

ENTERPRISE GUIDE



Global ecommerce

The executive guide to scaling your brand internationally



shopifyplus

Insight and imagination for tomorrow and beyond



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Opportunities

Commerce is no respecter of international boundaries, geographic lines, or national sovereignty. Already positioned at \$2.3 trillion, global B2C ecommerce sales are expected to reach \$4.5 trillion¹ by 2021.

The opportunity is even greater when you consider that global B2B ecommerce sales are set to exceed \$7.7 trillion in 2018, triple that of B2C ecommerce.

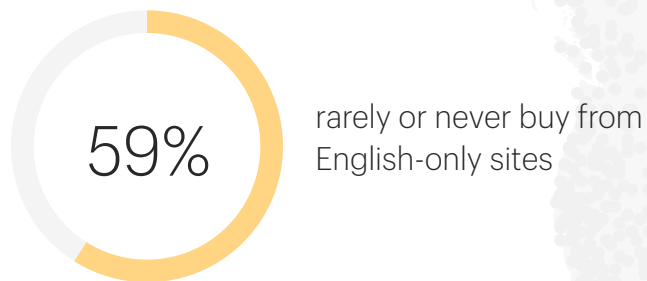
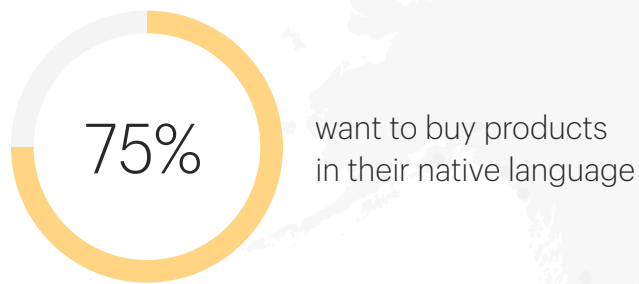
All told, brands built with global ecommerce in mind position themselves to tap an estimated \$22.1 trillion² as technological infrastructure develops and the world—as Thomas L. Friedman put it—flattens.

While the United States remains the second largest retail ecommerce market,³ North America and Europe command a mere 16% of the total B2B online sales. The lion's share of B2B now belongs to Asia—most notably, China, Japan, and South Korea.

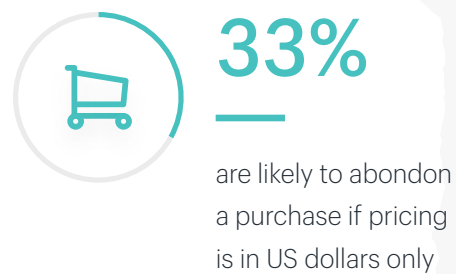
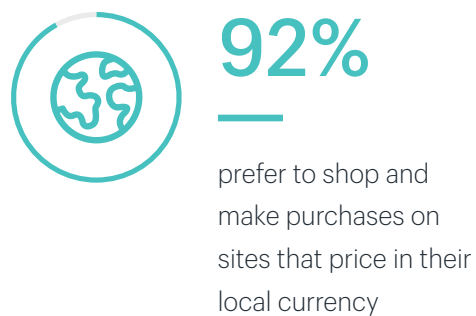
Those same countries are fueling growth in the B2C sector also, alongside the U.K., Germany, France, Canada, and Russia.

The rise of emerging markets⁴ and powerful analytics position merchants to tailor their sales and marketing by region. Consumers increasingly look beyond their home country as 57% say they've recently made an international online purchase.⁵

Going native makes or breaks global sales:



Localization also matters when it comes to currency:



Threats

Scaling internationally can be lucrative,⁶ but it also comes with risks that can harm a brand's future financial prospects. Research suggests 62% of businesses⁷ are missing out on global ecommerce opportunities due primarily to the complexity of going global.

In addition to navigating legal regulations,⁸ global brands must offer localized online experiences. This means translating multiple storefronts and marketing collateral into native languages⁹ as well as listing products in local currencies.¹⁰

Managing inventory scattered across the globe, accounting for local taxes, optimizing an international supply chain, and selecting trusted logistics and fulfillment partners all demand careful consideration.

Global merchant spotlight: 100% Pure

Launched from a farm house in California more than a decade ago, 100% Pure is now a multimillion dollar global manufacturer of beauty products made of natural ingredients. The company's operations include five international ecommerce stores that add significant complexity with regard to managing inventory and product information.

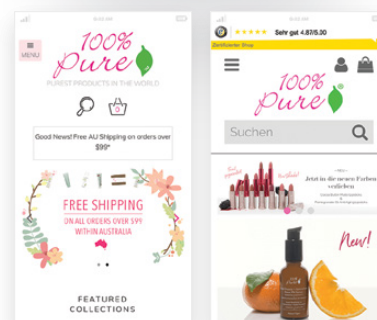
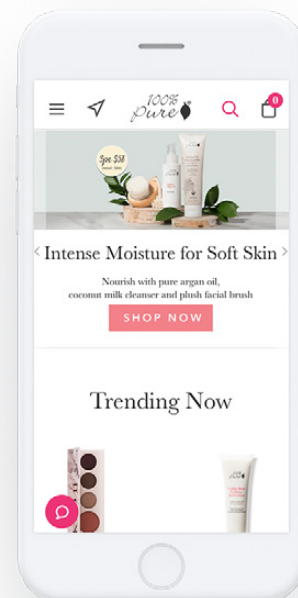
To succeed globally, the company created the **Purity Toolbox**, a collection of custom connections that allows them to sync sales, inventory, and fulfillment through their Shopify Plus store. The Toolbox syncs product information, an inventory management system, and fulfillment centers across their online stores and retail locations for simplified and profitable merchandising.

The company is growing 40% year over year and cites scaling internationally as a key ingredient in growing its ecommerce business 8x larger over the next five years.

"I just hit the sync button and it's done,"

QUAN NGUYEN
100% Pure

[Read more about 100% Pures international success](#)



100% Pure's Canadian, Australian, and German stores



Global merchant spotlight: Nanoleaf

With a digital footprint in 30 countries, Nanoleaf—a green technology company offering innovative smart LED lighting solutions—knew it had to localize currencies, languages, and establish in-market distribution.

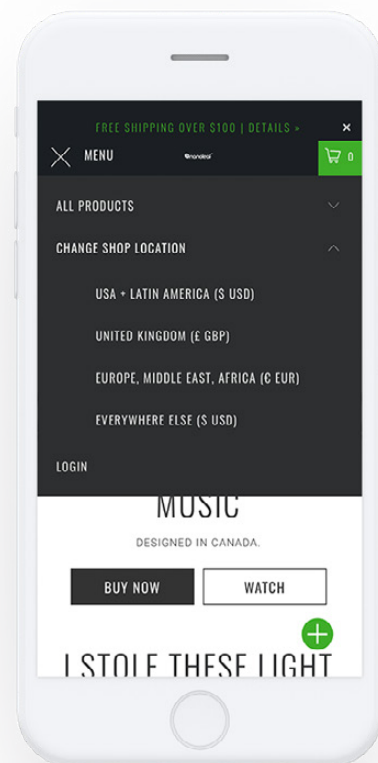
Nanoleaf conducted intensive interviews with international 3PL partners to determine on whom it could rely to maintain stringent customer service expectations and collect and remit local taxes.

Since its expansion into Europe, Nanoleaf now derives 80% of its ecommerce sales outside its home country of Canada and has increased overall year over year sales 4x.

“Don’t be afraid to ask uncomfortable questions of potential partners. Make friends with non-competing entrepreneurs already selling overseas.”

PAUL AUSTIN-MENEAR,
Nanoleaf

[Discover how Nanoleaf delivers unbeatable global customer service](#)



Nanoleaf's shop locations

Checklist for selecting the right global ecommerce solution

While [custom built solutions](#) have historically been the norm, many now see traditional platforms as unnecessary and cost prohibitive. Companies like GE, Mondelez, Nestle, and P&G are increasingly turning to cloud-based options.

When selecting an international ecommerce solution, be sure it has the following:

Global payment gateways

Accepting payments in local currencies¹¹ is key to entering new markets. Failing to do so can subject consumers to additional taxes and tariffs. Likewise, conversion rates decline dramatically when customers cannot checkout with the payment methods they prefer.

End-to-end integration

The ability to monitor logistics in real time is one of the biggest barriers¹² to execute cross-border commerce. A solution must act as a central hub connecting carriers, warehouses, and 3PL partners as well as third-party technology to sync product information—like price, description, and SKU counts—across multiple stores. Also vital are customer service integrations operating in multiple time zones and languages.

Scalable

Your solution should instantly position you to scale globally without worrying about having server capacity in particular countries. Consider a solution that includes a network of geographically distributed servers (i.e., a Content Delivery Network).¹³ Networks like these ensure that the end-user is closer to the data center powering the site in their country. CDNs load rapidly and withstand significant spikes in traffic without compromising performance.

Customizable and agile

Lastly, your solution should allow you to customize international storefronts, natively offer ecommerce automation tools that save time and money, and regularly introduce new functionality like license restricted geolocation that automatically prevents purchases in countries not covered by licensing agreements.

Resources for creating and optimizing a profitable global ecommerce strategy

Scaling internationally not only means localizing new storefronts and navigating different cultural norms but also avoiding the operational pitfalls associated with international inventory management, logistics, and fulfillment.

To achieve both internal and customer-facing global ecommerce success, we've assembled the following resources:

Global Ecommerce Statistics and 10 International Growth Trends

<https://www.shopify.com/enterprise/global-ecommerce-statistics>

Take hold of global ecommerce with this data-rich article and infographic illustrating the top ten trends merchants must know to make international expansion lucrative.

Global Ecommerce: Massive Opportunity Ahead For the Borderfree Business

<https://www.shopify.com/enterprise/global-ecommerce-opportunities>

Discover why global ecommerce is on track to double in less than five years and the top ten countries you can target to scale your brand internationally.

Global Fulfillment: A Guide to Finding the Right Shipping Partner Internationally

<https://www.shopify.com/enterprise/global-fulfillment-guide>

Use this checklist to establish a step-by-step process for selecting an international fulfillment partner you can trust as an extension of your brand.

Smart Global Ecommerce: The Complete How-To Checklist for Expanding Internationally

<https://www.shopify.com/enterprise/how-to-do-smart-global-ecommerce>

A country by country breakdown illustrating exactly how to become licensed, select local suppliers, and ensure you're able to meet local and international tax obligations.

The Beginner's Guide to International Warehouses in Global Ecommerce

<https://www.shopify.com/enterprise/international-warehouses-ecommerce-guide>

Learn how to identify the right locations and warehouse partners necessary to scale your brand and avoid the hidden costs that can crimp your cross border margins.

References

- ¹ <https://www.statista.com/statistics/379046/worldwide-retail-e-commerce-sales/>
- ² http://unctad.org/es/paginas/newsdetails.aspx?OriginalVersionID=1281&Sitemap_x0020_Taxonomy=Information%20and%20Communication%20
- ³ <https://www.statista.com/statistics/243699/share-of-global-retail-e-commerce-sales-usa/>
- ⁴ https://ww2.frost.com/files/1214/2537/9544/The_Global_E-commerce_Opportunity.pdf
- ⁵ <https://www.nielsen.com/content/dam/nielsenglobal/jp/docs/report/2016/Nielsen-Global-Connected-Commerce-Report-January-2016>
- ⁶ <http://www.mbaskool.com/fun-corner/top-brand-lists/13991-top-10-e-commerce-companies-in-the-world-2015.html>
- ⁷ <https://econsultancy.com/blog/67225-international-ecommerce-four-things-to-consider-when-venturing-into-foreign-markets/>
- ⁸ <https://www.export.gov/ccg>
- ⁹ https://ww2.frost.com/files/1214/2537/9544/The_Global_E-commerce_Opportunity.pdf
- ¹⁰ <https://www.common senseadvisory.com/default.aspx?Contenttype=ArticleDet&tabID=64&moduleId=392&Aid=21500&PR=PR>
- ¹¹ <https://www.pitneybowes.com/us/global-ecommerce/case-studies/the-growing-importance-of-international-ecommerce.html>
- ¹² http://news.pb.com/article_display.cfm?article_id=5600
- ¹³ <https://www.webopedia.com/TERM/C/CDN.html>