

The worldwide ecommerce market is expanding

Of all the ways to scale online product sales, moving into new international markets offers the most opportunity for more customers and higher revenues.

Ecommerce markets across the world are growing, and trying to keep your status as the big fish in domestic ponds could cost you a lot in the coming years.

M

Right now, your business can access powerful tools and strategies that were only available to the biggest players in the market just a few years ago. There has never been a better time to grow small and mid-sized ecommerce brands across both domestic and international markets.

But tools are no use unless you know how to use them. So we wanted to give you a guide to start you on your journey around the world. Take this roadmap and start planning your journey from your front door out into the wider world of ecommerce success.

Table of contents

- 1 Underwaterpistol
- 3 Shopify Plus
- 6 LoyaltyLion
- 11 Gorgias
- 14 Nosto
- 18 dotmailer
- 22 Klarna
- 26 Brightpearl
- 31 Shoelace

Underwaterpistol

Are you ready to take your Shopify store global?

Every merchant wants to scale their store and their profits, but it's hard to know the best way to do that. Should you scale up your marketing? Launch new products?

One way to scale is to move beyond domestic markets, and into the world of international ecommerce. But how do you know when you are ready?

Here are 3 ways to identify possible new markets.

You get purchases from global markets already

Do you get orders rolling in from international markets that you aren't specifically targeting? If you are shipping a lot of product to places that speak a different language and use a different currency without even trying, you have an audience there. Take advantage of that.

Your analytics give you hints Where does your traffic come from?

You can create segments in Google Analytics that will let you see what is happening with traffic from specific nations or languages.

Use that ability to see where you might find a market opening. You may see large amounts of international traffic that does not convert. But what does that traffic do, and can you figure out why? If they stick around and view products or add them to cart and then abandon, there is a chance that the lack of local currency options or high shipping costs are preventing them from completing a purchase.

3

You have social media following/ success in other countries

This one is pretty self explanatory. Do you have a big social media following in places you aren't trying to build one? Do you feel love from people who don't speak the same language or spend the same currency?

That may be your next place to look for a new market opening. These people are aware of you. They seem to like you. Could they buying from you, as well?



Everywhere around the world, ecommerce is breaking down borders. Merchants have global opportunities that simply didn't exist 5 years ago.

The B2C global ecommerce market stands at \$2.3 trillion currently, and is set to grow to \$4.5 trillion by 2021.

For B2B ecommerce, the projected worldwide total for 2018 is \$7.7 trillion. North America and Europe make up only 16% of total B2B sales, leaving the rest of the world a \$6.46 trillion B2B ecommerce market.

\$22.1 trillion

In total, there is a global ecommerce market of \$22.1 trillion that you can be a part of today.



Want to buy products in their native language.

75%

59%

Rarely or never buy from English-only sites

67%

prefer navigation and content in their language

Go local to sell globally

If you want to make the most of those global opportunities, you have to go local.

To truly go global, you want to create a fully native shopping experience for customers in your non-domestic markets.

Local currency Local shipping providers Local translation of site copy, ads, and emails Local delivery times

Customers around the world will gladly buy from stores based in other countries. The important thing to remember is that they still want to feel at home while they do it.

92% prefer to shop and make purchases on sites that price in their local currency33% are likely to abandon a purchase if pricing is in US dollars only

<u>Shopify Plus</u> is the commerce platform for high-volume, high-growth merchants, coupling speed and agility with the scalable foundation you need to grow bigger faster.



3 signs your store is losing out on customer loyalty

It costs 5X more to attract a new customer than to retain an existing one, and the chance of the retained customer buying again is 9X higher.

Customer retention and loyalty should therefore be a strategic priority for anyone looking for ecommerce success. However, it can be difficult to know when to flip the switch from acquisition to retention. Here are the top 3 signs that your store is losing out on customer loyalty.



Sign #1: Your customers aren't repeat purchasing

Your loyal customers are your most valuable, because they keep returning to make purchases. If your repeat purchase rate is low then the chances are you're not giving your customers enough reasons to come back and choose you again.

Ensure that you engage customers between purchases by rewarding non-purchase activities such as:

Social shares Newsletter signups Birthdays

If you have at-risk customers, who have not returned to make another purchase in an expected timeframe, give them incentives or special offers to show that you value them and encourage them towards their next transaction.

Customers who engaged with a loyalty program and redeem a reward are 68% more likely to purchase a second time than those who don't.



Sign #2: Your customers aren't acting as advocates

Happy customers are the most likely to be loyal customers, and research shows that happy customers tell as many as nine people about positive brand experiences.

If this doesn't ring true, then it may be time to look at finding new ways to encourage advocacy from your customers.

Use customer satisfaction metrics such as Net Promoter Score to identify those customers who are most likely to act as advocates

Use incentives such as points and rewards to encourage them to refer your brand to friends and family, or leave positive reviews of your store and products.

The lifetime value of a referred customer is proven to be greater than the lifetime value of customers acquired in other ways, with referred customers becoming between 16 and 24% more loyal.



Sign #3: Your decisions are driven by discounts

Customers who shop online have the power to effortlessly compare your prices against your competitors - more than 11 million consumers use price comparison sites in 2018.

If you're finding you have to lower your prices or take part in discount days to match your competitors, then it's time to find a new way to differentiate.

Use loyalty points and rewards to offer value to your customers that others selling similar products can't deliver.

Ensure that you offer customers immediate gains for their spend and use rewards and tiers to show customers the value in returning to you over your competitors.

Consider offering points and promotions on specific products to win sales from other stores, or to help you shift surplus inventory without turning to discounts. Loyalty programs provide a point of differentiation in a crowded marketplace

86% of consumers say they are more loyal to brands where they participate in rewards programs. Are you losing out on customer loyalty?



Finding new ways to engage and retain customers is key to securing advantage in one of the fastest-growing and most competitive industries around. If any of these signs are ringing alarm bells for you, then you are most likely losing out on customer loyalty, and as a result, losing revenue and competitive advantage.

LoyaltyLion is a data-driven ecommerce loyalty platform trusted by thousands of fast growth merchants worldwide. Merchants use LoyaltyLion when they want a fully customised loyalty program that's proven to increase customer engagement, retention, and spend.



3 Signs your customer support needs improvement

Customer support is often seen as a cost center in eCommerce businesses. After all, you've made the sale, so why bother spending more money on support. When put that way, it sounds like bad business, and it is.

Most people don't see the second and third order benefits of customers support happy customers means more repeat sales and more sales from referrals. When you improve your customer support, it goes from being a cost center to a profit center. Here are some signs you need to take your customer support seriously.

1. Your Support Team Is Overwhelmed

Most costs related to providing support go into hiring support agents. And since you want to limit that cost, it's natural to limit the number of people you hire. However, that means a higher workload for them, which leads to overwhelm and under-performance. That in turn hurts your sales as customers get frustrated.

The solution is not necessarily to hire more support agents. You can use helpdesk software to manage your support tickets more efficiently. Softwares like Gorgias allow you to

automate responses to tickets based on their content, freeing up time for your agents and reducing overwhelm.





2. Your Conversion Rates Are Falling

It's normal for visitors to your site to browse around and not purchase anything. Studies show that only 3% of visitors actually buy during their visit. The rest leave and may or may not come back depending on their experience on your site.

The solution to both, converting visitors and bringing back those who don't convert, is to give them a good experience on your site. Aside from making sure your site is well designed and has enough information on it, live chat is probably the most powerful way to do both.

If you're automating tickets as explained in the previous section, your agents will have more time to have live conversations with visitors and help them make purchases, thereby increasing conversion rates and even the average order value.



3. You Don't Have Repeat Sales Or Referrals

Studies show that 70% of consumers said they would remain loyal to retailers if they had a good customer experience. On the other hand, 70% said they would never shop from a brand again if they had a poor experience.

Today, even the smallest thing can cause someone to stop shopping from you - slow responses, inadequate answers, mistakes, etc. What's worse, they're likely to share it on social media, further hurting your sales.

Again, a good support help desk and live chat allows you to delight your customers, ensuring that they come back to shop again and bring their friends with them.

At Gorgias, we've built a help desk that integrates deeply with your eCommerce platform and gives your support team super powers. Popular retailers like Timbuk2 and Sphero have reported faster response times, increase productivity, and higher sales just from using us.

Get a free trial today and start improving your customer support.



Optimizing for Overseas: Nosto's Personalisation Guide for Scaling Businesses Globally

One priority on the agenda of retailers going global is to make sure they don't compromise personalisation in the process. Many of your first-time visitors will rely on your homepage alone to determine what you offer- yet many retailers make the mistake of being too restrictive in what products they highlight.

Only a fraction of stores belong to globally known brands such as Nike or Apple; these companies have spent millions in brand marketing to reach the point where customers land onsite with a fully formed idea of the store's product range.

As a result, these stores can commit a large portion of their homepage to promoting specific items without affecting conversions. If a smaller retailer took this approach, a new shopper is likely to presume the store is limited in range and move on.

One rule of thumb is to ensure that at least 30-40% of your product inventory is represented. Baymard Institute research shows that this is the amount needed for shoppers to easily identify what a company sells. How to optimize through personalisation

The average conversion rate of an ecommerce store is around 2-3%. When considering giants like Amazon, this figure skyrockets to 13%. This is because every person that visits the Amazon website sees something completely different.

In the real-world, imagine walking past a shop window and the display changes to suit your interests. No successful store would pass up the opportunity to connect with consumers in that way! **USE** customer insights, behavioural data and segmentation to create a 'recommended for you' section and extend your content dynamically for audiences across multiple regions.

Don't assume the trends established in your core market will translate internationally though: present a selection of products based on a customers unique browsing and buying behaviour with emphasis on regional trends such as geo-targeted Best Sellers.

> **HIGHLIGHT** seasonality with best sellers or a personalized 'New In' selection. Using behavioural insights, leverage what you know about your geographical audiences and implement a content strategy that aligns with shoppers, sales and seasonality accordingly. Limited in space? Prioritise personalised content and display top lists as a fallback for new customers and those you haven't seen for a while.

> > **LIST** browsing history related items for returning customers. This removes unnecessary friction by reducing the number of clicks between a returning customer and products/categories/brands they previously showed interest in.

With buying cycles becoming longer, it is likely that a user will return to your store multiple times before making a purchase (our research shows it takes 3 visits before that happens). This enables a clear route to checkout every time.



Nosto enables online retailers to deliver their customers personalized shopping experiences at every touch point, across every device, Eager for a deeper dive to help you on your journey to going global?

<u>Contact us today for a 1:1</u> demo to see these (and more!) personalisation strategies in action.

dotmailer

Achieve global customer reach with marketing automation

Marketing automation allows brands to maximize customer engagement and ecommerce growth. That becomes even more important to the growth of your business as you expand.

Email, SMS, chat, personalization, ad targeting. Whatever tools you use, automating personal and relevant customer touch points is a huge opportunity for growth. Not only is every touch point an opportunity for revenue and relationship building, but you can learn more about the habits and concerns of customers in unfamiliar places. Automation makes it easy to create one-tomany relationships that feel more like oneto-one for the person on the receiving end. Marketing automation tools allow you to easily and consistently reach out and speak with more of your customers than you would ever be able to otherwise.

For you, the relationship is one-to-many. But for the customer, it is one-to-one. Logically, they know that every customer receives emails from you. But because the messages you send are relevant and welltimed, it feels personal. It feels like you are reaching out and speaking just to them. Marketers who relate to individual consumers can transform one-off buyers into loyal customers.

Because you feel real to them, because you have cultivated a relationship, you are always at the top of their mind when a need arises.

Timing is just as important as content when it comes to communication. By creating specific customer life cycles, you can be sure that you always reach out at the right time. Each touch point in a customer life cycle requires a specific tone and accomplishes a specific goal.

> New customer Repeat customer Post-purchase Winback Surveys Review requests Birthdays

Shaping campaigns around events and timelines that are interesting and relevant for your customers means they are more likely to open, click, and purchase from your communications.

International automation

When you take your store global, it's important to remember that people all around the world are different.

They speak different languages. They have different expectations when it comes to when and how often they see marketing messages. They want different levels of familiarity.



As you expand into new markets, you should optimize your automated touchpoints. Your message, timing, and overall lifecycle should carefully consider what works for different parts of the world. Over time, you can optimize automated campaigns to fit the customers they target.

The customer lifecycle you see in one market may not exist in the next. Instead of standardizing, take on each as its own unique challenge if you want to see the best results.

<u>dotmailer</u> is a leading marketing service provider with data-powered automation at its core. We've helped thousands of clients strategize their campaigns and drive real business growth.



Klarna

Breaking down barriers

There are a lot of barriers in place that keep global ecommerce from being as easy as it could be.

Choosing standardized, international solutions built for business is the best way to fix this problem, and we have more available to us every day as global ecommerce grows. We choose the products and services we use because they solve a problem for us. They help us overcome a barrier that holds us back from going to the places we want to be

The first step to identifying the right product or service to help us overcome our barriers is to find the real reason that barrier exists. Much like in medicine, you can treat a symptom for years without understanding the root cause of the illness. But if you take the time and effort to understand why you are facing the problem, you may be able to eliminate your hardships completely.

Communications barriers

Communication is the key to understanding and trusting each other, and the core of communication is meaning. Meaning can be lost in translation, and translation doesn't just mean going from one word to another.

If you have trouble communicating with your customers in a new market, it may mean that you have a deeper translation issue. Beyond swapping out words and sentence structures, it could be that you need to think about how you translate your meaning.

Your unique selling point is the basic value that you bring to the table. In order to make sales in new markets with different cultural value, you need to consider whether or not your current USP works in a new market. Does it culturally fit? Do customers understand and care about what you are bringing to the table that makes your product more than just another product?

Think about what you are offering customers in new markets and whether or not the meaning of that value translates for them. Decide how you will communicate your worth to customers.

Currency barriers

Currency problems in international ecommerce are first and foremost an issue of convenience and trust.

Currency is just an exchange of value, but we attach more than just monetary value to it. We understand value in terms of our own culture and understanding. So when people are averse to buying items in a currency outside their normal experience, it's not something we can just hand-wave away.

The use of a foreign currency feels awkward and less trustworthy at an unconscious level for people who aren't used to it. It's not a conscious choice, it's the voice of cognitive dissonance that prevents people from trusting a site with no familiar currency options



Break down your barriers

In an ideal world, customers would be able to shop online for a pair of shoes from another continent and have them shipped and placed in their closet without even needing to be home, with payment only being taken once the goods have arrived and been put through their paces.

Companies who can find innovative ways to break down the barriers between markets and make online shopping a truly seamless, truly international experience will be well ahead of the game.

Klarna offers direct payments, pay after delivery options and installment plans in a smooth one-click purchase experience that lets consumers pay when and how they prefer to.

BrightPearl

Evaluating your readiness to scale globally, and the key implications on your back office processes

As technology improves and as consumer expectations continue to rise, customers expect the same level of service regardless of whether it's an international purchase or a domestic one. The businesses that have expanded successfully have maintained high standards of customer service throughout.

So how do you know you're ready to expand globally? How do you maintain high levels of customer service? And what considerations do you need to make beforehand to ensure your international expansion is a success?



1. Are you making the most of the market you're already in?

Before expanding overseas, consider whether you're already making the most of the market you're currently in. Are you efficient? Do you have a fast time to ship record? Are you quick at invoicing?

By considering these questions, you're able to check whether there are improvements you can make to ensure you have efficient processes in your home country, before expanding and taking old habits overseas that could impact your ability to meet demand.

2. Have you automated repetitive and time consuming tasks?

Most retailers we speak to have the majority of their resources and time geared towards their back office, such as fulfilling orders manually and completing repetitive tasks. But this significantly reduces the time they can spend on growth activities like marketing, introducing new product lines, or launching into new sales channels and territories.

Efficient workflows and processes are essential for businesses to scale effectively, keep up with customer demand and reduce costs. Automatic order creation, fulfillment, invoicing, purchasing, accounting and email marketing are all ways that merchants can confidently and easily automate their business to support efficiency at home and internationally.



3. How do you know you're ready for international growth?

Think about whether you have accurate data on inventory availability, and whether you can see which countries have growth opportunities for your business.

An intelligent back office system, combined with a great reporting tool will enable you to effectively plan your product strategies and forecast demand

4. Is your product right for the new market?

Re-wrapping your current items rarely works, unless you know that your popular, niche products are missing in that overseas market. You may find that using a local market platform such as Amazon, eBay, Rakuten or Alibaba is a good way to test the waters. However, be aware of changes in fees for international marketplaces.

You'll need data from your back office to support your evaluation of which products in which countries have done well in the past, as well as an integration to the local marketplace to manage your orders, should you decide to test this way.



5. Can your business adapt to a different logistics and distribution infrastructure?

Logistics and distribution infrastructure vary around the world. In order to get your goods in front of consumers, you will need to heavily research how that country operates and fit in with their processes and practices.

Therefore, you'll need to identify whether your business can support this change in logistics and distribution, both from an operations perspective and regarding the costs involved.

Consider a back office solution that integrates with numerous 3PLs and also has the ability to automate rules to select the most cost effective carrier globally.

6. Do you need to consider additional costs or tax variations?

There are additional costs associated with trading overseas such as freight charges, insurance costs, and import duty which could mean you have to increase your product price overseas. These costs are known as landed costs and it's also important to consider whether your back office solution can efficiently and easily manage these extra costs for you, or whether you'll need to manually account for them in your reports.

Also, don't forget about VAT. For VAT-registered UK businesses, you'll need to be aware of selling rules if you sell from the UK to Europe. For instance, you need to declare to the HMRC up to set thresholds; once you hit these thresholds, you are liable for tax in the country you're selling to. As for US businesses selling to the EU, once you've reached these same country thresholds, you'll be required to VAT register in each country you sell to as well.

Your back office should provide you with tax and VAT reporting tools, as well as up-to-date accounting information to help you obey these tax rules.

Conclusion

Brightpearl provides a complete cloud-based back office solution to help retailers and wholesalers across the globe scale efficiently.

For more help and advice on how you can get your back office processes in shape before expanding internationally, or for any queries you have, speak to a Brightpearl specialist now:

https://info.brightpearl.com/going-global

["We have large ambitions to expand internationally we've already secured some sales in German-speaking countries for our new collection as well as a client in the US - so this was a key part of the decision to make this type of investment from day one. Brightpearl will allow us to have a rapid build-up, manage our costs and allow us to work to sustainable change within the industry." Norwegian fashion brand, Greater Than A]

Brightpearl is a cloud-based ERP for retailers and wholesalers whose mission is to automate the back office so merchants can spend their time and money growing the business.



Now that you're ready to go global with your store, the question is: Where do you start with your marketing?

The easiest audiences to start with are those who are already engaged with your brand. Being able to retarget those who have already visited your store from another country via Facebook presents the opportunity to address some of the potential pain points they had, such as:

Not being able to shop in their native currency Long delivery times High shipping costs



Using a message such as "Free Global Shipping" or "Now Shipping to Australia" in your retargeting ads can bring these users back on site to complete the purchase they previously dropped out of.

Get in front of customers you missed previously and change their mind on the likely pain points that caused them to pass on your offer.

As your retargeting campaigns reach full flow, you will want to test ad variants.

With global audiences, you can test whether changes to copy such 'Shipping' vs 'Delivery' have a great effect or not, or if different images resonate with different audiences.



While direct sales ROI is important, it is not the only metric to judge your retargeting ads.

Pay equal attention to on-site and Facebook engagement metrics coming from your ads. Is the audience engaged with your content and products but not purchasing?

That means there is an opportunity to succeed with that audience, you just need to discover the pain point or message that will convince them to become a customer and take them on that journey.

"The key to successful retargeting for growth is the ability to identify where a specific user is in the customer journey.

When you can do that, you can customise the adverts users see. You make ads that are relevant, ads that convert."

<u>Shoelace</u> helps growing Shopify retailers boost sales by showing the right prospects the right ads at the right time with Customer Journey Retargeting. <u>Check out our free 14 day trial.</u>



We are a friendly bunch who love to discuss exciting new ventures

Schedule a call to discuss your project and find out more about our payment plan options.

Book your free consultation

Telephone: +44 (0)20 3701 6789 Email: info@underwaterpistol.com