowed its sellers to take advantage of its own logistics to fulfill their Amazon orders. FBA was born. So, for a business that sells on Amazon through a Seller Central account, FBA is a 3PL but only partly, because FBA does not fulfill orders from other sales channels, for example a business's own e-commerce. For that, Amazon has another offer, Multi-Channel Fulfillment (MCF). With MCF, the same business that sells on Amazon through a Seller Central account, can use its FBA stock to fulfill orders coming from other sales channels, including its own e-commerce. Available in almost all Amazon's marketplaces around the world, MCF is a 3PL, but only for businesses that have an account on Amazon Seller Central. For them, the combination of FBA and MCF can be a good solution for enlarging the geographical scope of their cross-border e-commerce. Here are three last pieces of advice:

- 1) Check the MCF pricing, since, for certain categories of products, it can be less competitive.*
- 2) Also check the compatibility with your other sales channels since sometimes other retailers do not accept deliveries from Amazon.*
- 3) Do not overdo it with your stock at Amazon fulfillment centers, because if some unpredicted event happens, such as a big order from a large retailer that doesn't accept MCF, you cannot take it back easily.*



TIP

If you also manage a cross-border e-commerce on top of the marketplaces, you should work with a 3PL that can connect directly to your e-commerce platform or shopping cart plugin. Several 3PLs have developed specific plugins that you can install easily on your WooCommerce, Shopify, Squarespace, or other major e-commerce platforms and shopping cart plugins. However, since that involves a cost of web development for the 3PLs, they haven't done it for all the e-commerce platforms and shopping cart software but only for the most frequently used ones. This is why, when you choose your 3PL, you need to make sure it has a plugin to connect to your e-commerce platform or shopping cart plugin, because if it doesn't then the connection between the two will require an additional investment on your part.

A hybrid fulfillment approach can be a good solution for your digital export project. It combines some or all the above options instead of choosing and sticking with only one. It might require a bit more effort

for inventory management, but you maximize the fulfillment options for all your sales channels around the world, whether online or offline.

GET STARTED IN SEVEN STEPS: 4 - LIST YOUR PRODUCTS OR SERVICES

Once the account is created and validated, you can start listing your products. When you do that, make sure that it is not yet possible to place orders.

To do this, put your account on hold, or in vacation mode or zero availability or with prices that are three times more expensive than your competitors. In this way you will have all the time you need to enter the information, pictures, video, and any other element you need, and do the necessary tests before receiving real orders from real customers.

If you're new to working on marketplaces, in this stage, do not list more than 20% of your products or services. You do not need to list your whole catalog at once. This is always a testing phase, and before you move forward with listing the rest of your products or services it is better to check that these 20% are well listed on the marketplace, in the right categories.

What are the methods for listing your products on a B2C marketplace? Listing products or services on a marketplace can be done in multiple ways. The most common ones, especially for products, are the following:

- 1) **Manually one-by-one:** it is a good method if you have around 50 items without information organized in tables, such as in an Excel file. This is a straightforward and easy method that does not require any particular skill, but it is quite time-consuming.

amazon seller central

Vital Info Variations Offer Images Advanced View

Jewellery > Women > Charms > Bead Charms

When multiple sellers sell the same product through a single detail page, we combine and present the best product data to ensure customers get the best experience.

* Product Name

* Manufacturer

* Brand Name

* Product ID -Select-

You require a unique identifier such as UPC, EAN, or GCRID to list your products. You can request exemptions to list products that do not have standard product IDs for certain categories. Learn more

* Type of Metal

* Type of Material Add More

* Part Number

Cancel Save and finish

The screenshot shows the 'Vital Info' tab of the Amazon Seller Central product listing interface. The form contains several required fields marked with asterisks (*): Product Name, Manufacturer, Brand Name, Product ID, Type of Metal, Type of Material, and Part Number. The Product Name field contains 'Bosch - Cordless Drill/Driver - PSR960'. The Manufacturer field contains 'Makita'. The Brand Name field contains 'Natural Diamonds, Diamond Manufacturers etc.'. The Product ID field contains '5279173125000' and has a dropdown menu labeled '-Select-' next to it. A note below the Product ID field states: 'You require a unique identifier such as UPC, EAN, or GCRID to list your products. You can request exemptions to list products that do not have standard product IDs for certain categories. Learn more'. The Type of Metal field contains 'silver plated'. The Type of Material field contains 'White Gold' and has a 'Add More' link below it. The Part Number field contains 'LE'. At the bottom right, there are 'Cancel' and 'Save and finish' buttons.

Figure 9: manual listing on Amazon Seller Central for product information.

Seller Central

Vital Info Variations Offer Compliance Images Description Keywords More Details Advanced View

Jewellery > Women > Chains > Bead Charms

You have the option to save as inactive now and add the offer back later.

Let me skip the offer data and add it later.

* Your price

Seller SKU

Once submitted, this field cannot be changed

Sale Price

Sale From Date

Sale End Date

* Quantity

* Condition

Once submitted, this field cannot be changed

Condition Note

Recommended Retail Price

Product Tax Code

Handling Time

Restock Date

Can Be Gift Messaged

Is Gift Wrap Available?

Max Order Quantity

Merchant Shipping Group

This screenshot shows the 'Offer' tab in the Amazon Seller Central interface. It displays a form for creating a new product offer. The form includes fields for basic product information (Seller SKU, Sale Price, Condition), listing details (Quantity, Restock Date, Handling Time), and shipping (Merchant Shipping Group). There are also checkboxes for gift messaging and wrap availability. A note at the top indicates the option to save as inactive.

Figure 9b: manual listing on Amazon Seller Central for a product offer.

- 2) **XLS/CSV file:** through the marketplace XLS/CSV template that is usually available on the dashboard of the platform. It is a good

choice when you have a few hundred items, and you can export the information about your items from the database of your e-commerce. To use this method, you need to be familiar with Excel skills and have your picture on some URL.

- 3) **FTP/HTTP integration with XML/CSV feed:** this is a much more automated method, and it is a good choice for any quantity of items and any frequency of listing. Whether XML or CSV, a feed is a file containing all the information about your products.

With such a feed in place, you have a single file through which you can upload your products' information to various marketplaces and shopping channels¹⁸. You just need to make sure all your items' information is organized in a database that will generate the feed that will be integrated via FTP or HTTP into the marketplace or marketplaces you want.

The drawback of this method is that, if you use several marketplaces, it will be difficult to adapt your feed to the specific template of each marketplace with the result that your offers will not appear as nice and complete as they should.

- 4) **With a feed management tool:** it is a software-as-a-service (SaaS) application that connects to your website to generate automatic and customizable feeds for marketplace and other platforms¹⁹. As before, this is a much more automated method than the first two, and it is a good choice for any quantity of items and any frequency of listing.

You need to pay a monthly fee of €30, or less, but up to several hundred euros if you have several hundred or thousands of items to sell on several marketplaces or on other channels. It is one of the best solutions if you plan to use many platforms and if you have a

¹⁸ Such as other marketplaces but also Google Ads, Facebook Ads, Comparison Shopping Service providers, etc.

¹⁹ Such as other marketplaces but also Google Ads, Facebook Ads, Comparison Shopping Service providers, etc.

large number of items, because it allows you to adapt your products' data on the template of each marketplace and platform.

Some examples are: DataFeedWatch, Channable, CROSSMODS, GoDataFeed, Marello, Highstreet.io, BeezUP, etc.

- 5) **Application program interface (API)²⁰ integration:** this is a fully automated method that suits any quantity of items and any frequency of listing, but you will need:
- All your items' information to be organized in a database; and
 - A developer to connect the specific API.

The major drawback is that this API integration doesn't allow you to customize your data on the marketplace template: your data will be uploaded as it is in your e-commerce.

If you want it to be customized for each marketplace, you will need specific API development each time.

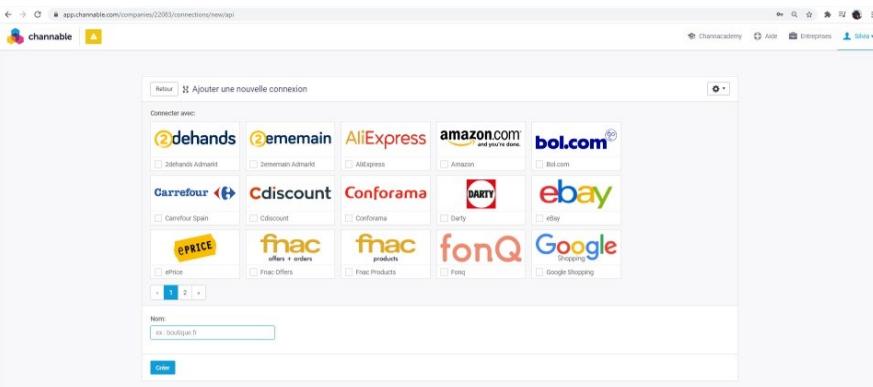


Figure 10: an example of a feed management tool, Channable, and some of the marketplaces to which it can connect your e-commerce.

²⁰ See, e.g., Shaneil Lafayette, 'eCommerce 101: API for eCommerce and Why it's Important', Elastic Path, 12 August 2021, <https://www.elasticpath.com/blog/an-introduction-to-ecommerce-apis>.

Figure 10b: an example of Channable features to adapt the items' data according to the rules of the Amazon France template.

GET STARTED IN SEVEN STEPS: 5 - DO THE FINAL CHECKS

Your store and your 20% of products are now visible online but not yet available for sale. Before starting your sales, do one last test of the integration between the marketplace's back-office and your e-commerce or ERP, your warehouse or fulfillment center, and your bank account. Check that all these operational elements are working properly:

- Product or service pages and their picture quality.
- Listing in the right categories of the marketplace.
- The links of all variants for sizes, colors, quantities, etc.
- Simulate an order until its payment. This is a specific function that is generally offered by the marketplace and validates that all the

interactions with your IT system and your bank account are working well.

- Check the alerts and in particular that everyone involved with order fulfillment receives them in the right format, in the right place, and at the right time.
- The inventory is updated as soon as the purchase order and the payment are confirmed.
- The marketplace's customer service is operational for your products.
- Your feed management tool, if you have decided to use one, is synchronizing correctly.

If all these checks go well, you can stop the on-hold or vacation mode or add availability or correct your prices to start the real sales.

You might keep managing only 20% of your products, but is not an issue because, before going any further, it is better to analyze the first results. How did the first sales go? Were your first customers happy? Did they leave a positive review? Which keywords did they use to find you?

If the results of this analysis are positive, you can finish listing all your other products or services. Otherwise, it will be better if you first solve any problems that occurred.

GET STARTED IN SEVEN STEPS: 6 - START SELLING INTERNATIONALLY

Once you've finished opening your seller account and listing your offers in the domestic marketplace, those B2C marketplaces that operate in multiple countries will offer you the option to deploy your offers in other countries as well.

Amazon is an example: you can start on any of its domestic marketplaces, for example, on amazon.de with your products translated into German.

Then, when your German Seller Central account is finished and your products are listed, you can go on and:

- List your products on the other local marketplaces in the UK on amazon.co.uk, in Spain on amazon.es, in France on amazon.fr, in Poland on amazon.pl, etc. Each platform will focus your offers on users in their country, but people from other countries will also be able to buy.
- List them on the global site amazon.com. This will focus your offers on shoppers in the U.S. and beyond.
- List them on the other platforms around the world in Canada on amazon.ca, in Mexico on amazon.com.mx, in Australia on amazon.com.au, in Japan on amazon.co.jp, etc.

Catalogue Inventory Pricing Orders Advertising Stores Reports 🔍

All Inventory Manage Inventory ↗ Enhancements (316) | Fix stranded inv...

Manage FBA Inventory ↗ More | Rate this page

Pan-European FBA Inventory

Action on 0 selected

Inventory Planning title, ISBN, 2543 product(s)

Filters: List

Add a Product ↗ Inactive | Fulfilment Type: All An...

Add Products via Upload

Inventory Reports **Product Name**
ion ASIN

Manage Promotions

Sell Globally 

Manage FBA Shipments

Manage PartFinder

Figure 11: an example of how to open global sales on Amazon Seller Central.

Your Listings

Americas

	US	0 listings	View
	Canada	0 listings	View
	Mexico	0 listings	View

Europe

	UK	31 listings	View
	Germany	31 listings	View
	France	31 listings	View
	Italy	31 listings	View
	Spain	31 listings	View
	Netherlands	31 listings	View
	Sweden	0 listings	View
	Poland	0 listings	View

Asia-Pacific

	Australia	0 listings	View
	Japan	0 listings	View

Figure 11b: Amazon Seller Central dashboard for managing international sales.

In both cases, for logistics you have the option of using the ‘Fulfillment by Amazon’ (FBA), which allows you to store your products in Amazon distribution centers. In this way, Amazon will take care of the warehouse and delivery management. Alternatively, you can choose ‘Fulfillment by Merchant’ (FBM) and manage the deliveries from your warehouse.

With FBA you have an additional cost with a fixed monthly storage fee on top of the delivery fee, but it can be interesting if you don’t yet have a logistics solution for delivering in your export markets. You can also

combine the two methods depending on the markets where you want to sell.

Some international marketplaces only let you sell internationally after a trial period. If you show them that you have learned how to manage the marketplace locally in terms of delivery, payment, VAT, customer service, etc., they will allow you to move into high gear and sell on other marketplaces abroad.

These marketplaces often require proven experience before accepting foreign sellers on their platform, which is usually done through reviews, ratings or recommendations obtained either on other marketplaces or on the seller's e-commerce. Some marketplaces also require a minimum number of items per reseller, such as Otto in Germany, which requires a minimum of 300 items, depending on the category.

GET STARTED IN SEVEN STEPS: 7 - BOOST YOUR EXPORT SALES

This final step consists of using the web-marketing functionalities that each marketplace provides to help sellers sell more. Since these platforms have their own search engine, their SEO and SEA techniques work in quite the same way as those of Google or other search engines.

These web-marketing functionalities include advertising, adding rich content for customizing your offer pages, creating a mini-store within the marketplace, etc. They are free of charge except for the advertising. You have to pay for the clicks, because the ads models are almost always based on the cost per click (CPC)²¹.

²¹ Check out [book 3 of The Digital Exporter Series](#) to find all the details on CPC and web advertising, the SEA.

These functionalities can make the difference in terms of sales performance. And, to boost them even further, you should adapt your e-commerce to the same shoppers in the countries where you sell through the marketplaces.

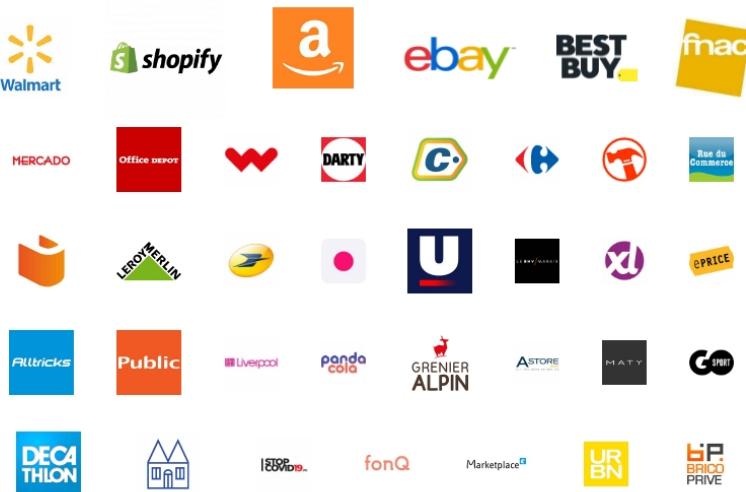
Therefore, to have better chances of being found by them than your competitors do in the marketplaces' search, you must optimize the synergies between the SEO and SEA of your own e-commerce and that of the marketplaces, ideally in each country. If your e-commerce speaks the same language, offers the same payment and deliveries systems, has clear terms and conditions, and uses the same keywords, these foreign shoppers will more easily find and use your e-commerce and might sooner or later start buying from you directly, which means higher profit for you.



TIP

There are several SaaS tools that can help optimize marketplace sales performance by providing additional services for keyword analytics, inventory management, sales intelligence, automation, etc.

While some are specific to one marketplace, like <https://www.junglescout.com/> or <https://www.helium10.com/> or <https://www.zonguru.com/> for Amazon, others are multichannel and allow businesses to connect several marketplaces on the same tool and to follow their sales performance on all of them at the same time. One of these multichannel tools is <https://merchantspring.io/>, which offers one of the most comprehensive choices of connectable platforms across the world.



Streamline Your Selling Across **All** Geographies



Figure 11c: some of the options in terms of marketplaces and countries offered by MerchantSpring <https://merchantspring.io/>.

Most international marketplaces offer different web-marketing tools to develop sales on their platform, such as:

- Offering special discounts.
- Advertising products or services or brands on the platform itself or on external partner websites.
- Promoting the position in the search results on the marketplace.
- Participation in the marketplace's regular promotional operations (Christmas, Black Friday, Valentine's Day, Mother's Day, etc.).
- Paying an official tester to test your product and leave a review on your offers.



TIP

As you expand your business across marketplaces and across multiple countries simultaneously, don't hesitate to use specialist e-commerce providers. Whether it is to synchronize a feed management tool with different marketplaces, or to outsource customer support in local languages, or to produce multilingual content, or to provide marketplace SEO, etc., you might encounter different needs that multiply for each foreign country. External providers can help you accelerate your sales performance on international marketplaces.



KEY TAKEAWAYS

Starting on a B2C international marketplace is not always easy, especially on the most popular ones. You need to provide updated business information and go through the validation process of each marketplace. Only when that is fully confirmed will you be able to list your products or services, sell in multiple countries, if the marketplace is international, and use the platform's specific web-marketing functions.

The seven steps to get your business off the ground in the B2C international marketplaces are:

- 1) Find the ideal marketplaces.*
- 2) Open your seller account.*
- 3) Choose whether you're going to self-fulfill your orders or use a 3PL.*
- 4) List your products or services.*
- 5) Do the final checks.*
- 6) Start selling internationally.*
- 7) Boost your sales with the marketplaces' web-marketing tools.*

CHAPTER 5

HOW TO START DIGITAL EXPORT ON INTERNATIONAL B2B MARKETPLACES

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With global B2B online sales representing more than 80% of total online sales, and with the profusion of B2B platforms around the world, B2B marketplaces are a sales channel that you should seriously consider for your digital export project.

But integrating this type of platform is not like what you saw in the previous chapter for the B2C marketplaces.

Here is the explanation of the critical differences.

WHY B2B AND B2C MARKETPLACES ARE DIFFERENT

As mentioned previously B2B marketplaces differ from B2Cs in many ways, such as:

- Volume orders, often in bulk, not by unit.
- Choice of customization: sometimes all orders are custom made.
- Prices may be different and negotiable depending on the type of customer, product, quantities, or a combination of the three.
- Negotiable payment terms.
- Flexible delivery and logistics depending on quantity.
- Specific tax and legal conditions.
- ERP connection for automatically integrating products, prices, purchase history, logistics status, etc. directly from the B2B marketplace to the customers' system.

Basically, the whole B2B online journey is different from the B2C one: the decision-maker is not one single person but a team or an entire company; the decision process doesn't just last few minutes but several days or months; there is not a huge number of consumers but just a few clients that buy larger quantities and spend more money; the acquisition process is not generalized but based on personalized one-to-one relationships, yes even online.

B2B clients have different needs and, therefore, different expectations.

That's why specific marketplaces were created to meet B2B buyers' expectations. The technical features of these platforms have nothing to do with those on the B2C marketplaces, and integrating a B2B marketplace is, therefore, also different.

The interface on a B2B marketplace is more sophisticated and offers options that are not needed in the B2C platforms, such as:

- Different ways of searching: not only by keywords but also by specifications, quality certificates, installation guides, warranty information, alternative parts, accessories, scientific images or

videos, and any other technical data that help buyers make more informed decisions.

- Different ways of buying: by tens or hundreds or more, for several sizes and different colors at the same time, or fully customized items.
- Different ways of paying: in several installments or on credit, which means 30 or 60 days after delivery, with discounts or negotiated prices.
- Different ways of delivering: to several warehouses with the 'Ship-to' address different from the 'Bill-to' address, on various or repetitive dates.
- Different ways of tracking purchases: if the purchase concerns a customized order, then the buyers will need to track the whole production process and not only the transportation, likewise when the purchase is repeated over time, because the buyers will need to check every single delivery.

STEPS FOR INTEGRATING B2B MARKETPLACES

The steps for integrating B2B marketplaces are more or less the same as in the previous chapter: you must first find the ideal B2B marketplaces for your digital export project; then you need to open your B2B seller account; after that you have to list your products or services; then you need to do the final checks; next you can start selling internationally if the platform sells in several countries; and finally you can boost your export sales if the B2B marketplace provides specific web-marketing services.

However, there is a key difference in this process, which is not linked to the type of marketplace, but to the type of your business.

Your company can sell either B2C or B2B or both: you can sell to consumers with your B2C cross-border e-commerce, and you can sell to other businesses in parallel on different B2B foreign marketplaces.

Or you can sell only to other businesses with your B2B cross-border e-commerce and on other B2B foreign marketplaces at the same time.

The combinations of multiple online channels are numerous, and it is the intensity level of the B2B that makes a difference with B2C. In essence, if your B2B e-commerce needs to provide information that is specific to each individual client, such as real-time inventory availability, dynamic pricing, different 'Ship-to' and 'Bill-to' addresses, real-time order and invoice status, instantaneous credit status, history for all channels (email, phone, showroom, web, electronic data interchange (EDI), trade shows, etc.), and similar information, then you will need a strong integration between your B2B e-commerce and your ERP.

If your B2B e-commerce is simpler and doesn't require you to provide the above information, then the common software like Shopify, BigCommerce, WooCommerce, etc. with a third-party plugin to connect your ERP will be enough.

In this case, the integration and listing methods presented in the previous chapter also work with the B2B marketplaces, although there are fewer feed management tools specialized in B2B marketplaces. On the other hand, if your B2B e-commerce requires you to provide the above client-specific information, then you might choose B2B e-commerce software with middleware for connecting your ERP or choose B2B e-commerce software that is already integrated in an ERP. In either case, of the five methods in the previous chapter, only the last one is appropriate.

You need to make sure that the B2B marketplaces you want to use abroad provide the connectivity via an API.



TIP

Working on B2B international marketplaces might sound technically complicated and expensive. However, with the increase they have seen due to the Covid-19 crisis, these platforms have developed additional features and services to lower entry barriers, help businesses start selling as quickly and easily as possible, and reduce the risk of choosing the wrong marketplace. And, on top of that, this trend is forecasted to last long as these marketplaces go on improving and evolving their offerings, because the market demand will remain strong.



KEY TAKEAWAYS

As UNCTAD has reported, B2B was 82% of total online sales worldwide in 2019, achieving more than \$21 trillion. With the Covid-19 pandemic, B2B marketplaces accelerated, and new or existing B2B platforms replaced some other offline B2B channels, such as trade shows or showrooms. For your B2B digital export project, integrating one or several international B2B marketplaces can be a key driver.

CHAPTER 6

SUCCEEDING ON THE INTERNATIONAL MARKETPLACES: DUTIES & VAT

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Were you thinking that after having chosen the marketplace platforms, whether B2C or B2B, you would be ready to start selling online internationally?

Yes, you could. But, if you also dealt with the issues concerning import/export duties and VAT and similar taxes, you would be much better off. This is what I cover in this chapter²².

²² If you have read [book 4 of The Digital Exporter Series](#), you can skip to the next chapter.

IMPORT/EXPORT DUTIES AND COMPLIANCE

Whether online or physical, world free trade is not always free. Consider some of these examples:

- Some goods cannot enter certain countries. This is the case when governments control certain categories of products for reasons of security, politics, health, pollution, or competitiveness.
- In some countries, goods cannot leave the country unless a commercial contract is in place with a foreign importer or the seller has received payment in full within a precise number of days for reasons of currency control, or for other political or financial reasons.
- Customs duties or tariffs must sometimes be added to the merchandise price including freight and insurance. Tariffs are used to protect the price advantage of local goods over imported ones and to provide additional revenues to the state imposing them. Other local taxes and fees can be charged in addition to the tariff. Tariffs and taxes are regulated by each state independently. In some cases, they are very low, and in others very high.
- Import and export controls as well as tariffs and taxes are also the subject of international agreements. For example, if you produce using components or raw materials originated in the U.S., your products may qualify for duty-free entry into the U.S. under the Free Trade Agreement (FTA), if your country is a U.S. FTA partner country²³.
- Free trade agreements with the U.S. are not the only ones; there are several free trade agreements and treaties around the world. Whether bilateral or multilateral, the countries participating in

²³ The United States has 14 FTAs with 20 countries.

them all have the same goal: to help their national businesses be more competitive on the international markets and export more²⁴.

- When you import goods into the European Union, you must comply with several EU customs laws and regulations²⁵. Also, the CE mark is mandatory on many products. It shows that they are compliant with the applicable EU directives²⁶. On top of that, packaged products sold in the European Union countries must comply with the EU Packaging and Packaging Waste regulations. This requires joining an authorized packaging collection and recycling scheme in one of the EU member states in which you sell your products, and display recycling symbols on your packaging (i.e., the 'Green Dot' symbol)²⁷.

What is the impact of all these cases on your digital export project? Tariffs and other import taxes are added to your products' prices and, therefore, increase the cost that your foreign customers must pay to purchase them. If your prices are too high compared to similar local products you will end up being less competitive and sell less or not sell at all.

To avoid that, you need to do some homework and check in advance if any tariffs or other local taxes apply to your products in the foreign countries that you are targeting. By knowing that, you will be able to price your product better on the marketplaces in those countries.

²⁴ https://en.m.wikipedia.org/wiki/Free_trade_agreement.

²⁵ The following link contains useful information on EU customs procedures https://ec.europa.eu/taxation_customs/customs_en.

²⁶ For more information, see http://europa.eu/legislation_summaries/other/l21013_en.htm and https://europa.eu/youreurope/business/product-requirements/labels-markings/ce-marking/index_en.htm.

²⁷ For more information, see http://ec.europa.eu/environment/waste/packaging/index_en.htm.

VAT: TURNING THE NIGHTMARE INTO A DREAM

Value added tax (VAT) is a type of general consumption tax that must be added to the price of most goods and services sold, collected by the seller from the customer and then paid by the seller to the national tax authorities. General consumption taxes are levied by almost every country in the world, and VAT is by far the most widely used. The OECD has reported that, as of 1 November 2020, 170 countries and territories had implemented VAT²⁸.

VAT is regulated by each state independently, which means that there are potentially 170 different VAT systems in the world. But don't worry. You need not manage them all. You only have to do it in the foreign countries where you plan to sell with marketplaces. And you must do it in the right way, because, if you do it wrong, or not at all, it can cost you a fortune.

Since the beginning of the Covid-19 crisis, many governments and international institutions across the world have been working to deploy easier systems for registering, collecting, and managing VAT, mainly to make life easier for online businesses but also to avoid missing revenues.

There are many different systems but a single trend: VAT collection is by the state where the buyers reside. Here are some examples of VAT or other general-consumption-tax systems around the world:

- **Latin America and Caribbean (LAC):** the OECD in collaboration with the World Bank Group, the Inter-American Center of Tax Administrations (CIAT) and the Inter-American Development Bank (IDB) have produced a toolkit to help tax authorities in the LAC

²⁸ Organisation for Economic Cooperation and Development, 'Annex A. Countries with VAT', in *Consumption Tax Trends 2020: VAT/GST and Excise Rates, Trends and Policy Issues* (Paris: OECD Publishing, 2020), https://www.oecd-ilibrary.org/taxation/consumption-tax-trends-2020_152def2d-en.

countries collect VAT for online sales²⁹. With the start of the Covid-19 pandemic, sales of music, apps, games, movie streaming, and other digital products to consumers have soared incredibly as have other categories of low-value imported goods.

Under the current regulations, VAT is not consistently collected, especially for those goods that are sold online by foreign sellers.

This toolkit is meant to help LAC governments implement an effective VAT system for domestic and cross-border platforms, with the main guidance being that the VAT is collected by the government where the customers reside through the intermediary of online platforms, either e-commerce or marketplaces.

- **U.S.:** here, VAT doesn't exist, but another type of general consumption tax does, the sales tax. It is a percentage of a sale that customers pay on your taxable products when they buy online or offline.

Forty-five U.S. states and the District of Columbia levy sales tax³⁰, and almost all states allow cities, counties, and districts to levy other special sales taxes. If you sell on a U.S. marketplace, whether domestic or international, you will need to pay sales taxes when you have a nexus with any of the U.S. states, and those states have a sales tax.

What is a nexus? It is a commercial connection between your business and any of these states that require you to register, collect and handover the sales tax to the state. A nexus is established if, in one or more of these states, you have: a direct or indirect business location, such as an office, warehouse, store, etc., or an employee, contractor, salesperson, or any other person working for your

²⁹ VAT is the largest source of tax revenue on average in the LAC region.

³⁰ The five that do not are Alaska, Delaware, Montana, New Hampshire, Oregon.

Melissa Parietti, 'States Without Sales Tax', Investopedia, 23 February 2021,

<https://www.investopedia.com/articles/personal-finance/112415/5-states-without-sales-tax.asp>.

business, or inventory, whether your own or through a 3PL, or sales over the state threshold³¹, etc.

A special organization aiming to simplify this sales tax system in the U.S., the Streamlined Sales Tax Governing Board, has initiated the Streamlined Sales and Use Tax Agreement (SSUTA)³², a simplified tax program that any state can embrace. Twenty-three states already have done so, which means that they have similar tax policies and allow you to register and file sales taxes electronically via the Streamlined Sales Tax Registration System (SSTRS) for all these states at once³³.

- **Europe:** before 1 July 2021, businesses selling in the European Union were required to register for VAT in each country where they were selling if their sales were over a certain threshold that was decided individually by each EU country.

That was for all EU and non-EU businesses that were shipping goods to an EU country, or storing goods in the EU, directly or through a 3PL. From 1 July 2021, the 27 countries of the European Union implemented new VAT rules on online sales that affect

³¹ In 2018, the Supreme Court of the United States ruled in favor of the state in South Dakota against Wayfair, Inc., which allowed the state to tax remote sales through its economic nexus laws. *South Dakota v. Wayfair, Inc.*, 585 U.S. ___, 138 S. Ct. 2080 (2018). Since this ruling, almost all other U.S. states have passed their own economic nexus laws. You can check the threshold by state here:

<https://www.salestaxinstitute.com/resources/economic-nexus-state-guide>. On top of that, many states have also enacted other types of nexus laws that require remote sellers to collect tax or provide information about in-state sales. They are referred to as 'Remote Seller Nexus' laws and include sales via online techniques such as Click-Through, Affiliate, Marketplace, etc. Check here for more information:

<https://www.salestaxinstitute.com/resources/remote-seller-nexus-chart>.

³² https://www.streamlinedsalestax.org/docs/default-source/agreement/ssuta/ssuta-as-amended-through-2021-5-20.pdf?sfvrsn=66137900_4.

³³ The 23 full member states are Arkansas, Georgia, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Nebraska, Nevada, New Jersey, North Carolina, North Dakota, Ohio, Oklahoma, Rhode Island, South Dakota, Utah, Vermont, Washington, West Virginia, Wisconsin and Wyoming. Tennessee is an associate member state.

<https://www.streamlinedsalestax.org/Shared-Pages/State-Detail>.

sellers, e-commerce, marketplaces, transporters, both inside and outside the EU. The key changes are:

- The VAT rate to apply is the one applied in the country where the buyer resides and not the one where the seller is.
- Online sellers can register in one EU member state, and that will allow them to declare and pay VAT on all remote sales to customers within the EU.
- Through this registration, instead of the old system under which EU and non-EU sellers registered and paid the VAT in each individual EU country, they both can now use the new unified scheme of the One Stop Shop (OSS)³⁴, a single registration and payment office that is created in all EU countries. Sellers will only use one OSS for all VAT declarations and payments across the EU. Additional VAT registration numbers are needed only if the inventory is located in several countries. In that case, a VAT registration is required for each one of these countries.
- The previous thresholds for distance sales within the EU is abolished and replaced by a new EU-wide threshold of €10,000. For sales below €10,000, things remain unchanged, and sellers can charge VAT from their country of establishment instead of the destination country.
- The VAT exemption at importation for small-value products up to €22 is removed. This means that all goods imported into the EU are now subject to VAT.
- A new special scheme for distance online sales of goods imported from non-EU countries, the Import One Stop Shop (IOSS)³⁵, has been created to simplify the declaration and payment of VAT for those sellers.
- The UK is no longer part of the EU, and it operates its own VAT regime independently. You will be required to register for VAT in the UK if you are based outside the UK and ship goods to the UK or store goods there, whether directly, or through a 3PL on your behalf, that are then distributed across the UK or the EU, regardless of turnover threshold.

³⁴ https://ec.europa.eu/taxation_customs/business/vat/vat-e-commerce/oss_en.

³⁵ https://ec.europa.eu/taxation_customs/ioss_en.



CASE STUDY

How to get an EU VAT number for a non-EU company?

Here are the key steps:

- Designate an EU country as your Member State of Identification (MSI).
- All the documentation and processes will be in the local language. So, choose carefully! If you need to manage your VAT in English, there are only two options within the EU after Brexit: Malta and Ireland.
- Register on your MSI's national online OSS or IOSS.
- You need your company information, your bank account details, and a person's contact information.
- You will receive your national VAT number either electronically or by mail in approximately two months on average, depending on the speed of the local VAT authorities and on whether all your documents are correct.
- Once you have received your national VAT number, you will be able to register for the OSS or the IOSS scheme.
- For the moment, the OSS and IOSS registrations can only be done on the first day of each quarter, so plan the registration of your national VAT accordingly, well in advance.

Domestic sales implications: B2C online domestic sales are not regulated by the OSS or IOSS scheme. They are regulated by the local domestic VAT systems. If you designated Ireland as your MSI for your VAT OSS or IOSS, you cannot use the OSS or IOSS system to declare and return the VAT of the goods you sell locally in Ireland; you must use the local Irish VAT system. Choosing a country as your MSI where you will have no goods sold locally, such as Malta, could be a better option.

The new EU VAT system is too new, at this stage, to have enough visibility. So, these steps are provided only as examples without constituting any guarantee that the process will go exactly like that or last precisely that long. Check this link for more information about EU VAT: https://ec.europa.eu/taxation_customs/business/vat/ioss_en.

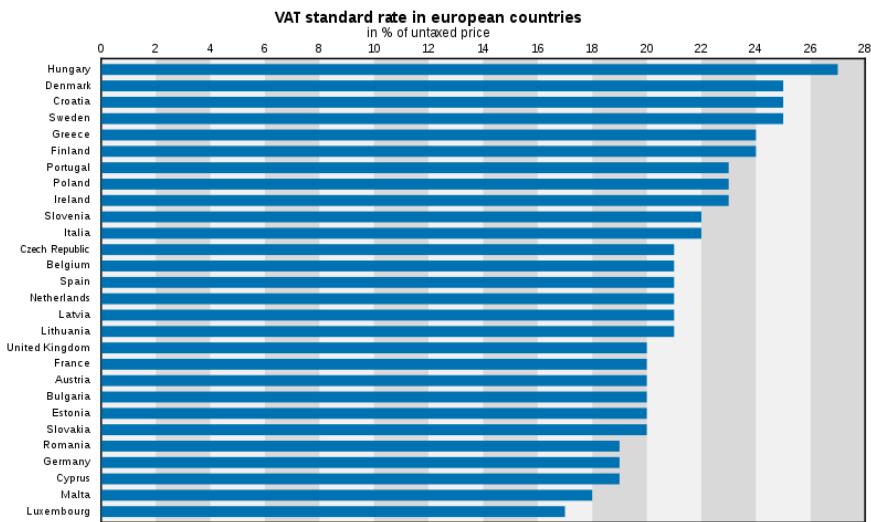


Figure 11d: the standard VAT rates in the European Union³⁶.

- **China:** there are two main taxes in mainland China: VAT, which applies to the sale and importation of goods and services in or to China and the Consumption Tax (CT), which applies to the sale and importation of certain goods, mainly luxury items.

The standard VAT rate is 13%, but many other reduced rates apply:

- 3% for small-scale taxpayers
- 5% for real-estate
- 6% for 'modern services', such as R&D, IT, cultural, education, logistics, consulting, film and TV services, etc.
- 9% mainly for transportation
- 0% for exported goods.

CT rates depend on the phase of production at which the sale takes place and on its type, size, or weight.

Foreign companies cannot register for Chinese VAT, but, since to do business in China it is almost always necessary to have a local

³⁶ https://en.wikipedia.org/wiki/European_Union_value_added_tax.

operation, they often create a Chinese entity³⁷ or they operate within a free trade zone.

In these cases, the local entities will be subject to the standard Chinese VAT system according to two forms, one for ‘small-scale taxpayer’, those with annual sales turnover less than RMB 5 million, and the other for ‘general taxpayers’.

Products sold online or offline to Chinese customers by companies without a local entity in China are imports and subject to VAT. In this case, the VAT must be paid at customs, and the foreign company will need a Chinese customs agent or a broker to handle the VAT.

Retail goods purchased through the cross-border e-commerce importation scheme, which also includes marketplaces, get the benefit of better customs duty, VAT and CT conditions, such as 0% customs duty, 70% of the import VAT and CT regular rates. For more information you can check [book 4 of The Digital Exporter Series](#).



TIP

If international VAT operations are too complicated or time-consuming for your business, consider managing them with a VAT representative such as <https://www.hellotax.com/>. Amazon also offers a similar service, but it does it only for the VAT on sales on its platforms. If you start on other marketplaces or your own website, you will need another solution. A VAT representative like Hellotax is a SaaS that helps you:

- *Easily register a VAT number in the EU and in other countries.*
- *Manage the VAT collections and returns for sales on Amazon and on any other marketplace including your own e-commerce.*

³⁷ A Chinese Foreign Invested Commercial Enterprise (FICE), a Wholly Foreign Owned Entity (WFOE), or a joint venture.



CASE STUDY

How will B2C marketplaces manage EU VAT after 1 July 2021?

There will be different approaches. Here are two examples:

Amazon:

For non-EU sellers, Amazon will collect the VAT on all goods sold to consumers in the EU, if:

- *Goods are worth less than €150 and delivered from a warehouse based outside the EU, or*
- *Goods of any value are delivered from a warehouse based in the EU, for example, an FBA center.*

Basically, Amazon will buy the goods from the sellers and resell them to consumers with VAT on the invoice. In either of these cases, Amazon will calculate and collect the VAT of each of the EU countries where the consumers are located and remit it directly to the EU tax authorities.

For EU sellers, there will be the OSS scheme in each EU country where they can report all EU online distance sales through a single VAT return within their country of establishment. This does not remove the obligation of a VAT registration number when the seller holds inventory in other EU countries.

Wish:

As stated on the Wish website, 'Wish will calculate and collect VAT from customers at checkout and remit the VAT directly to the tax authorities via Wish's Import One Stop Shop (IOSS) or One Stop Shop Union (OSS) scheme registration' for:

- *'Goods delivered from outside the EU with a consignment value less than or equal to EUR 150, or*
- *'Goods delivered from within the EU, where the merchant is not domiciled in the EU or does not have an EU establishment.*

'In order to help clear customs for orders shipped from outside the EU to EU customers with a consignment value of less than or equal to EUR 150 in an expedient manner, Wish will provide merchants with its Import One Stop Shop ("IOSS") number. This number allows the freight forwarder to import the shipment into the EU without having to pay import VAT.

'The merchant agrees that their use of Wish's IOSS number is only in relation to sales carried out via the Wish online marketplace. If the merchant uses Wish's IOSS number inappropriately in any way, Wish may, at its sole discretion, take action against the merchant, including but not limited to withholding or offsetting amounts otherwise due to the merchant, issuing a penalty, suspending the merchant's account[...]

'For EU-bound consignments valued at less than or equal to 150 EUR and shipped from outside of the EU and outside of Mainland China, merchants shall coordinate the customs clearance of such consignments in accordance with applicable regulation and agree to take all appropriate steps required to ensure the accuracy and completeness of required customs declarations'.

The online VAT regulations are so country specific that the best for your digital export project is to hire an expert in international online tax laws. It is an additional cost, but it will help you avoid more expensive costs later in case of noncompliance.



KEY TAKEAWAYS

Before starting to sell on international marketplaces, you need to make sure that:

- *Your products can be imported into the foreign countries where you want to sell.*
- *You understand the tariffs or other fees that you might have to pay at customs to cross the border.*

Check these two points as soon as you can, before you start selling on the international marketplaces, because the related additional fees might require you to adjust your prices.

CHAPTER 7

ENTER THE BIGGEST MARKETPLACE IN THE WORLD: CHINA

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Although all export markets deserve to be considered, China, as the greatest digital market in the world, deserves a special focus.

With around 940 million internet users out of a population of 1.44 billion, this big country will experience exponential growth for online business in the coming years, and many exporting companies are investing to get a piece of the pie.

In the next pages, you will find some practical information for you³⁸.

WHY START SELLING ONLINE IN CHINA?

In recent years, Chinese consumers' buying of foreign products on cross-border platforms has been growing tremendously.

According to iiMedia, the number of people using 'haitao', as CBEC, which includes marketplaces, is known in China, accounted for \$1.8 trillion in sales in 2019. The number of Chinese consumers that shop online on overseas-based platforms and get their products delivered from outside China or from a warehouse in a free trade zone (FTZ) in China or Hong Kong, has increased to 211 million in 2020, roughly equivalent to half the population of the European Union³⁹.

This phenomenon is expected to gain even more momentum in the coming years, thanks to the support of the government, which has issued several laws to help CBEC starting on 8 April 2016, including:

- Circular of the Ministry of Finance, General Administration of Customs and State Administration of Taxation on the Tax Policy for Cross-border E-commerce Retail Imports.
- Circular of the Customs Tariff Commission of the State Council on Issues Pertaining to the Adjustment of Import Tax for Imported Articles.



Figure 11e: the banner of the Ministry of Finance of the People's Republic of China.

³⁸ If you have read [book 4 of The Digital Export Series](#), you can skip to the next chapter.

³⁹ <https://www.iimedia.cn/c1020/69845.html>; 'China's cross-border e-commerce, or Haitao, grows on search for exclusivity and thrift', *Vogue Business*, <https://www.voguebusiness.com/consumers/china-cross-border-ecommerce-haitao-exclusivity-thrift>.

Before these circulars, goods worth more than RMB 50 (approximately €6.6) purchased via a cross-border online platform were subject to a special tax ranging from 10% to 50%, depending on the product category, and in general lower than the standard import duties.

With the new circulars, all CBEC products were treated as imports and subject to import tariff, import VAT, and consumption tax, but if they were worth less than RMB 2,000 (around €264) per person and less than RMB 20,000 (approximately €2,635) per person per year, they were entitled to:

- A temporary import duty of 0%.
- An import VAT rate at 70% of the normal rate.
- A consumption tax rate of 70% of the normal rate.

The first ‘pilot’ zone, Hangzhou, established in 2015 for testing these taxation facilities and through which all CBEC products had to be imported, was joined by 12 additional pilot zones. Then some pilot cities were also allowed to apply the same import taxation facilities.

Immediately after these two circulars, two ‘positive lists’ were issued listing the products that qualified for these advantages⁴⁰: approximately 1,300 products, mainly consumer goods with considerable demand in China.

These products could enter the country by express or ordinary mail without an import permit. The products that were not on these lists needed to go through the complex regular Chinese customs system requiring a large number of documents, such as: sales contracts, commercial or pro-forma invoices in English and Chinese detailing the items, currency, supplier’s country, Incoterms, bills of transport with the recipient’s telephone number, certificates of origin, import permits, etc.

⁴⁰ ‘List of Cross-Border E-Commerce Retail Imports’: <http://gss.mof.gov.cn/zhangwuxinxi/zhangce-fabu/201604/P020160407628544745898.pdf> and <http://gss.mof.gov.cn/zhangwuxinxi/zhangce-fabu/201604/P020160415822493955077.pdf>.

The situation has continued to evolve, in particular from 1 January 2019⁴¹:

- The individual threshold was increased from RMB 2,000 to RMB 5,000 (around €659).
- The annual threshold was increased from RMB 20,000 to RMB 26,000 (approximately €3,425).
- New products⁴² were added to the ‘positive list’.
- The number of pilot zones reached 59.
- The number of pilot cities was increased to 37: Beijing, Tianjin, Shanghai, Tangshan, Hohhot, Shenyang, Dalian, Changchun, Harbin, Nanjing, Suzhou, Wuxi, Hangzhou, Ningbo, Yiwu, Hefei, Fuzhou, Xiamen, Nanchang, Qingdao, Weihai, Zheng-zhou, Wuhan, Changsha, Guangzhou, Shenzhen, Zhuhai, Dongguan, Nanning, Haikou, Chongqing, Chengdu, Guiyang, Kunming, Xi'an, Lanzhou, Pingtan.

And again in 2020 with the creation of 46 new pilot zones for CBEC, bringing the total CBEC pilot zones in China to 105, and of 50 new pilot cities to the existing 37.

Chinese consumers have been increasingly attracted to foreign brands, and cross-border marketplaces definitely help them get what they want. Although CBEC businesses have been hit bad by Covid-19, they have continued to grow.

The official sources have reported⁴³ that, from January to February 2020, CBEC in China was RMB 17.4 billion, about \$2.45 billion, up 36.7% vs. the same period the previous year, and it was RMB 186.2 billion, about \$26.25 billion in 2019 before Covid-19, growing about 50% every year since 2015.

This trend is set to accelerate since these new laws aim to regulate any kind of online cross-border sales including C2C, that is when consumers sell to other consumers, like the ‘daigou’⁴⁴, individuals living abroad

⁴¹ http://www.gov.cn/premier/2018-11/21/content_5342252.htm.

⁴² <http://www.chinatax.gov.cn/n810341/n810755/c3929521/content.html>.

⁴³ http://www.gov.cn/xinwen/2020-04/13/content_5501756.htm.

⁴⁴ <https://en.wikipedia.org/wiki/Daigou>.

that buy products wherever they reside to resell them to people in China, or sales on C2C platform like Taobao or WeChat: with these new laws, these sellers will need to have a regular commercial license and pay taxes in China without which they will be considered illegal.

SOME CONSTRAINTS

Chinese CBEC, whether B2C, B2B or C2C, can, therefore, be an interesting channel to use for exports to China, but you need to pay close attention to the requirements for effectively exporting with cross-border marketplaces to this country. Here are some examples:

- 1) Goods must be complaint with the local standards and certifications. This step can be complicated, especially for drugs, cosmetics, food, A designated local specialist partner can help you take care of it.
- 2) Most products must have labels in Chinese and pass quality control before being released for delivery to Chinese consumers by the customs. In particular, according to the 2015 Food Safety Law, some food products' labels must include specific information, such as net content, date of production, ingredients or formulation, address and contact information, storage requirements, license number, etc.

In addition, from 1 January 2022, all food exporters to China must be registered with the General Administration of Customs of China, the GACC, and food products will probably need to be compliant with new labelling requirements.

- 3) Online sales are an integral part of the Chinese business landscape, and business models can be very different from those in other countries. The main options for non-Chinese businesses are:
 - Sell to independent third-party e-commerce resellers.
 - Sell to Chinese consumers via Chinese cross-border marketplaces from Europe, such as Tmall Global, JD Worldwide, Kaola, Xiaohongshu (Little Red Book), VIP International, etc.

- Sell through Chinese distributors' online stores.
- Develop an own Chinese e-commerce with a local partner that can also take care of the local logistics, customer service and after-sales. In this case, your web marketing must be adapted not only to the local online shopping habits but also to China's Great Firewall⁴⁵, which forces foreign businesses to use specific Chinese systems to avoid the Chinese government's censorship⁴⁶, in particular:
 - Search engines and SEO: Baidu and Sogou instead of Google.
 - Social networks: Sina Weibo instead of Twitter, WeChat instead of Facebook, QQ instead of WhatsApp, etc.
 - Your brand, domain name and website: all adapted for China, possibly with a local ccTLD⁴⁷ ending in '.cn' or '.com.cn.', a domain name in Pinyin⁴⁸, and jam-packed visual design.
 - Influence and word-of-mouth marketing with key opinion leaders (KOLs), and key opinion consumers (KOCs)⁴⁹.
 - Instant messaging: WeChat instead of WhatsApp or Messenger.
 - Video streaming: QQ Video, Youku, TikTok, instead of YouTube.
 - Online payment systems: Alipay, WeChat Pay, instead of PayPal or credit cards.
 - And so forth ...

⁴⁵ https://en.wikipedia.org/wiki/Great_Firewall.

⁴⁶ You can find all the details about the technical online requirements in [book 2 of The Digital Exporter Series](#).

⁴⁷ Country-code Top Level Domain. See [book 2 of The Digital Exporter Series](#) for all the details.

⁴⁸ This is the system of romanization of Mandarin Chinese, which is the most widespread today and promoted by the People's Republic of China:

<https://en.wikipedia.org/wiki/Pinyin>.

⁴⁹ They are like the KOLs but with fewer followers and lower remuneration expectations.



Figure 12: the key search engines in China and their market share.



TIP

Before entering the Chinese market, consider registering your trademark with the Chinese Trademark Office.

The cross-border marketplaces such as Tmall Global and JD Worldwide offer advanced web-marketing functions only to those sellers that have registered their trademark.



KEY TAKEAWAYS

China is the world's largest digital market, and cross-border B2C imports have been growing about 50% every year since 2015. This trend is destined to accelerate as a result of new laws that came into force in recent years to facilitate cross-border online imports and reduce taxes for Chinese consumers.

CHAPTER 8

MORE CONSIDERATIONS ON CROSS-BORDER MARKETPLACES IN CHINA

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Tmall and JD.com unquestionably dominate the marketplace scene in China, leaving a relatively negligible market share to other local players.

However, the landscape of vertical cross-border platforms is also so fragmented that it is creating additional opportunities for foreign companies that want to export to this market⁵⁰.

⁵⁰ If you have read [book 4 of The Digital Exporter Series](#), you can skip to the next chapter.

HOW TO DELIVER YOUR PRODUCTS TO CHINESE CONSUMERS BUYING ON CBEC

Beyond Tmall Global with 20% market share and JD Worldwide with 12.5%, there are many other platforms, some of which are even larger, such as Kaola.com⁵¹ with 24.2% market share, VIP.com with 15.7%⁵², or even Xiaohongshu, YangMaTou, etc.

Once you have identified the cross-border marketplaces that are right for your business, there are several ways you can export your products to China. Here are some of the most common ones for CBEC in China:

1) **Bonded imports** for the products in the positive list.

- *Bonded warehouse in China:* the products are sent and stored in a bonded warehouse located in one of the CBEC pilot zones or pilot cities before being purchased by consumers. Once purchased, the product is cleared through customs and delivered to the customer from this warehouse in China.

This method allows for faster deliveries not only because the distance is shortened but also because CBEC pilot zones and pilot cities are allowed to make very simplified customs checks, which can be carried out electronically just after the online sale occurred.

Two major drawbacks are that warehousing costs can be high, and your inventory is blocked in this warehouse without being able to be used to deliver customers in other countries.

⁵¹ Acquired by Alibaba in 2019.

⁵² Wilson Chow, 'Emerging technologies bring a new look to global e-Commerce landscape', PricewaterhouseCoopers,

<https://www.pwccn.com/en/technology/publications/emerging-tech-bring-new-look-to-global-e-commerce-landscape-eng.pdf>; Manon Bellon, 'Cross-Border E-commerce: What Is in it for European Brands?', VVR International, 16 August 2018, <https://www.vvrinternational.com/en/cross-border-e-commerce/>.

- *Bonded warehouse outside China:* this model corresponds to the first one, but the bonded warehouse is located near the Chinese border, outside China.

The advantage is that, if the product is not purchased in China, you will be able to deliver it to other countries while still having the possibility of delivering to Chinese customers within a fairly short time frame.

The downside is that customs controls will not get the benefit of the previously mentioned facilities and will, therefore, have to follow the usual complex procedures of Chinese imports.

2) **International deliveries:** you ship the products directly to your Chinese customers from your warehouse.

In this case, not only does each shipment have to pass through the cumbersome customs procedures in China, except for the products on the positive lists going through the pilot zones or cities⁵³, but the delivery time and costs are higher.



TIP

There are many other ways to export to China via digital or physical channels, whose conditions regarding taxes and customs duties vary depending on the type of product or service. Do not just rely on information you can find on the internet, which can be imprecise. Contact local chambers of commerce or other logistics providers to validate the conditions specifically concerning your business and your sector.

⁵³ These products get the benefit of customs facilities even if they are shipped from foreign countries.

BEST PRACTICES FOR CHINESE CROSS-BORDER MARKETPLACES

To be successful in China, you need not only to understand the culture, language, and habits of the Chinese, but also to have the means to adapt your value proposition and to promote your offer online. Despite their popularity, the mere listing on the marketplaces does not ensure sales and many foreign companies do not achieve good results on these platforms.

China is no longer an impossible market, but to give your business the best possible chance for success you need to cover the following points:

- 1) Analyze the cross-border marketplaces versus the local ones and estimate your chances of performing well on each type. Tmall and JD are the leaders, but for cross-border Kaola is bigger with 24.2% market share vs. 20% for Tmall Global and 12.5% for JD Worldwide, the cross-border platforms of Tmall and JD respectively⁵⁴. The cross-border marketplaces are used by people that are more interested in international brands and, therefore, offer you higher chances for sales, therefore.
- 2) To estimate your potential on these platforms, analyze the popularity of your brand in China, or that of your products if your brand is not known in China, and that of your competitors as well. You can use Baidu or the search function on WeChat or other social networks, and you should especially check the sales on Taobao for similar products.
- 3) Plan the launch at least 12 months in advance, by starting even more upstream to provision your investment via self-financing, even partial, because it takes several months to obtain good visibility, brand awareness, and finally achieve a positive ROI.

⁵⁴ Chow.

- 4) Identify local experts with the technical skills needed for your project. Among other things, here are the formalities that you must undertake, especially if you decide to start on a local Chinese marketplace, for which these experts can help you, beyond commercial and operational support after the start:
- Commercial license from the Chinese government.
 - Registration at Chinese customs and management of customs procedures if necessary.
 - China corporate tax registration.
 - Bank account in China.
 - Chinese legal representative with a valid identity document.
 - Registering your trademark with the Chinese trademark office.
 - Listing your products and registering your brand on the Chinese marketplaces.
 - Alipay account opening and verification.
- 5) To promote products on the marketplaces, whether cross-border or local, deploy a multichannel web-marketing strategy not limited just to the common local social media or online ads.

Secondary marketplaces like Xiaohongshu and Jumei, or the Q&A social network Zhihu, or the cultural social network Douban, etc., can be more effective to attract customers to your products on the marketplaces.



Figure 13: An Example on Xiaohongshu.

6) Apply Chinese marketplaces' best practices, such as:

- Lots of photos on product pages: while a non-Chinese marketplace only displays two to five photos of each product, marketplaces in China feature dozens of images for the same product, including those showing packing, preparing the package, size explanations, etc.
- Highlighting what makes the product different and special: if the qualitative characteristics do not allow you to differentiate, consider using quantitative arguments.
- Display the certificate of authenticity: this is such a common practice in China that, if you don't show it, you will be severely penalized vis-à-vis your competitors. If you are reselling a third-party brand, display a scanned version of your authorized reseller agreement to comply with this practice.

- 7) Adopt a gradual approach by starting with a selection of the most attractive products for your target clients. The investment will be less onerous, and, once you have achieved satisfactory results, it will be easier for you to develop the rest of your catalog.



KEY TAKEAWAYS

Cross-border marketplaces offer enormous opportunities for companies wishing to export to China. However, the bureaucracy and habits of Chinese internet users are very different from those in the rest of the world. Adapting to them involves not only providing the payment systems, delivery and terms of sale used online in China, but also providing a web experience at the level of local expectations.

CHAPTER 9

ALIBABA VS. JINGDONG, TMALL VS. JD: COMPARISON OF THEIR CROSS-BORDER MARKETPLACES

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The marketplace scene in China is dominated by Alibaba and Jingdong. These two players offer several B2C, B2B or C2C online platforms to resell Chinese or foreign products to Chinese or foreign customers.

Let's take a look at the major differences between the two key marketplaces that allow cross-border sales without having a physical presence in China: Tmall Global and JD Worldwide.

SELLING IN CHINA VIA TMALL GLOBAL

Tmall, along with its subsidiary Tmall Global, both owned by Alibaba, is the second largest cross-border e-commerce and marketplace platform in China.

Yes, second, just after Taobao, which also belongs to the same group. Taobao is indeed bigger than Tmall, but that is because the first integrates the second in its application while the second does not do so with Taobao to preserve its more selective positioning.

Indeed, since Taobao is a B2C and C2C marketplace for Chinese companies and individuals, it offers very flexible listing conditions, which have led to several counterfeit or product-quality scandals. To avoid such problems, Tmall has, on the contrary, drastically strengthened its entry conditions to become the leader in high-end products in China and internationally.

According to Tmall Global, more than 29,000 international brands across 5,800 categories had come onto the platform at the end of December 2020, and more than 80% of them were entering China for the first time⁵⁵.

Together with Tmall, which had almost 64% of the B2C transactions in China in the second quarter of 2021⁵⁶, the two platforms serve almost 700 million active users every month, corresponding to almost half of the Chinese population⁵⁷.

⁵⁵ 'Tmall Global Ramps up Support for New Sellers Entering China', Alibaba Group, 19 January 2021, <https://www.alibaba.com/en/news/article?news=p210119a>.

⁵⁶ <https://www.statista.com/statistics/866847/china-b2c-online-retail-market-platforms-by-transaction-share/>.

⁵⁷ Alibaba does not show the exact number of users of these two platforms regularly, but the two together are estimated to have almost 700 million active users monthly. For more information, see 'Success in China E-Commerce: Your Tmall 101', Coresight Research, 22 April 2019, <https://coresight.com/research/success-in-china-e-commerce-your-tmall-101/>.

The habits of Chinese consumers online are very different from those of other people around the world, and that significantly impacts web-marketing budgets.

Indeed, Taobao and Tmall are so predominant that Chinese buyers use them almost continuously and directly without going through Baidu, the leading search engine in China. This is why being present on these platforms is more important and effective than investing in SEO to rank well on Baidu. That is a huge difference, something especially inconceivable in countries where Google dominates.

TMALL VERSUS TMALL GLOBAL

On Tmall, although companies can design their storefronts in a flexible graphic way, they have to adhere to the strict regulations for payment system, security and customer service to deal with Chinese consumers.

These regulations became even stricter after the implementation of a seller-rating mechanism, the Detailed Seller Rating (DSR), which is based on three key elements: the quality of your product, logistics, and customer-service levels.

The DSR shows on any store and directly impacts the position in buyers' search results. Beyond these operational constraints, the selection conditions are also quite harsh: a company can aspire to sell on Tmall only if it is registered in China with a legal representative and a Chinese bank account, has been operating on the international markets for more than two years, has a registered capital of more than CNY one million, etc.

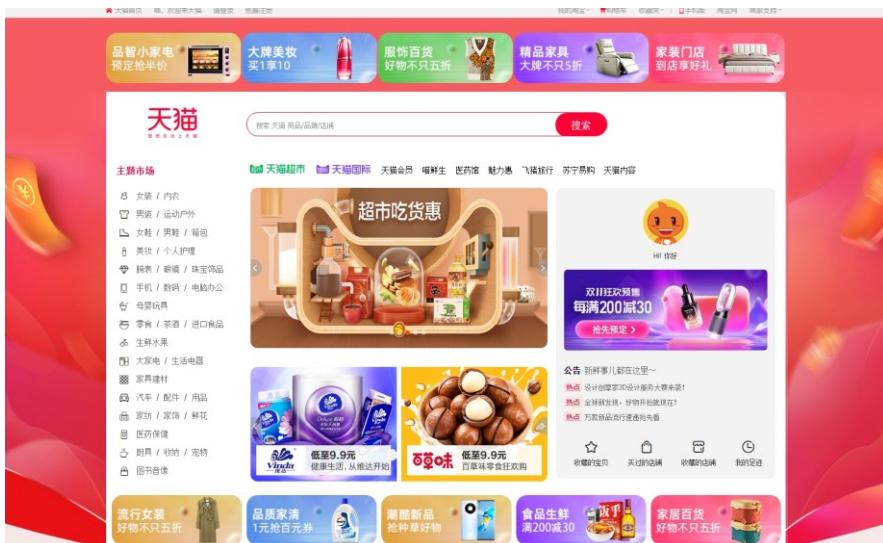


Figure 14: Tmall homepage.

But Tmall is not Tmall Global. The main difference between them is that Tmall Global aims to provide products produced mainly by companies outside of mainland China.

That is why the conditions for a company to be listed on Tmall Global are a little less demanding: for example, it is not necessary to have a Chinese company or a bank account in China.

Basically, the requirements differ according to the type of store desired⁵⁸, but in general the most frequent conditions to be fulfilled to sell on Tmall Global are as follows:

- Product descriptions and labels in Chinese.
- The international metric system as a unit of measurement: if you also serve the U.S., the UK, or India, be sure to differentiate your references.
- All products made abroad must be accompanied by a certificate of origin and pass the Chinese customs system and Tmall security.

⁵⁸ The types of stores are: 'Flagship Store', the seller's single or multi-brand store registered in Hong Kong; 'Authorized Store', a store authorized to sell third-party brands; 'Specialty Store', a store that can sell a selection of products from one or more third-party or proprietary brands but of the same category.

- Offer deliveries within 48 hours.
- Foreign companies must have centers for handling returns in Mainland China, Hong Kong or Taiwan.



Figure 14b: Tmall Global homepage.

For all operational and post-sales procedures, Tmall strongly recommends using some facilitators, the Tmall Partners (TPs), which are certified third-party service providers. Tmall provides a list of TPs and their services, which can range from opening the shop-in-shop on the platform, to logistics, and web marketing, Tmall SEO, Ads, etc. As we have seen, digital marketing in China is completely different from that in France. Consumers place a great deal of trust in recommendations and word of mouth, which also explains the success of influencers on Chinese social media, such as WeChat, the most popular mobile app in China, which integrates shopping functions to take advantage of this trend.

HOW MUCH DOES IT COST TO SELL ON TMALL GLOBAL?

Tmall Global applies several types of fee structures, fixed and variable, depending on the product category⁵⁹. For example, here are the most common:

- A security deposit of \$25,000, which will be returned if you decide to stop selling on Tmall Global and if there were no damages or expenses incurred by Tmall Global or its customers while you were using the platform.
- Annual technical fees of \$5,000 or \$10,000 depending on the product category. Sellers applying for multiple categories pay only for one but the most expensive
- A commission on the sales price plus delivery costs is also applied. Depending on the product category, it varies from 0% to 5% plus a possible 0.5% for the Tmall Global loyalty program.
- A service charge of 1% for using Alipay, Tmall's payment system, on the sales price plus delivery is also collected.

These are the official fees that you must pay to Tmall Global for your store on this marketplace. On top of them, there can be the additional costs if you choose the option to work with one Tmall Partner. As mentioned, the TPs are Tmall authorized service providers specialized in opening and running stores on Tmall Global for international brands.

The services they can provide are numerous and vary from basic administrative support for the opening of an account, to the listing of the products, advertising, customer service, fulfillment, and more. Some TPs also have their own store on Tmall or Tmall Global and rent

⁵⁹ Tmall Global's conditions and costs may vary at any time. Check the updated version here http://about.tmall.com/tmallglobal/fee_schedule. If you do not read Chinese, install a plugin for automatic translation in your browser.

some of their online space to independent brands that, by doing so, do not need to open their own account on Tmall.



TIP

*Find the full list of all the authorized Tmall Partners on the Tmall Global Partner official website:
https://globaltp.tmall.com/hkTp/import_tp/TP/findTP/findtp.*

How much does it cost to hire a TP? It depends on the type of store, the number of products, the category of products, brand awareness, and the sales potential.

If the brand is new to the Chinese market, the TP will be unmotivated, because part of its remuneration is a commission on sales, and it takes much longer to sell to a level that will allow the TP to make a significant amount of money if the brand is unknown.



CASE STUDY

An example of the cost of a TP for a French brand of high-end womenswear:

For a Flagship Store:

- *Store opening: €2,000 for fewer than 30 items*
- *Monthly fee: €2,000*
- *Commission on sales: 9% for sales greater than €500,000, 12% for sales less than or equal to €500,000*

For an Authorized Store:

- *Store opening: €800 for fewer than 30 items*
- *Monthly fee: €700*
- *Commission on sales: 9% for sales greater than €500,000, 12% for sales less than or equal to €500,000*

The annual deposit and the other fees for Tmall are, of course, not included.

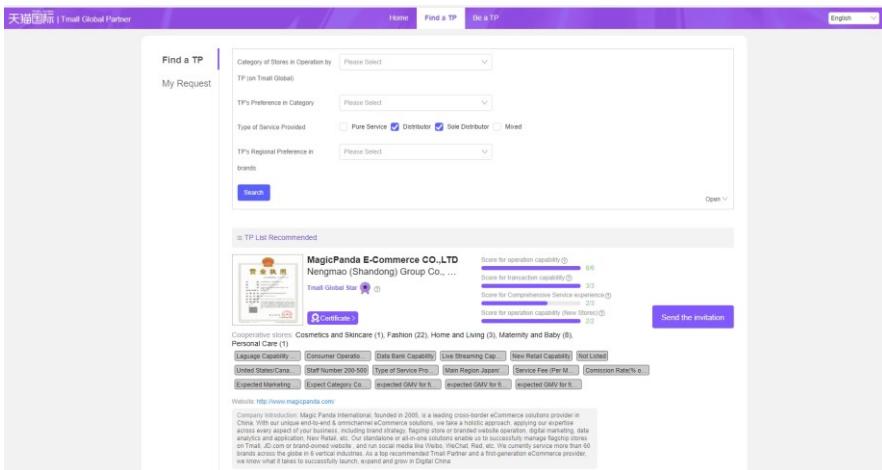


Figure 14c: the Tmall Global Partner website to find an official TP.

SELLING IN CHINA VIA JD WORLDWIDE

Jingdong, or JD.com, is the largest click-and-mortar retailer in China and the second B2C marketplace, after Tmall, with a retail e-commerce market share of almost 17%⁶⁰.

Having started as an e-retailer by reselling products previously purchased and stored in its warehouses, JD.com has developed one of the largest fulfillment infrastructures for its e-commerce and marketplaces in the world: 38 logistics parks, 1,200 warehouses for an aggregate of 23 million square meters, and several thousand collection stations.

That creates its strength, with the ability to deliver in one day in the main cities and in less than 48 hours almost everywhere in the rest of the country, even in isolated areas.

⁶⁰ Ethan Cramer-Flood, 'Is Alibaba losing its dominance in China?', eMarketer, 29 July 2021, <https://www.emarketer.com/content/alibaba-losing-its-dominance-china>.

The relatively recent opening of the platform to the marketplace model was almost necessary to compete with Alibaba.

But the most important difference between Tmall and JD.com is not necessarily the size of the market share but rather the targeted segments. Chinese consumers usually go to Tmall to buy clothes, cosmetics, and food, while they will more often go to JD.com to buy electronics, computers and household appliances, although JD.com has been investing a lot to develop the other categories as the recent partnership with Louis Vuitton shows⁶¹.



Figure 15: JD.com homepage.

⁶¹ Casey Hall, 'Louis Vuitton Partners with JD.com to Expand E-Commerce in China', *The Business of Fashion*, 15 April 2021, <https://www.businessoffashion.com/news/china/louis-vuitton-partners-with-jdcom-to-expand-online-reach-in-china>.

JINGDONG'S ONLINE BUSINESS MODELS

JD.com uses several online business models:

- 1) **JD Direct Sales:** this is the reseller model where Jingdong sources and buys the products in volume, carries the inventory, and resells them directly to consumers after having added its margin.

This model mainly targets Chinese e-shoppers and concerns both local and foreign products. Buying the products and carrying the inventory allows JD.com to provide a seamless and much faster delivery service.

Generally, brands resold through the JD Direct Sales program must have already proven to be best-sellers on JD Marketplace or JD Worldwide.

- 2) **JD Marketplace:** in this model, Jingdong hosts Chinese or foreign brand stores on its platform in return for a commission on sales.

Approved resellers have the option of using JD's fulfillment infrastructure as well as its marketing tools, customer service, and more. JD Marketplace is reserved for companies registered in China and primarily targets Chinese people.

- 3) **JD Worldwide:** following the example of Tmall and Tmall Global, in 2015 JD.com created its high-end subsidiary, which already includes several major global brands.

In partnership with international logisticians such as DHL, Australia Post, Yamato, and its own logistics network, JD Worldwide provides global shipping and fulfillment solutions to ensure that products from all over the world are delivered to Chinese people within 48 hours.



Figure 15b: JD Worldwide homepage.

The difference between this model and the two previous ones is that the platform has a specific Hong Kong domain, jd.hk, instead of the generic domain jd.com used by the historical platform for the other two models.

Also known as ‘Dolphin Buy’ or ‘Haitun’ in Chinese, JD Worldwide allows you to enter China without having a physical presence there.

As for Tmall, the requirements differ depending on the type of store⁶², but in general foreign sellers must meet the following conditions:

- Be a company registered abroad, with an international USD bank account.
- Be the legal owner of the trademark or have the right to use it in China.

⁶² The types of stores are: ‘Flagship Store’, the single- or multi-brand store owned by the authorized seller, with or without points of sale; ‘Brand Franchised Store’, for foreign brand franchised sellers; ‘Retail Flagship Store’, for foreign online or offline retailers, or brand-exclusively authorized sellers; ‘Retail Franchised Store’, for sellers with authorization letters from more than one brand belonging to the same category.

- Provide all the information about the company, the receipt for payment of the Chinese company tax, a copy of the identity document of the legal representative of the company and appoint an authorized contact person.
 - Products must be 100% genuine, only products shipped via customs areas can be sold.
 - Information on store pages and product labels should be in Chinese, using international metric system units of measure.
 - Customer service must be provided in Chinese through Jingdong-specific software.
 - Returns must be handled from an address in mainland China.
- 4) **Joybuy.com:** using the same infrastructure as Jingdong, this platform only sells products from Chinese companies to people living anywhere around the world via its Russian, Chinese, Spanish, Indonesian and English sites, as well as its recent store on Google Shopping for the U.S. market.

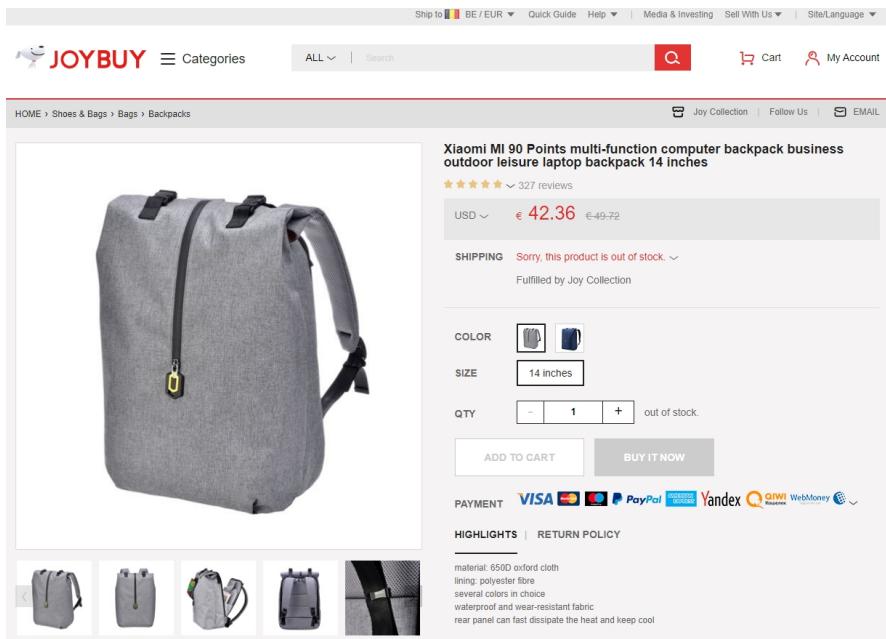


Figure 15c: JD's Joybuy marketplace to sell Chinese brands around the world.

HOW MUCH DOES IT COST TO SELL ON JD WORLDWIDE?

In terms of fees, Tmall Global and JD Worldwide are fairly comparable, although JD Worldwide tends to charge somewhat higher rates⁶³. The most frequent charges are for example:

⁶³ JD Worldwide conditions and costs may vary at any time. Check the updated version here: <https://www.jd.hk/service/joinus.html>. If you do not read Chinese, install a plugin for automatic translation in your browser.

- A security deposit of:
 - \$5,000 for music, films, education and audiovisual
 - \$30,000 for watches and clocks
 - \$150,000 for household appliances, well-being, computers and telephony
 - \$15,000 for all other categories.

This amount will be returned to you when your store closes, as long as there was no problem while you were using the platform.

- Annual platform fee of \$1,000 or \$3,000.
- A commission on sales depending on the product category, which varies between 1% and 8%.
- For payments, JD Worldwide accepts WeChat Pay, credit cards and JD Pay, for which additional commissions may apply.

As for Tmall Global, you can also find service providers that can help you open and run your store on JD Worldwide for about the same cost.

WHY JINGDONG?

In view of the wide choice of cross-border marketplaces and e-commerce in China, this question is quite legitimate. As far as Tmall Global and JD Worldwide/Joybuy are concerned, they have clear international ambitions following the Chinese consumers' appetite for foreign brands.

In this context, it is interesting to note the alliances concluded in 2018 by Jingdong with Google, which took 1% of the capital of JD.com, Walmart, which took 12%, and Tencent, which took 18%.

These strategic alliances on the financial, but also technological and geographic level, confirm Jingdong's desire to compete with Amazon in

its markets and to get ahead of Alibaba even after its partnership with El Corte Inglés.

With the power of Jingdong now reinforced by these new international allies, competition in the global marketplaces is going to be exciting.



TIP

Selling on Tmall or JD.com is expensive! The solution to reducing this cost is through agents that can allow you to use their marketplace store to sell your products. In that way, you won't have to pay the deposit or other fixed costs. On the other hand, your commissions will be higher to compensate the agent. Yet, this can be a better way to test these platforms and the Chinese market before you invest in more expensive actions.



KEY TAKEAWAYS

- The marketplace leaders in China, Alibaba and Jingdong, have several models to sell to Chinese consumers, with local or international brands.
- The two giants also offer specific cross-border platforms for foreign companies wishing to sell on their marketplaces: Tmall Global and JD Worldwide.

CHAPTER 10

ZALANDO: YOUR DIGITAL EXPORT IN THE LARGEST FASHION MARKETPLACE IN EUROPE

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Established in 2008 in Germany, Zalando is the most prominent fashion marketplace in Europe. Its gross merchandise volume (GMV)⁶⁴ jumped 40% in the second quarter of 2021 vs. the same period in 2020, and it has 44.5 million active customers in 23 countries across Europe shopping for apparel, footwear, fashion accessories, sportswear, clothing, and beauty products⁶⁵. But starting to sell on Zalando is not as easy as on Amazon. Here is why.

ZALANDO REQUIREMENTS AND SELECTION

There are several conditions that you need to meet before Zalando approves your selling on its marketplace. Here are the most constraining:

- 1) Images: they must have a specific aspect ratio of 1:1.44 width x height, in JPG/JPEG format. Black and white pictures are not allowed.

Background must be specific white or gray of Zalando's RGB⁶⁴ codes. If your products' pictures don't match these requirements, or if they have situational backgrounds, you will need to change them.

- 2) E-commerce: you must already sell online on your own brand e-commerce, and, if it is a cross-border e-commerce, you will have more chances to sell on Zalando in several countries.
- 3) European Union: Zalando allows sellers from outside the EU to sell on its platform, but they need to establish an entity in the EU, have an EU VAT registration, make sure that their products are compliant with all EU customs requirements, be able to manage EU customs clearance and duty. They also need to have a warehouse or 3PL within the EU to manage returns.

⁶⁴ GMV is the total value of merchandise sold over a given period. This value does not correspond to the marketplace revenues, which are just a part of the GMV and come from the monthly fees or from other services charges paid by the sellers.

⁶⁵ <https://corporate.zalando.com/en/investor-relations/news-stories/zalando-second-quarter-results>.

⁶⁶ RGB is a color model in which the red, green and blue primary colors of light are added together in various ways to reproduce a broad array of colors. The name of the model comes from the initials of the three additive primary colors, red, green and blue. https://en.wikipedia.org/wiki/RGB_color_model.

- 4) Germany: if you want to use the Zalando marketplace in Germany, then you must have a German VAT registration, regardless of whether the entity or the warehouse is based in Germany.
- 5) Customer Experience: Zalando has very strong rules to ensure that all sellers provide as perfect a service as possible to its customers, such as free shipping and returns or 100-day cancellation.



Figure 16: Zalando countries.

ZALANDO INTEGRATION AND COSTS

In 2020 Zalando launched zDirect, a portal that provides sellers with the tools to manage their products and in particular to:

- Measure and analyze their sales performance: the zDirect platform provides similar data to Analytics but specific to Zalando users, including benchmarks, return rates, etc.
- Manage ZFS: with zDirect you can check your inventory availability and decide when to restock it.
- Run and manage marketing services: Zalando Marketing Services (ZMS) are specific tools for running advertising campaigns and other promotional actions.
- List your product: this is definitely the most important thing you can do with zDirect, because without that you don't have anything to sell. But you can only list your products after you have integrated your inventory with zDirect.

And for that you have three methods:

- 1) **zDirect API integration:** with this method, you need to develop a direct connection between Zalando's zDirect API and your inventory or ERP or e-commerce platform or other system that you use to manage your online inventory.

Zalando provides all technical documentation and information, but the development cost is fully on your side.

It is appropriate only if you have good internal IT resources with available time, because Zalando gives an indicative time of 160 hours for the development of this integration.

You can find all the details at

<https://developers.merchants.zalando.com/docs/index.html>.

- 2) **Integrator:** it is less complex, but maybe more expensive, than the previous method.



TIP

If your company has its own IT team, the API integration will not cost anything apart from the salaries of your developers for the time they will take to set up the integration.

Once it's done, you own it, and you can manage it by yourself without extra costs. With an integrator, you pay for the set-up and for the service with a fee every month that will depend on the number of products and on the amount of sales on Zalando.

An integrator is basically a company that has already developed a connection with Zalando's zDirect API in such a way that it can be used by other companies via a SaaS business model.

Like the feed management tools explained above in a previous chapter, after paying the set-up fees and subscribing the year or monthly plan, the integrator will provide its software interface to manage your products on Zalando.

Here as well, the costs of the integrator are fully on your side. Zalando's preferred integrator is Tradebyte, because it is part of the Zalando Group. Tradebyte offers the same services as the other feed software mentioned previously but has mainly German marketplaces in its portfolio.

So, since Tradebyte is the one preferred by Zalando, is it the best option for you? It depends! If your digital export project concerns mainly Zalando and marketplaces in the DACH area (i.e., Germany, Austria and Switzerland), probably yes. If, instead, you plan to export on marketplaces around the world, it may be better to work with other integrators. ChannelAdvisor, Channelengine, and Neteven are some examples.

The major advantages of working with one of these integrators are:

- You do not need to be or to use a developer.
- They often offer impressive lists of marketplaces in the Americas, China, Europe, and in the rest of the world that you can also use with the same integrator.
- They also often offer the opportunity to manage Shopping feeds, such as Google Shopping, within the same platform.

The major drawbacks are the cost, as you can see in the following case study, and sometimes the software's technical completeness and sophistication, because you will need time to get fully familiar with how to use it correctly.



CASE STUDY

How much does it cost to use an integrator to sell on Zalando? It depends on the business model of the integrator: some have higher monthly fees and commissions on sales, while others have higher set-up fees and lower monthly fees. In any case, you must negotiate case by case with the integrators.

For your information, here are two representative examples, whose names are withheld for reasons of confidentiality:

Integrator A

- Set-up: €4,000. In this case, the set-up cost covers the full deployment of one marketplace, i.e., Zalando, and the complete training on how to use the platform to integrate and manage other marketplaces autonomously.
- License: €6,000 per year. By paying this license fee you are allowed to use the software to connect to as many marketplaces as you like.
- Commission: 2.2% for sales greater than €300,000 per year, on top of Zalando's commission.

Integrator B

- Set-up for Zalando: €2,000 for up to three countries, plus €800 per country if more than three.
- Set-up for other marketplaces: €1,000 per marketplace.
- Monthly fee: €1,000 for selective marketplaces, such as Zalando, El Corte Ingles, or Farfetch, €900 for the others.

3) **Service provider:** this method is similar to the integrator, but a service provider does more. On top of the technical integration with Zalando zDirect, it can provide fulfillment, shipping, marketing, customer service, after-sales, VAT management, and additional support. Whether they use one of the integrators above or have internal IT teams to manage the API integrations, these service providers often manage several marketplaces in different countries.

So, they can be a good solution for expanding your digital export. Zalando's preferred service provider is Heyconnect, part of the FIEGE group. It covers Europe for Zalando, but also Asia for other marketplaces. How much does it cost?

Whether with Heyconnect or others, you must negotiate the conditions case by case with the service provider, and the cost is, again, fully on your side. In general, they apply a one-time set-up fee, similar to that of the integrators, then a higher sales commission to cover the additional services, but with a counter-progressive method, such as 15% for sales less than €500,000, 13% for sales greater than €500,000 and less than €1 million, 10% for sales greater than €1 million and less than €2 million, 8% for sales greater than €2 million and less than €4 million, etc.



CASE STUDY

There are several things you need to do before you can start the integration of your products into Zalando's zDirect:

- *Sign the contract with Zalando.*
- *Sign the contract with the integrator or the service provider or develop the connection with zDirect API.*
- *Sign the contract with one or several of Zalando's approved carriers.*
- *Verify your VAT compliance for the EU or for Germany, or both, if you plan to sell on the German marketplace.*
- *Confirm names, functions, and contact details of the persons in charge of managing your sales on Zalando.*
- *Send Zalando the 'Master Data Sheet', a table containing all your product information.*
- *Send Zalando the Know-Your-Customer (KYC) documents that are required for the German Money Laundering Act. These documents include:*
 - A copy of your company's business registration certificate issued within the preceding six months.
 - If this document doesn't state your company's address, you need to provide a PDF copy of the most recent document proving the business address, i.e., a telephone bill.
 - If this document doesn't state the legal owner or owners, you need to provide additional proof.
 - A PDF copy of the valid passport or ID of the legal representative of your company. A driver's license is not accepted. If the ID document does not indicate the place of birth, you need to provide a copy of your birth certificate.

If you plan to sell in multiple countries where Zalando marketplaces are available, you will need to repeat all these steps except for the integration: whether you decide to use the API, or an integrator, or a service provider, opening new countries on Zalando zDirect with the same method is easier than starting from scratch.

[PARTNER LOGO]



Invoice

[Address of Partner]

[Name Customer]

[Additional address information (only if applicable)]

[Street name and house number]

[Zip Code] [City]

Invoice ID: [Zalando or Partner invoice number]
Order ID: [Zalando order number]
Order date: [Zalando order date]
Delivery date: [Date of delivery message to Zalando]
Billing date: [Billing date]
Page: [Page]

Partner Reference No.	Article	Quantity	Unit Price	Total Price
[ORDER.ITEM.SKU]	[INTERFACE ARTICLE NAME]	[MESSAGE. QUANTITY]	£ [UNIT PRICE]	£ [TOTAL PRICE]
VAT 20% £ [Amount VAT]			Total amount	£ [TOTAL AMOUNT]

Need help? Visit www.zalando.co.uk/faq.

[Corporate name]
[Shopname on Zalando]
[Address]
[Legal representative, CEO]
[Commercial court] [tax identification number]

On behalf of:
Zalando SE
Valeska-Gert-Straße 5
10243 Berlin

Figure 17: the invoice template that a seller on Zalando must use to deliver to the UK.

HOW MUCH IS ZALANDO'S COMMISSION?

To use the platform, you will need to pay between 5% and 25% depending on the retail value and the category of your products. You can have a discount of 2% if you meet these four conditions:

- 1) Assortment: you have at least 75% of your full catalog listed on Zalando.
- 2) Availability: the average availability rate of your products is higher than 75%.
- 3) International: you sell your products in at least ten Zalando countries.
- 4) ZFS: 20% of all your products are fulfilled through ZFS.

1 Partner readiness

Make sure you meet our requirements.



2 Administrative set-up

No worries, we'll guide you through.



3 Technical integration

We can help you find the best option for you.



4 Onboard your first article

And you're ready to start selling!

Figure 18: the four steps to go live on Zalando.

FULFILLMENT FOR ZALANDO

You have four options:

- 1) **Zalando Fulfillment Solutions, ZFS**⁶⁷: you can find all the details on this page <https://partnerportal.zalando.com/partners/s/topic/0TO1i000000c2lGGAQ/fulfillment-solutions>, but basically in this case you must:
 - a. Ship your inventory in bulk to Zalando's German warehouse, which will dispatch it to its 15 centers. Zalando will manage the warehousing, packing, delivery and returns.
 - b. Pay ZFS fees.
- 2) **Self-fulfillment**: you can find the full requirements on this page <https://partnerportal.zalando.com/s/article/Platform-Rules>, but basically in this case you must:
 - a. Provide all transportation documents: not only the delivery bill and invoice, but also the return form with the return instructions.
 - b. As soon as an item is ready for delivery, give 12 hours' notice to Zalando, which will send the shipping confirmation to the clients. If you don't give the required 12 hours' notice, Zalando might cancel the order.
 - c. Use specific authorized carriers in each country, at least for the last kilometer, the list of which is in the next table.

⁶⁷ Not yet available for beauty products.

- 3) **3PL:** the same scenario as the one described above in a previous chapter.
- 4) **Service provider fulfillment:** if you choose to do the integration with a service provider, as explained above, the service provider will take care of fulfilling all your orders.

Shop country	Last mile carrier	Authorized for		Delivery options		Comment
		Delivery	Return	Mandatory	Optional	
Germany	DHL (1)	x	x	Home	-	DPD and GLS are authorized for returns in Germany, but only via a DHL multi-carrier return label
	Hermes	x	x	Home	PuP	
	DPD	x	x	Home	-	
	GLS	x	x	Home	-	
Switzerland	Post CH	x	x	Home	PuP	
Austria	Post AT	x	x	Home	PuP	Only Post AT return labels can be offered to customers in Austria
	DPD	x	-	Home	-	
The Netherlands	Post NL	x	x	Home	PuP	Only Post NL or DHL return labels can be offered to customers in the Netherlands
	DHL (1)	x	x	Home	-	
	DPD	x	-	Home	-	
Belgium	BPost	x	x	Home	PuP	Only BPost return labels can be offered to customers in Belgium
	UPS	x	-	Home	-	
	DPD	x	-	Home	-	
France	Colissimo	x	x	Home	PuP	Only Colissimo return labels can be offered to customers in France
	Chronopost	x	-	Home	PuP	
	Colis Privé	x	-	Home	-	
	UPS	x	-	Home	-	
United Kingdom	Hermes	x	x	Home	PuP	
Ireland	DHL / AnPost (1)	x	x	Home	-	Returns possible via An Post Post branches by using normal DHL or AnPost return labels
	Fastway	x	x	Home	PuP	
Denmark	PostNord	x	x	Home + PuP	-	
	Bring	x	-	Home + PuP	-	
Sweden	PostNord	x	x	PuP	Home	Only PostNord return labels can be offered to customers in Denmark, Sweden, Finland and Norway
	Bring	x	-	PuP	Home	
Finland	PostNord	x	x	PuP	Home	
	Posti	x	-	PuP	Home	
Norway	PostNord	x	x	PuP	Home	
	DHL (1)	x	x	Home	PuP	
	FedEx	x	-	Home	-	
	DPD	x	-	Home	-	
Italy (2)	SDA (Poste Italiane)	x	x	Home	PuP	Only DHL return labels can be offered to customers in Poland
	UPS	x	-	Home	-	
	Bartolini	x	-	Home	-	
	Nexive	x	-	Home	-	
Spain (2)	Celeritas	x	-	Home	PuP	- SDA is the only carrier authorized for returns in Italy for new internalizations - Partners previously integrated with UPS for returns are authorized to keep this set-up - Returns in Spain are managed directly by Zalando through Zalando Return Solution (ZRS)
	Correos	x	-	Home	-	
	Seur	x	-	Home	-	
Czech Republic (2)	DHL ES	x	-	Home	-	
	PPL	x	x	Home	-	
	Ceska Posta	x	x	Home	-	

Figure 18b: the last-kilometer carriers authorized by Zalando for self-f fulfilling sellers⁶⁸.

⁶⁸ Carriers marked in red have restrictions. Check here for more details: <https://partnerportal.zalando.com/s/article/Logistic-providers-per-country>.



KEY TAKEAWAYS

Zalando is the most prominent fashion marketplace in Europe with 44.5 million active customers in 23 countries. But starting to sell on Zalando is not as easy and cheap as on Amazon.

You must comply with several requirements about brand awareness, online development, picture quality, customer service, fulfillment specifications, and the technical integration with Zalando's platform, which is probably the element that makes selling on this marketplace more onerous than on other less selective ones.

CHAPTER 11

RAKUTEN ICHIBA VS. AMAZON JAPAN: THE MARKETPLACE OPTIONS TO ENTER JAPAN

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According to eMarketer, in 2021 Japan is the fourth largest e-commerce country in terms of market share of global e-commerce sales, after China, the U.S., and the UK⁶⁹. Yet, with a GDP per capita⁷⁰ four times higher than that of China⁷¹, and an internet penetration rate of 93%⁷² vs. 65% in China⁷³, Japan can be a better choice if you want to get a foothold in Asia.

The two leading marketplaces are Rakuten Ichiba and Amazon Japan. They are very close in terms of sales results, but in other respects they are very different. Find out why in this chapter.

PRODUCT- OR STORE-ORIENTED: TWO OPPOSITE BUSINESS MODELS

In terms of web traffic, amazon.co.jp and rakuten.co.jp are very close, but in 2021 Similarweb⁷⁴ reported that Amazon Japan had about 630 million total visitors per month while Rakuten Ichiba had about 564 million.

Does it mean that Amazon Japan offers better sales opportunities than Rakuten Ichiba? It depends!

Their business models are not the same.

On the one hand, Amazon Japan, like any other Amazon across the world, has a product-centric business model, which is a hybrid between e-retailing and a marketplace in the sense that Amazon sells its own brand products, the products that it buys for reselling, as well as those of third-party sellers, which can also resell the products of other brands or even the products Amazon resells.

Amazon makes money in three different ways, besides through sales of other parallel services. All these products are intended for the same consumers on the same platform and create a tremendous level of price competition. But Amazon's priority is to sell products in high volumes.

⁶⁹ Karin von Abrams, 'These are the top global ecommerce markets', eMarketer, 14 July 2021, <https://www.emarketer.com/content/top-global-ecommerce-markets>.

⁷⁰ GDP is gross domestic product and GDP per capita is gross domestic product divided by midyear population.

<https://databank.worldbank.org/metadata/glossary/world-development-indicators/series/NY.GDP.PCAP.KN>.

⁷¹ <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=JP-CN>.

⁷² Simon Kemp, 'Digital 2021: Japan', Datareportal, 9 February 2021, <https://datareportal.com/reports/digital-2021-japan>.

⁷³ Simon Kemp, 'Digital 2021: China', Datareportal, 9 February 2021, <https://datareportal.com/reports/digital-2021-china>.

⁷⁴ <https://www.similarweb.com/website/amazon.co.jp/?competitors=rakuten.co.jp>.

On the other hand, Rakuten Ichiba has a store-centric business model: when you click on a product you like, you don't land on the product page, as you would on Amazon, but instead on a store page that is basically a mini e-commerce with sub-pages and several menus to go through the various items it sells, like the one in the next figure.



Figure 19: an example of a 'store' landing page after clicking on a product from the search results page on rakuten.co.jp.

This store-centric approach produces two main outcomes:

- There are no other brands, products, or sellers advertising on the store pages. That means that, on Rakuten Ichiba, there is no 'pollution' of the kind that you find on Amazon as on any other product-centric marketplace, created by all the sponsored products or ads that can appear on the product page a consumer is consulting.

And, because of these fewer distractions, consumers remain more concentrated and more connected with the store they are visiting, which, therefore, helps the development of brand awareness.

- The fee structure is more like that of a shopping mall: higher rental fees and lower sales commissions, as you can see in the details of the next case study.

CONSUMER PROFILE AND CONTENT

There are some other differences between Amazon Japan and Rakuten Ichiba that can influence your digital export strategy in Japan.

The first one concerns the profile of the consumers shopping on amazon.co.jp versus those shopping on rakuten.co.jp. As the former is stronger in selling consumer electronics, computers, mobiles, and other technology products, it attracts mainly men and technophiles.

Since Rakuten Ichiba, on the other hand, is strong in the apparel, beauty, home decoration, and food categories, its marketplace attracts mainly women.

The second difference concerns content. Since on amazon.co.jp there are many sellers from foreign countries that take advantage of the opportunity to extend their Seller Central account to Japan, they simply use the content approach that they use in the other countries. That is usually some product description with four to six pictures maximum.

However, Japanese e-shoppers like a lot of content, visual and textual. That is very well known by the local sellers, which use dozens of pictures with very long and detailed storytelling in their store and product pages.

This content approach is so evident on Rakuten Ichiba, that any other non-Japanese content approach would be Don Quixotesque.



TIP

Japan is an import-friendly country:

- *Consumers are responsible for their imports, for paying import duties, and for shipping.*

Foreign businesses do not need to register themselves or their products in Japan.

- *Returns are a tenth of what they usually are in the rest of the world.*

For comparison, the average return rate in Japan is between 3% and 5% while in Europe it is between 20% and 30% depending on the product category.

HOW MUCH IT REALLY COSTS TO SELL ONLINE IN JAPAN

In the following case study, you will find a comparison between the costs of selling on rakuten.co.jp and those of selling on amazon.co.jp.



CASE STUDY

How much does it cost to sell on Rakuten Ichiba?

- Registration fee: ¥60,000, or around \$550, one-time.
- System usage fee on desktop: between 2% and 6.5% on sales on desktop depending on the type of plan you choose and on the product category.
- System usage fee on mobile: between 2.5% and 7% on sales on mobile depending on the type of plan you choose and on the product category.
- Monthly fee: between ¥100,000 and ¥19,500, or between around \$900 and \$180 depending on the type of plan you choose, which is related to the number of products you want to sell and on the storage space in megabytes you need for the visual and textual content of your store.
- Payment fee: 4% for RPay, Rakuten online payments.
- Fidelity plan: 1% on sales made by consumers participating in Rakuten Super Points, Rakuten's fidelity program.
- Affiliates fee: from 1.3% on sales via Rakuten Super Affiliates program.

How much does it cost to sell on Amazon Japan?

- Registration fee: none.
- System usage fee on desktop or mobile: none.
- Monthly fee: ¥4,900, about \$45, per month.
- Referral fees, or commission on sales: between 8% and 15% depending on the product category, and 45% for accessories for Amazon's devices.
- Payment fee: N/A.
- Fidelity plan: N/A.
- Affiliates fee: N/A.

These conditions can change at any time. Check the links below for the most up-to-date costs (and install an automatic translator plugin on your browser before visiting these links to make sure you can translate the Japanese text):

- Rakuten Ichiba: <https://www.rakuten.co.jp/ec/sellinjapan/>.
- Amazon Japan: <https://sell.amazon.co.jp/pricing>.

Apart from the difference in their cost structure, there is another key difference between Amazon and Rakuten that has an important impact on the total cost: the language!

While Amazon.co.jp offers the same Seller Central platform in both English and Japanese, Rakuten Ichiba's interface, called Rakuten Merchant Server, is only in Japanese: from the account opening to the product listing, marketing services, fulfillment management, etc., everything is in Japanese.

And, because of that, full Japanese fluency is the first requirement that Rakuten Ichiba checks before allowing a business to sell on its marketplace.

If you are not fluent in Japanese, you have two options:

- 1) Hire someone that is bilingual in your language and in Japanese.
- 2) Appoint one of Rakuten's service partners. They are companies based in Japan specialized in opening and managing stores on Rakuten Ichiba's marketplace.

These Rakuten service partners are mandatory if your business is not based in Japan, the U.S., the UK, South Korea, China, Taiwan, or Hong Kong.

Basically, they do everything on your behalf, including preparing the contract with Rakuten. Some also provide fulfillment services, in which case you can ship some of your inventory on consignment to their warehouse in Japan. The problem here is that you will have additional fees to pay to Rakuten's service partner.

Check the following case study to get an idea of the amount.

Having some names of such service partners will not be useful to you, because it is Rakuten that will decide which one you must use. And it will base that decision mainly on your country of origin and on the type of products you want to sell on Rakuten Ichiba.



CASE STUDY

How much does it cost to hire one of Rakuten's service partners?

- Set-up cost: about ¥300,000, or around \$2,700, one-time.
- Monthly fixed fee: ¥100,000, or around \$900.
- Commission on sales: from 5%.

These amounts depend on the product category and on the level of sales, and they are in general negotiable with the service partner.



Figure 20: the example of KORA Organics' store managed by one of Rakuten's service partners⁷⁵.



TIP

If you are selling on Amazon Seller Central in any other country outside Japan and you want to have an easy and inexpensive solution to test this market without investing in the onerous entry conditions of Rakuten Ichiba, consider extending your Amazon Seller Central account to Japan. The costs, fulfillment, algorithm, ads, and the like are almost identical to those applied by Amazon in its other marketplaces around the world, which you should already be familiar with if you're already an Amazon Seller. And that is unquestionably a great advantage.

⁷⁵ The English translation of the Japanese bullet points is the following:

- I-Order Co., Ltd., a contractor designated by Rakuten Ichiba, manages our store so that customers can purchase overseas products as 'individual imports' in the same shopping steps as usual.
- Products purchased here will be treated as 'individual imports' and shipped directly from Australia.
- All personally imported products are premised on the order's own 'personal use', so it is prohibited by law to transfer or resell the ordered products to a third party.
- Customs duty and consumption tax may be levied.
- It takes about five to ten business days to deliver the product.



KEY TAKEAWAYS

Rakuten Ichiba and Amazon Japan are the largest marketplaces in the Land of the Rising Sun. Although, they are very close in terms of total internet visitors, these two platforms are very different in terms of e-shopper profiles, content, sales approach, and operational fees. Rakuten Ichiba's store-centric model offers excellent features not only for selling but also for developing your brand awareness in this country. Because of these features, it is more expensive. Amazon is also a leading marketplace in Japan, and, if you already have a Seller Central account in another country, starting in Japan will be much simpler. Also, since you can manage the interface in English on Amazon Seller Central, you don't have the additional costs of managing Rakuten Ichiba in Japanese.

Choosing between the two marketplaces can follow a process rather than an opportunity: first test the Japanese market with the easiest and cheapest marketplace, amazon.co.jp, and then, only if your sales results are positive, invest in rakuten.co.jp.

CONCLUSIONS

Here we are at the end of this book.

But don't close it right away, because I still have a few things to tell you about the necessary costs and organization.

Then, it will be up to you to get started on your digital export action or, if you have already started, to pick up the pace!

CHAPTER 12

A FEW FINAL TIPS: COSTS, ORGANIZATION, AND ... TIME!

“

How much does international web marketing cost? What type of organization should you have for the deployment of a digital export strategy? How long does it take to get results?

Here is my latest practical advice to help you answer these operational questions.

HOW MUCH DOES DIGITAL COST INTERNATIONALLY?

In principle, you can do almost anything on the internet for 'free'. But today, in terms of efficacy, free on the internet is not the same as it was a few years ago, and the first example is Facebook.

Today, Facebook is no longer free for companies as it was before: for a few years, its algorithm has increasingly limited the pages' organic reach. As a result, standard publications are visible only to a few fans. If you want more, you have to switch to sponsored posts or advertising. The problem is the same for other social networks as well as for SEO, blogs, etc. Content is free when produced in-house by you or your teams, but:

- The time spent on the production of this content has a cost called a 'salary'.
- Visibility, a determining factor for performance, has a price that must now be added to your budget.

Build an international web-marketing budget

The share of web marketing in companies' marketing budgets is constantly increasing compared to traditional marketing, which is constantly decreasing⁷⁶.

Often these budgets are provisioned and allocated as a percentage of the company's turnover in the concerned territory. But what should you do when you start in a new export market where you have little or no turnover? Are you going without a budget? Not at all!

In this case, you need to be inspired by the web-marketing budget of another comparable country or of another business unit similar to the activity concerned, or the head office should determine the initial funding, which will be provisioned beforehand and reimbursed with a more or less extended schedule or co-financed by public aid.

⁷⁶ Jennifer Veenstra, 'The CMO Survey: Marketing Budget Gets Big Boost', Deloitte, 26 April 2021, <https://deloitte.wsj.com/articles/the-cmo-survey-marketing-budget-gets-big-boost-01619463730>.

As in the T.O.S.CA method, there are similar elements to consider when building an international web-marketing budget, whether for a new market or for an already existing one:

- Target: foreign countries and foreign languages.
- Objectives: increase sales, brand awareness, ...
- Segments: consumers, professionals, age, level of education, etc.
- Channels and Call-to-Action: website, e-commerce, marketplaces, distributors, ...
- Paying levers: Google Ads, Display, influencers, ...
- Types of content: video, text, photo, tone style, frequency of publication, etc.
- Period to be covered: three years, five years, ...



TIP

When building your budget, do not forget to include your objectives, whether quantitative or qualitative. Without them, you will have trouble calculating the ROI of your investment.

INTERNATIONAL WEB-MARKETING COSTS

In practice, international web marketing uses several skills, each with a specific cost. For a company with ad hoc needs, such as the internationalization of its website or e-commerce, the integration of marketplaces abroad, the development of SEO for export, etc., the best solution is to call on external service providers offering linguistic and technical skills that are suited to its project.

In this context, here are some examples of the average rates of freelancers in Europe (for information purposes only).

- Web designer/graphic designer: between €150 and €300 per day.
- Web developers: between €300 and €700 per day depending on the development language and expertise.
- Artistic director: about €800 per day.

- SEO consultant: between €300 and €800 per day depending on level of experience and issues addressed.
- International SEO consultant: between €500 and €900 per day depending on level of experience, issues addressed and geographic scope.
- SEA consultant: between €400 and €800 per day depending on level of experience, budget, type and quantity of campaigns.
- International SEA consultant: between €700 and €1,000 per day depending on level of experience, geographic scope, budget, type and quantity of campaigns.
- Analytics consultant: between €300 and €500 per report depending on experience.
- International analytics consultant: between €700 and €1,000 per report depending on experience and geographic scope.
- Web-marketing strategy consultant: between €500 and €1,000 per day depending on experience.
- International web-marketing strategy consultant: between €700 and €1,500 per day depending on experience and geographic scope.

In an international approach, you can also work with local providers or freelancers based in the foreign country you are targeting, or even elsewhere. Prices can vary as much as 100% for identical services. To give you an idea: if we set the United States at 100, France would be at 80, the countries of North Africa and Eastern Europe at 70, and India almost at 50.



CASE STUDY

Since many factors condition budgets, formulas vary on a case-by-case basis, and it is impossible to generalize. To give you some guidance on how to build a budget, here are some calculations as examples.

Example 1—Banner for a hotel in the Alps in Austria, to be displayed on affiliate program websites.

Target: sporty couples with young children based in France, Germany, and Italy. Budget: €3,000 over four months.

Results:

- Impressions of the campaign on affiliate sites: more than five million times.
- Banner clicks: approximately 5,000 clicks, with a CTR of 0.1%.
- Bookings: 50, conversion rate 1%, cost per acquisition €60.
- Simplified ROI: turnover of €10,000 for the 50 reservations; $ROI = (\text{turnover} - \text{budget})/\text{budget}$ = 233%.

Example 2—Google Ads campaign to download a white paper for SaaS in the legal sector.

Target: SMEs in the UK. Budget: €1,000 over 14 days.

Results:

- 12,000 impressions.
- More than 287 clicks, with a CTR of 2.87%.
- 19 downloads of the white paper.
- Conversion rate of 6%, cost per conversion of €52.60.
- Simplified ROI: turnover of €1,500; $ROI = (\text{turnover} - \text{budget})/\text{budget}$ = 50%.

These calculations relate to simplified ROIs. To obtain the net ROI, you also need to deduct the variable costs associated with the project, such as any costs of creating the banner, translating, and producing the white paper in English, adapting the website, etc.

THE IMPACT OF CTR IN AN INTERNATIONAL WEB-MARKETING BUDGET

The budget to invest in international web marketing is also linked to the CTR⁷⁷, which is a concept used around the world to express the percentage of internet users that have clicked on a link, whether organic or paid.

How does CTR impact your budget? If your CTR on organic and free web-marketing levers (for example, the SEO on your website for a foreign country) is very low compared to the industry average, paid levers will probably be more effective: as is often the case in a new market, where a brand is still little known, it can take time to reach the strategic target only through SEO. On the contrary, paid levers can achieve these goals much faster, but the costs increase to pay for SEA, SMA campaigns, etc.

Otherwise, if your CTR is already at a good level or even higher than the industry average, you can move forward with organic web-marketing actions in your target foreign country, which will be more economical than in the previous case.

To know whether your CTR is good or bad, you must, therefore, compare it with the average for your business sector in the export market that you are targeting. To give you an idea, here are some sector averages in the U.S.⁷⁸

⁷⁷ <https://support.google.com/googleads/answer/2615875>.

⁷⁸ Mark Irvine, Google Ads Benchmarks for YOUR Industry [Updated!], WordStream, 24 September 2021, <https://www.wordstream.com/blog/ws/2016/02/29/google-adwords-industry-benchmarks>.

Industry	Average CTR (Search)	Average CTR (GDN)
Advocacy	4.41%	0.59%
Auto	4.00%	0.60%
B2B	2.41%	0.46%
Consumer Services	2.41%	0.51%
Dating & Personals	6.05%	0.72%
E-Commerce	2.69%	0.51%
Education	3.78%	0.53%
Employment Services	2.42%	0.59%
Finance & Insurance	2.91%	0.52%
Health & Medical	3.27%	0.59%
Home Goods	2.44%	0.49%
Industrial Services	2.61%	0.50%
Legal	2.93%	0.59%
Real Estate	3.71%	1.08%
Technology	2.09%	0.39%
Travel & Hospitality	4.68%	0.47%

An example of the average CTR by sector in the U.S.

Each lever has its average sectorial CTR, which may be higher or lower than the others. In general, the CTR in Display is lower than in Search: all sectors combined, Display CTR is 0.46% while Search CTR is 3.17%.



TIP

Do not compare the CTR of one lever with that of another. This can lead you to decide, 'I just do Search because the CTR is higher'. In reality, it is the synergy between the different levers that will improve the performance of web marketing and thus the ROI of your budget, both at home and abroad.

The rise in CTR rates is proof of this: if CTR were the only factor in performance, Display budgets would have been stopped for years.

HOW TO GET ORGANIZED FOR INTERNATIONAL WEB MARKETING

Although web marketing is well anchored in corporate strategy, it is common to hear clichés about international practice, such as:

- My intern, who spent his holidays in Spain, will manage my cross-border e-commerce.
- My English girlfriend's neighbor's son is going to develop my bilingual website for free.
- We don't need to translate the website into German because everyone in Germany speaks English.
- We have created a page in English on Facebook because we were told that was the right thing to do, but frankly it is useless and in addition it is empty because no one here is comfortable writing in English.

Unfortunately, these examples are not uncommon in companies, especially in those that have not taken the time to formulate their multichannel export strategy.

In fact, digital export and international web marketing include several distinct activities and skills: SEO, SEA, newsletters, social media, e-commerce, marketplaces, influencers, marketing automation, etc., each of which must be adapted to the target export markets. Your company must not only find solutions to manage all these skills in several countries at the same time, but also ensure the integration of all these skills as well as new techniques to come.

But in addition to this complexity of technical skills and geography, digital export also imposes a shift from the offer, or the company, to the demand, or customer. With an organization focused on the offer, the company risks having the problem of 'silos' where each function works on a single axis of the customer journey by country and separately from other functions. Whether at home or abroad, you need to ensure the convergence of all actions carried out in the direction of prospective customers to provide as coherent and effective a customer journey as possible.

Organizing digital export and international web marketing is, therefore, complicated, but you can act in three areas to make it easier:

- *Bring them closer to the company's strategy.* Digital export and international web marketing must be as well-suited as possible to the short-, medium- and long-term objectives of the company and must be able to deploy the most effective levers. At the same time, the company must provide the necessary resources to align its web marketing with the objectives of its export strategy and motivate all its teams, internal and external, to work towards the same objectives.
- *Acquire an in-depth understanding of each step of the export customer journey and learn to use them correctly.* This will allow you to understand precisely not only the strengths and weaknesses of your company in this journey, but also the new skills necessary to address those weaknesses.
- *Adopt the agile organizational approach.* Since digital export requires several types of expertise in technical, graphic, commercial, managerial fields, etc., hiring several people for each area of expertise requires a substantial budget. The agile approach needs an open vision toward alternative solutions, an ability to share new ways of working, and a willingness to adopt new concepts quickly. Your organization can adopt this approach and respond more effectively to the ambitions of your digital export project.

Centralized or decentralized management

To organize the deployment of your digital export sales, you must first consider the two options for centralization or decentralization, depending on the size of your business and on your target countries:

- Decentralized deployment via subsidiaries or local partners. Some of the advantages of this model are:
 - Local management of budgets.
 - More specific positioning and content in the countries.
 - Closer organization of local events.
- Centralized deployment from your headquarters. Some of the advantages of this model are:
 - Better control of brand image.
 - Economies of scale in production and publication of content.
 - International monitoring of KPIs.

Centralized deployment is usually more suitable if your business is in an international start-up phase and does not yet have local structures.

Internalizing, externalizing or both?

Often international web marketing is under the responsibility of the company's marketing manager, who is in charge of everything: traditional marketing with trade fairs, communication, packaging, catalogs, etc., and web marketing with SEO, newsletters, blog, social networks, etc. But a single person rarely has expertise in all areas of traditional and digital marketing as well as in all export markets the company targets.

On the other hand, the profile of a generalist marketing manager can be a good solution. He will have sufficient skills to negotiate and manage the service providers specialized in the fields of international web marketing that you need for your digital export project. As a company employee, he can directly take charge of some of these levers, the most critical, which will then remain internalized. He can outsource the others to selected service providers, and then gradually internalize them: recruiting a web-marketing team is a significantly expensive investment, and you will be more in favor of it once you know what ROI you are able to achieve.

So, in a start-up phase, as for ad hoc needs on specific issues, for example the internationalization of your website in German or the implementation of an advertising campaign on Yandex, working with specialized service providers is the best choice.

Things to pay attention to when outsourcing

As we have seen, there are significant price differences depending on the skills of the service provider in question. But beyond the price, there are other things to pay attention to when negotiating with future international web-marketing providers. Here are a few:

- The specifications of the international web project: clearly define who does what between you and your service provider and when.
- Ownership of accounts: make sure that you keep ownership of Google accounts, such as Google Ads, and that they are properly linked to your name with full access to data and administrator rights to change login and password until the end of the contract.

- Ownership of product content: when providing international content creation services published on your website or social media, make sure that this content becomes your property.
- The duration of contracts: avoid commitments over several years without any possibility of emergency exit.
- The difficulty of paying for results or performance: being enormously dependent on Google's algorithms and their untimely changes, service providers cannot make 100% of their remuneration conditional on results. Success fees or bonuses for exceeding objectives are more appropriate and appreciated.
- Reporting of results and monitoring of actions: mention them in the quotes so that you can always know what has been done when and when to measure the results.

HOW LONG TO WAIT FOR RESULTS

The press and specialized media repeat it often: internationalizing a business is not just about selling a product or service abroad; it is rather a long process requiring a lot of thought and preparation. But what's the right balance so that 'a lot of thought' doesn't get in the way of action?

Premature internationalization or no internationalization?

Premature internationalization certainly carries risks, but 'no internationalization' is not a solution either.



CASE STUDY

The marketing director of a French manufacturer of bicycle accessories wanted to expand its online business to other countries. The company already had a good number of domestic customers, but it had not yet developed its own e-commerce. The marketing director then decided to integrate the e-commerce functionalities on the website, which he had translated into English, German, Spanish and Italian, and to list around 20 products on Amazon's European marketplaces in the hope that this would increase sales in Europe.

After a few weeks, the first orders arrived, mainly from the United Kingdom. The items were dispatched immediately. All UK customers tried to contact the company after receiving their package, but failed, and finally decided to return the items. The marketing director, surprised by this result, contacted them by email to find out why: the customers explained that the instructions they received were not in English, that they had tried to call the company, and no one answered, and that, unable to understand how to install and use the products, they simply returned them.

In this case study, we cannot criticize the marketing director for having started exporting without being sufficiently prepared. His initiative has enabled the company to create value⁷⁹ and to create the basis for new sources of growth. In addition, his approach is compatible with a gradual export development strategy, and the company can adapt its investment according to the degree of success of the actions deployed.

A multilingual website is, therefore, not enough to make your business international, but it is one of the first ingredients necessary to become profitable and sustainable. Think of the investment you have made to promote your business in your home country, on the internet and beyond: the website but also SEO, newsletters, marketplaces, social networks, trade shows, packaging, interviews, advertisements, etc. How much time and resources have you devoted to it and continue to devote to it on a daily basis? Would it not be normal to think that so much time and resources should also be dedicated to your target foreign market?

The secret to good results is time

Export and digital separately are two processes that take time to achieve positive results in the target countries. Although the

⁷⁹ An international website can increase the value of a business, especially an e-commerce website.

combination of the two makes it possible to accelerate international development, a multi-channel export strategy always takes time, and the ROI is long-term, generally over three to five years.

This is why intermediate stages with objectives in the short and medium term are also necessary to increase and measure the performance of the deployment over time. These stages must be described in a roadmap for five years, or even beyond. Even if reality invalidates part of this roadmap, it will serve to inspire the launch, to monitor the development, and to formulate hypotheses on what export sales could be achieved in the short, medium, and long term with their budgetary impact.

Regarding this last point, here are three concrete examples:

- For short-term goals, such as prospecting during an international trade fair abroad, investing in SEO or social media will not be effective, because they will not have the time to produce concrete results. Other levers, such as lead generation or advertising campaigns, will be capable of achieving this performance in the desired time frame.
- For medium-term goals, such as increasing sales on Zalando in Europe by 30% in one year, simply referencing the products translated into each language will be useful but not sufficient. Boosting products with promotions or advertising on Zalando and on partner sites may produce more satisfactory results within the desired time frame.
- For long-term goals, such as developing brand awareness in a new country over three years, organic levers are strategic and suitable for building this reputation on solid qualitative bases and supporting its growth over time.

Depending on the time available to achieve the objectives, the levers used will, therefore, have a higher or lower cost, which will impact your budget.

But even with a clear roadmap, many companies throw in the towel for the first year for lack of positive results. Avoid this mistake and don't give up. To extend your perseverance intelligently, here are some tips:

- Place digital export as a priority ambition in the company's strategy by not allowing it to be perceived as a simple search for commercial opportunities. Involve as many employees as possible by making them feel that they are part of this ambition.
- Be realistic. The average time to complete an export business, all channels combined, is two years, depending on the sector. Moreover, completion does not mean profitability, because profitability generally needs one to two extra years.
- To maintain the course on your international development, subtract everything that is not in your core business and that others can do better than you. But beware of providers who promise impressive results overnight. Whether online or offline, if you want to achieve good, profitable, and lasting positive results, you have to invest in quality work, and that doesn't happen in days.
- Anticipate your funding needs to ensure that your cash flow can follow the project over the long term. Several mechanisms such as government grants or aids from chambers of commerce, etc., make it possible to finance the development of digital export.
- Regularly analyze your performance. Yes, the progress can be disappointing. But check it regularly and make sure that the best tools and practices are correctly implemented. That will allow you to intervene as quickly as possible if something goes too slowly compared to your roadmap.

So, how long will it take to get results? Neither digital nor export is a precise science; they are rather continuous projects. For the first, on average 95% of new websites can take more than a year to arrive at the first results of SERP. For the second, it can take between six months and a year, after validation of the strategy, to obtain the first customer. These times are mere estimates, and the actual time you need may vary depending on several factors, including your sector, the export market, your budget, your objectives, etc.

HOW DIGITAL DARWINISM CAN STRENGTHEN EXPORT

The internationalization of a company should be considered a journey and not a destination. Each foreign country is not just a new market; it also involves the discovery of new habits, new cultures, new opportunities. Certain countries will have specific needs for which the company will have to find specific solutions. It is the wealth of solutions that the company will be able to deploy in its new markets that will make its export journey efficient.

Until the early 2000s, export development for an SME mainly involved finding and managing distributors or importers in other countries. English was the only language used for business, often sufficient in that context.

But, in recent years, the opportunities for internationalization have evolved. Internet, e-commerce, marketplaces, and other digital tools have joined distributors and importers, multiplying the channels that help reach foreign customers, directly and indirectly. How will this evolve in the coming years? With the speed of breakthrough innovations, we can expect huge developments in several areas affecting export sales thanks to the internet.

FINAL THOUGHTS

Digital export is like conquering a summit: there is the excitement of the challenge, the pleasure of advancement, the ecstasy of the outcome. These stages are renewed at each conquered summit, but the chances of success will be greater after each successive conquest. It would be a shame to stop at the first summit, and for your digital exports it would be a shame to stop at the first country.

If you want to read more about how to sell online across channels internationally, don't forget the rest of The Digital Exporter Series,

where you can find more than 100 case studies presenting the best tools, actionable solutions, and step-by-step explanations. Here is the list of books in [The Digital Exporter Series](#):

- Book 1 – [STARTING THE GLOBAL DIGITAL JOURNEY: How to create the best international web strategy](#).
- Book 2 – [GETTING CLIENTS OVERSEAS, ORGANICALLY: How to set up local, international & global SEO](#).
- Book 3 – [GETTING CLIENTS OVERSEAS, BY ADVERTISING: SEA, SMA and other acquisition channels](#).
- Book 4 – [SELLING ONLINE INTERNATIONALLY: How to set up & manage a cross-border e-commerce](#).
- Book 5 – [SELLING ONLINE INTERNATIONALLY: How to sell on local & international marketplaces](#).
- Book 6 – [DEVELOPING A STRONG INTERNATIONAL BRAND: Multilingual social media & social selling](#).
- Book 7 – [DEVELOPING A STRONG INTERNATIONAL BRAND: Multilingual inbound marketing & marketing automation](#).

I hope that this book has given you useful advice, and I wish you success in reaching as many digital export summits as possible!

SOME PRACTICAL DATA

- Trade Map (www.trademap.org): covering 220 countries and territories and 5,300 products of the harmonized system, a system adopted in 1983 by the World Customs Organization, it provides plenty of indicators on exports.
- OECD.Stat (<https://stats.oecd.org>) is a platform that provides access to statistical databases for OECD countries.
- Ecommerce Europe (<https://ecommerce-europe.eu/>) is an association representing more than 100,000 companies selling goods and services online to consumers in Europe.
- DHL, 'The 21st Century Spice Trade: A Guide the Cross-Border E-Commerce Opportunity'

(https://www.dhl.com/content/dam/downloads/g0/press/publication/g0_dhl_express_cross_border_ecommerce_21st_century_spiece_trade.pdf).

- European Commission, 'Buying goods online coming from a non-European Union country' (https://ec.europa.eu/taxation_customs/individuals/buying-goods-services-online-personal-use/buying-goods/buying-goods-online-coming-from-a-non-eu-union-country_en).
- United Nations (<https://unstats.un.org/home/>), statistical data globally and by country.
- Central Intelligence Agency (CIA), The World Factbook — Explore All Countries (<https://www.cia.gov/the-world-factbook/countries/>).
- W3C Internationalization (I18n) Activity: <https://www.w3.org/blog/international/>.

FREE & PREMIUM TOOLS TO CHECK SELLER PERFORMANCE ON AMAZON AND OTHER MARKETPLACES

- Sellerly: <https://www.sellerly.com>. From listing protection to the analytics, including ASIN comparison, this tool allows you to improve your SEO on Amazon's marketplaces.
- JungleScout: <https://www.junglescout.com/>. A platform to track and optimize the metrics on products, keywords, sales, ads, etc. It includes a sales estimator. Only for Amazon's marketplaces around the world.
- CamelCamelCamel: <https://camelcamelcamel.com/>. An easy web tool to follow popular products, best sellers, and price drops. Only for Amazon's marketplaces in Europe, North America, and Australia.
- ZonGuru: <https://www.zonguru.com/>. A platform to discover best sellers, analyze keywords, optimize listing, spy competitors' sales,

measure sales performance, automate customer relations, etc. Only for Amazon marketplaces.

- Helium 10: <https://www.helium10.com/>. Acquired by Assembly in 2019, Helium 10 is a software that helps sellers with listing optimization, keywords research, sales analytics, etc. It only works with Amazon's marketplaces.
- MerchantSpring: <https://merchantspring.io/>. It allows you to measure a marketplace performance and to follow the key analytics. Very similar to the previous tools in terms of features, MerchantSpring works for many other marketplaces such as Walmart, eBay, BestBuy, LeroyMerlin, etc. besides Amazon's marketplaces.

FREE TOOL TO FIND OUT WHICH TOOLS YOUR COMPETITORS USE

BuiltWith: <https://builtwith.com/>. This platform allows you to discover all the technologies, plugins, software, etc. that a website is using.

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