EBOOK

10 KEY STRATEGIES TO GLOBAL E-COMMERCE SUCCESS

DHL

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MAXIMIZE YOUR E-COMMERCE POTENTIAL

Literally billions of people outside the United States are ready and willing to buy online.

But with so much competition, success demands more than simply setting up a website and waiting for customers to arrive. It demands careful consideration and strategic action to ensure your business is offering its customers a simple path from start to finish.

For decades, the internet has promised to break down borders between buyers and sellers. But if you do not offer a well-designed suite of services with the international customer in mind, your e-commerce operations may deliver only a fraction of its potential.

Here are ten actionable strategies that will bring you closer to your e-commerce goals:

EMBRACE THE GLOBAL OPPORTUNITY

The international e-commerce market is in a period of intense growth, with 900 million people predicted to make regular purchases across borders by 2020. That's nearly 30% of all business-to-consumer transactions around the world.[1]

If that's not enough to make you take notice of the vast potential audience waiting in the world market, the fact that 6 out of 10 people are ready to shop online should be enough to get you excited about diving into the global e-commerce market.[2]

Rising financial headwinds are also promoting participation in cross-border e-commerce. In countries where currencies are strengthening, such as the U.S., the percentage of shoppers willing to buy from overseas is increasing. In other regions such as France, China and the UK, individual shoppers are making online purchases more often.

ACTION:

- Ensure your site states clearly that you accept orders from new territories. Don't assume people will automatically know your company's products are available across borders.

- Use a banner on your mobile-friendly homepage that clicks through to your shipping information webpage.

- Include complete information about what countries you accept and ship orders to on your shipping information webpage.

STRATEGY 2
SPEED UP THE DELIVERY PROCESS

Customers have become more demanding over the years as retailers' online offerings have improved. When it comes to delivery, expectations are especially high, with major online sellers constantly raising the bar. Today, 89% of customers consider two-day shipping the baseline for fast delivery[3], and those who choose two-day or express shipping options tend to purchase more.

When it comes to two-day shipping, the good news is, it's almost as popular as standard delivery. Over the past year, 53% of consumers used a default shipping option, while 43% purchased an item with two-day delivery.[4]

Once an order has been made, the shipping experience itself is key. Make one quick and effective delivery and customers will come back for more. For 87% of buyers, shipping speed helps determine whether those customers return to the same e-commerce merchant for repeat purchases.[5]

ACTION:

- Provide multiple shipping options, including an express option.

- Make sure express shipping is selected by default when customers check out.

- Survey current and past customers regarding their shipping experience to determine where things can be streamlined.

STRATEGY 3
KEEP SHIPPING COSTS LOW

It's natural to ask what's more important to customers: fast shipping or low-cost delivery. The answer, in today's high-pressure retail environment, is that you should deliver both wherever and whenever possible.

While it can be challenging to offer delivery that is both affordable and fast, there are ways to mitigate this challenge – and the rewards of striking the right balance can be vast, with 79% of shoppers saying free shipping makes them more likely to buy online in general.[4]

A minimum-price threshold for free shipping is a proven way to get customers on board: the ideal value may be between 5% and 15% higher than average order value, to encourage customers to increase their spend within reasonable limits.[6]

ACTION:

- Set a minimum purchase amount to qualify for free standard shipping.

- Use web banners to communicate this purchase amount.

- Utilize promo codes for free shipping during specific time periods or in customer email communications to increase repurchase.

STRATEGY 4
ADD DUTIES AND TAXES

Extra costs stemming from duties and taxes are among the complications that come with offering international e-commerce options. Expanding into a market such as Brazil, with multiple taxes for foreign sellers, means understanding your payment responsibilities before shipments can begin reaching customers.[7]

Once you have taxes and duties in hand, these charges don't have to be a deal-breaker when your customers make a purchase.

The best way to ensure they're well received is to use a Delivery Duties Paid (DDP) option at checkout. Among DHL's e-commerce clients, 15 of the top 20 companies use DDP to ensure their customers don't encounter surprising fees later, and retailers with DDP as part of their online checkout processes grow twice as quickly as those that don't have the offering. DDP on checkout is most suitable for retailers that sell high-value goods, as customers buying premium goods are most receptive to paying these costs up front.

ACTION:

- Communicate to customers during checkout that DDP is included.

- If you decide not to use DDP, ensure your shipping partner provides transparency to any duties and taxes that will need to be paid by the customer before receiving shipment.

- Closely monitor how duty and tax changes may impact the selling price of goods that are shipped internationally.

STRATEGY 5
MAKE RETURNS HASSLE-FREE

While international buyers tend to return goods less frequently than domestic shoppers, retailers shouldn't skimp on their refund and exchange policies. After all, free returns make 54% of people more likely to shop online, with 36% of shoppers responding well to easy return processes.[4]

Shoppers today tend to judge companies by their ability to make returns both quickly and effectively. To meet expectations, reverse logistics processes should take 3 to 5 days.[8] Your company can improve the impact of these policies by making returns easy, intuitive and of course, fast. Shipping replacement goods before you get back the original can help reverse logistics reach world-class levels.

True convenience in returns may involve giving consumers choices. For example, shoppers can either drop off goods at service points or arrange for the items to be picked up. These options can reassure shoppers that they won't be disappointed, even if they need to make an exchange.

ACTION:

- Clearly communicate your return or exchange policy on items during checkout.

- Provide multiple ways for customers to easily return or exchange items.

TRANSLATE ESSENTIAL WEB CONTENT

Your company might be tempted to skip localizing your site. Assumptions that customers will be able to navigate an English site when that isn't their first language, or that in-browser translation features will suffice to get shoppers through a purchase, can lead to problems attracting and retaining overseas audiences.

Important landing pages and advertisements should be translated, but a truly focused approach to localization will go further and encompass your whole e-commerce site.

More than half of worldwide shoppers (55%) won't buy from websites that aren't available in their native languages. Among customers who have limited understanding of English, 80% prefer not to settle for English-language e-commerce sites.[9] At all stages of the customer journey, you should be ready to provide information these shoppers can read.

ACTION:

- Identify which languages will benefit your business most based on which countries generate the most purchases or visits to your site.

- Align your exporting strategy with the local language to make it easier for receivers to input information clearly and completely.

- Translate all content through a mix of automation and human intervention to make sure you don't lose your brand voice.
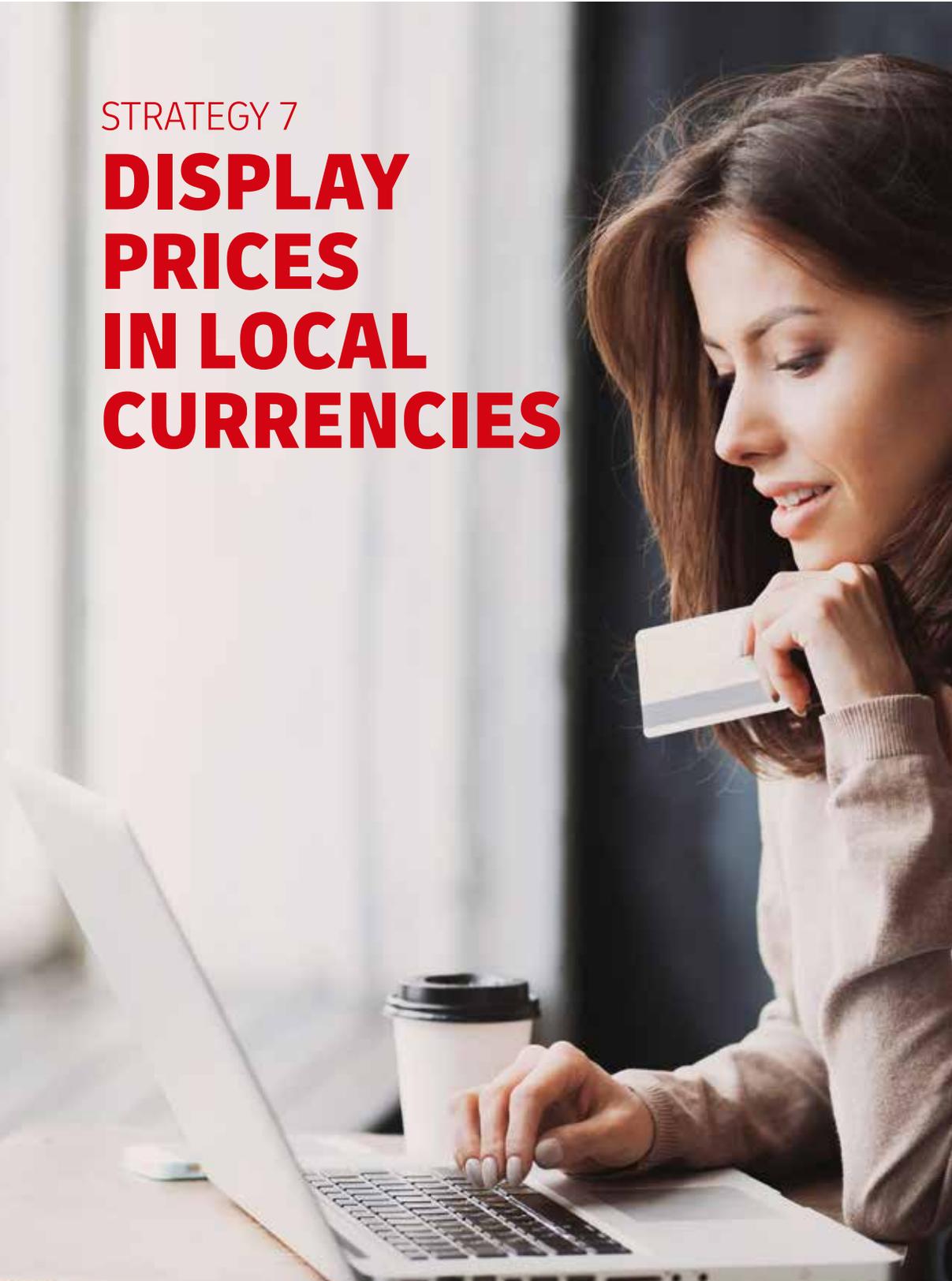
STRATEGY 7
DISPLAY PRICES IN LOCAL CURRENCIES

Text content isn't the only aspect of an e-commerce site that should change from one market to another: prices should display in local currencies and round amounts to keep customers from seeing unusual or off-putting price points.

Don't assume your customers can perform the math themselves. That would be a mistake. Seeing localized prices is a major form of convenience and a great incentive for customers to buy.

More than 9 in 10 consumers want to shop on sites that offer their own currencies, and 33% are likely to walk away from a cart that will only show a price in U.S. dollars.[8] Forcing them to perform an extra step to see the information they need makes for a poor user experience. Rather than adding a conversion widget, retailers should add automated features that don't require input from customers and just deliver results.

ACTION:

- Employ automated site features to detect what country each site visitor is from.

- Display localized pricing on all pages, from item descriptions to shipping options and checkout.

SUPPORT MULTIPLE FORMS OF PAYMENT

International shoppers want more than just the ability to see prices in their own currencies. They also want the option to spend in the ways most familiar and convenient to them. These can vary widely by region, and even neighboring countries can have radically different payment preferences. The following examples illustrate the diversity of options that companies should commit to supporting:

→ Only 30% of German shoppers choose credit cards due to popular local debit options.[7]

→ By contrast, e-commerce in Spain is dominated by credit cards like Visa, MasterCard and American Express.[7]

→ One-sixth of online payments in Japan are handled through Konbini, a kiosk-based system.[7]

ACTION:

- When planning your export strategy, work closely with your finance team to research local markets' most popular payment forms.

- Customize checkout options to include the most widely used payment types.

STRATEGY 9
OFFER DELIVERY TRACKING

Delivery monitoring options shouldn't only be available for short-distance domestic shipments. While tracking packages is more complicated for cross-border transactions, customers appreciate increased visibility and may even pay to get it.

More than half of shoppers (54%) expect easy-to-understand tracking for their shipments.[10]

At present, 63% of e-commerce store buyers have access to package tracking, compared to 57% who make their purchases direct from manufacturers and 66% of Amazon shoppers.[10]

You can make tracking options even more useful for your shoppers by giving them the ability to make changes to shipments in progress. Buyers may be pleased to find they can easily reschedule deliveries. For example, the DHL On Demand Delivery service lets you fully control delivery options such as: determining delivery date; authorizing a signature release; leaving a package with a neighbor, leasing office or security guard; delivering to an alternate address; putting your deliveries on vacation hold; and more.

ACTION:

- Ensure your carrier has a system, like DHL On Demand Delivery, that enables customer shipment notifications via email or SMS text message based on order status.

- Expected ship date, delivery date, tracking number and logistics details should be provided.

STRATEGY 10
PARTNER WITH EXPERTS

Working with DHL is a way to instantly upgrade your company's international e-commerce capabilities. Giving customers the convenient online shopping experiences they're looking for, no matter how far away they are, is a prime way to boost your sales in the short and long term.

Whether it's the experience on your website or the options available during the return process, every element of your international e-commerce strategy should be focused on providing maximum convenience to your customers, so they return over and over again.

From DDP offerings that take the guesswork out of taxes and duties to delivery tracking available in more than 150 countries and 45 languages, the e-commerce improvements that come with a DHL partnership will drastically improve your global e-commerce practices—and the long-term success of your business.

ACTION:

- Find a partner organization that can help you with every step of international commerce expansion and improvement.

- Focus on areas where your partners' strengths can help you reach your organizational goals.

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