

Strategies for entering China's ecommerce market

Adapted from Shopify's China cross-border import research

Approach	Pros	Cons
Partnering with local vendors or agencies	<ul style="list-style-type: none">• Partner manages operations locally, from marketing to logistics• Relatively low barrier to entry	<ul style="list-style-type: none">• Limited control of brand experience and price markup (costs)• Time spent sourcing and vetting vendors
Creating a local team within China	<ul style="list-style-type: none">• Full control of operations, brand experience, and intellectual property• Close to consumer and political trends• Sustainable infrastructure for future expansion	<ul style="list-style-type: none">• Large upfront investment and low initial returns• Extensive research on market, policies, and regulations• May need to build fully localized storefront and inventory systems
Launching via third-party marketplaces and/or branded site	<ul style="list-style-type: none">• Easily test out selling, shipping, and buyer behaviors• Marketplaces offer high potential traffic and outsourced logistics• Branded sites build direct relationships with customers and full control over presence	<ul style="list-style-type: none">• High competition on marketplaces (saturated) and lengthy net-terms to receive payments• Branded sites are expensive to fully localize, run slow (depending on server), and receive minimal traffic