



INTRODUCTION

It's a small world – and global e-commerce is making it smaller. It's now easier than ever to increase sales by reaching out to an international e-commerce audience. To make that happen, you need top-quality global shipping services, combined with your own unique brand presence – and this toolkit will take you through everything you need to know to start selling and shipping to the world.

WHAT'S IN THE TOOLKIT?

In this toolkit, we'll provide you with all the information you need to start shipping internationally:

- How to set yourself up for international e-commerce
- How to avoid cart abandonment
- · Defining your global brand strategy
- How to strengthen your supply chain
- How to get the last mile right
- Global shipping your final checklist

BUT WHY IS THIS SO IMPORTANT?

91% of consumers look at available delivery options before checkout.

74% of customers found delivery convenience most important.

46% of basket abandonment is caused by limited shipping options.

Customers are **twice as likely** to buy again from an online retailer after a positive delivery experience.

SOURCE: Magento Live1

DID YOU KNOW?

Cross-border e-commerce is growing at twice the rate of domestic online sales.

With over 7 billion people worldwide, this should come as no surprise. And we're here to help you make the most of international business opportunites.



SECTION ONE

HOW TO SET YOURSELF UP FOR GLOBAL E-COMMERCE

"THERE IS TREMENDOUS UNTAPPED POTENTIAL AROUND THE WORLD... INCREASING INTERNATIONAL COOPERATION CONTINUES TO CONTRIBUTE TO STABILITY. COMPANIES AND COUNTRIES THAT EMBRACE GLOBALIZATION BENEFIT ENORMOUSLY."

JOHN PEARSON, CEO, DHL EXPRESS





Some parts of global trade may have been hindered by the pandemic and subsequent border closures, but online consumers' appetite for international goods has only increased. In fact, the global cross-border B2C e-commerce market size and share is forecast to grow from US\$780 billion in 2019 to US\$4,820 billion by 2026². International logistics services (DHL Express included) and the prevalence of the internet have shrunk the connected world, creating unprecedented global selling channels. It is a commercial paradigm shift without boundaries.

However, global connectedness is naturally constrained by distance and cultural differences, which means it's essential to find and target markets where there is demand for your specific product. When you apply for a DHL Express business account, our e-commerce consultants will run through a Website Health Check with you, which will include an analysis of your individual site to advise on where traffic is coming from to help you identify these potential markets. So, if you think you're ready to sell internationally, ask yourself these five questions.

1

Is your website available in multiple languages?

A survey carried out by Common Sense Advisory³ found that 40% of consumers won't make purchases from websites in a different language, whilst 65% prefer content in their native language. When selling to non-English-speaking customers, it pays to invest in translation to localize your website per market.

2

Do you apply currency conversion?

Your international customers will appreciate pricing in local currency – and will checkout faster. Tools like <u>Global-e</u>⁴ and <u>Zonos International Checkout</u>⁵ help you set this up.

3

Do you offer localized payment options?

Online shoppers are 70% more likely to finalize a purchase if their preferred payment method is displayed as an option^{6a}. Secure payment gateways, like WorldPay, PayPal or Stripe support the most popular international payment methods.

4

Are international delivery notifications and in-flight options provided?

DHL's global shipment tracking technology allows customers to follow the progress of their package wherever it is in transit. And DHL's On Demand Delivery provides your customers with proactive notifications and in-flight delivery options worldwide.

5

Do you know your duty and tax?

When you ship internationally, import duty and tax can make things more complicated. DHL Express can help you to calculate what your landed costs will be, wherever you're shipping to, so you can factor them into your pricing structure – making the whole process smoother for everyone.



SECTION TWO

HOWTO AVOID CART ABANDONMENT

Cart abandonment is the e-commerce retailer's biggest challenge. Web research specialists The Baymard Institute have calculated that 69% of online shopping carts end up abandoned.

UNEXPECTED SHIPPING COSTS ARE THE NUMBER ONE CAUSE OF CART ABANDONMENT.

To combat this, your site should keep data-entry fields to a minimum – offering 'Guest checkout' can help here. Ensure your site is optimized for mobile, too, as a smaller screen makes certain tasks more annoying for customers Above all, offer a wide range of delivery options, and avoid surprising your customers with unexpected shipping charges at the last moment.



GOLDEN RULES OF E-COMMERCE SHIPPING

Minimizing cart abandonment needs more than just good site design, stimulating visuals, and a great user experience. You also need to know how shipping options at checkout can increase sales and enhance your brand:

1. IF YOU OFFER INTERNATIONAL SHIPPING, SHOUT ABOUT IT!

Clearly communicate on your landing page that you offer international sales. A banner on your homepage is a great way to deliver this all-important message.

2. OFFER A RANGE OF SHIPPING OPTIONS

<u>62% of consumers</u>⁷ expect their orders to arrive in two days or less. Expedited shipping options make it more likely that customers will complete their purchases, so offer express delivery whenever you can. Be sure to highlight that you offer express delivery at key customer touchpoints on your website to incentivize them to spend more.

3. DON'T HIDE SHIPPING CHARGES

Hidden or unexpected delivery charges are one of the biggest causes of cart abandonment. So, remain transparent about shipping costs – or integrate shipping into your selling price and offer free or low-cost shipping. We'll talk about landed costs later on, but for now, be sure to make it clear if additional shipping charges apply.

4. DON'T MAKE CUSTOMERS JUMP THROUGH HOOPS

Make the purchase journey as simple as possible for your customers. Minimize the clicks they'll have to make and get them to the checkout as fast as you can. If you haven't had your site analyzed or planned by a User Experience (UX) designer, then consider investing in a consultation to help optimize the user journey.

5. CONSIDER YOUR RETURNS POLICY CAREFULLY

92% of customers who receive a good returns experience will make repeat purchases, so it's in your best interest to ensure this process is easy for your customers. If you can afford to offer free returns, all the better.



The quality of your product is important, but so is the emotional benefit gained in owning your product. Talking up not only the features, but also the value and status of your brand, can help emphasize the benefits of both.

Study your competitors and analyze how effectively they present their brand. Look at what is – and isn't – working for them and apply what you've learned to your own brand initiatives. DHL Express can support you with <u>market intelligence</u> to reveal your competitors' secrets. Here are our three key branding tips.

1. ACCENTUATE THE POSITIVE

Customer reviews and testimonials are a great way to win trust. Make positive reviews visible on your site and social media. Actively encourage buyers to post reviews and share your store's content on social media.

2. LET YOUR PACKAGING DO THE TALKING

Consumers like receiving products almost as much as using them, and this presents a can't-miss opportunity to enhance your brand. Branded packaging excites – it says "my stuff is here!" If you can, show your packaging or labels on your website somewhere – perhaps as an image on the shipping information page.

3. PROTECT YOUR PRODUCTS - AND YOUR MARGIN

Be clever about your packaging design by tailoring your product packaging to fit neatly inside the shipping box – this will reduce your packaging production costs and provide more protection to the product(s) during transit. DHL Express provides a great range of standard shipping carton sizes, so find the optimal shipping box



Gavin Conboy, Vice President Global Operations Programs at DHL Express, knows the power of good packaging for international shipping. His advice:

- Pack to protect your product against physical damage
- Use strong containers
- Avoid over packing and keep weight distribution even
- Help the buyer identify your shipment with standout labelling





SECTION FOUR

HOW TO STRENGTHEN YOUR SUPPLY CHAIN

A smooth logistics supply chain is critical for international e-commerce. Your customers want speed, reliability, tracking, and flexible delivery – along with an easy returns process. When your product travels halfway around the world, end-to-end service is central to the customer experience.

"IN THAT CRUCIAL LEG OF THE CONSUMER JOURNEY, IF YOU MESS UP ANYWHERE, YOU'LL JUST GET A FLOOD OF CUSTOMER COMPLAINTS. THEY DON'T ACTUALLY CARE IF THE ERROR WAS ON THE FACTORY LINE, THE COMPANY'S SIDE OR EVEN THE LOGISTICS SIDE, THEY ONLY CARE THAT THEY DIDN'T GET THEIR PRODUCT, OR IT WASN'T SHIPPED TO THEM CORRECTLY. AND THAT'S WHY THE DEVIL IS IN THE DETAILS. LOGISTICS CAN TEAR DOWN ALL THE BRAND CAPITAL YOU JUST BUILT."



Jason Zheng, Mobvoi



FIND A PARTNER THAT HELPS YOU DECODE THE JARGON

Successful global shipping isn't rocket science, but it does come with its own set of technical terms. If you're good at Latin, you're in luck: from de minimis (a level of import value beneath which no duty is due) to ad valorem (meaning taxes are due in proportion to the value of the goods), international shipping and customs is filled with acronyms and jargon. To get a quick understanding of the terms you need to know, check out the <u>DHL Express Jargon Buster</u>.

In short, it's a minefield.

Customs regulations vary from country to country. For instance, Algeria bans the import of more than 400 medicines, Nigeria says no to plastic flowers, and Argentina won't allow maps in GPS systems. Business association websites are great resources for helping you to understand customs compliance, but it's up to you to find out what might be banned in your target destination. Every territory has its own set of import rules and regulations, and knowing these well will help your shipments get delivered on time. If you don't know your target region's import regulations, you might be doing more than just making life difficult for your customers.

For example, if you ship a product to a customer in a different country and you don't pay the correct VAT or customs duty, the customer will have to pay it themselves. And that's not great customer service. What's more, the product could be delayed for weeks or even months.

You may decide to hire a broker to act as your agent during the shipping process, to help you prepare documents and clear merchandise for customs. The good news is that DHL Express does this every day by acting as a broker on your behalf, so you don't have to know every term in the book before you start your international e-commerce journey.





THE BIGGEST **BARRIER TO SMOOTH** INTERNATIONAL **SHIPPING**

Shipping your products by land, sea, or air is only half the challenge. The biggest hold-up isn't bad weather or poor transport networks, but the humble invoice description. Incorrect descriptions of products and shipments on commercial invoices are the cause of most shipping delays. Descriptions like 'sample', 'machine parts' or 'T- shirt' are too generic. You're going to need to know the Harmonized System (HS) code for your product, and make sure it's listed on your paperwork. But what paperwork do you need?

The most important documents you're going to need to know about are these:

WAYBILL

Your waybill contains all the information your shipper needs to keep your package moving towards its target. With DHL Express, you can create your waybill online, allowing you to stay aware of missing or incomplete information, as well as selecting any applicable DHL services you might want to provide.

COMMERCIAL INVOICE

The first international document that you'll prepare as an exporter, this is required for any shipment with import duty to pay on it. It serves as a bill for the goods from the importer to the exporter, and is evidence of the transaction.

IF YOU'RE EXPORTING:

Additional documents may be required for exporting, including Electronic Export Information (EEI) for high-value shipments, a Certificate of Origin, or other Special Case Documents.

IF YOU'RE IMPORTING:

A variety of documents may be required, including a Certificate of Origin, Packing List, Power of Attorney, Licenses, Permits, Carnets, and more.





HOW TO SHIP GLOBALLY: YOUR PAPERWORK CHECKLIST

Find out if the country or region you're exporting to adds VAT or customs duties

Confirm that all associated costs and import duties are correct

Provide all the necessary documents:

- Complete your waybill with the correct Harmonized System (HS) code
- Include the commercial invoice description fully and legibly
- List each product separately, each with an accurate description
- Check for consistency across all documents

Make sure documents are clearly written, typed, or electronically submitted

Provide as much detailed information as possible

Ensure that the receiving country or person is not on a Denied Parties list



SECTION FIVE

HOW TO GET THE LAST MILE RIGHT

Around the world, 4.2 billion people live in cities. By 2030 this is set to grow by a further 600 million. Digital retailers and their logistics partners will need to embrace bold new approaches and technologies to operate in the face of explosive growth. According to a recent study by DHL and leading market research firm Euromonitor, the last mile of a shipment's journey is the most complex – and critical – success factor for e-commerce businesses.

as efficient and as fast as possible.





In 2019. DHL and Euromonitor identified the four main trends shaping urban last-mile transportation:

LOCALIZED DELIVERY

Delivery networks are shifting their supply chains to focus more on regional fulfillment strategies with the aim of shortening the last mile.

FLEXIBLE DELIVERY NETWORKS

Customers increasingly expect to be able to choose when, where, and how parcels are delivered. The growing variety of flexi-delivery solutions has transformed the way transport operators service the last mile.

SEASONAL LOGISTICS

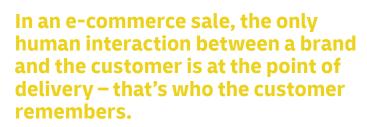
E-commerce has increasingly penetrated globally celebrated holidays, regional holidays, and commercial holidays, resulting in significant spikes in sales during these periods.

EVOLVING TECHNOLOGIES

Localization, flexi-delivery solutions, and seasonal logistics solutions have all been facilitated by innovative technologies. Logistics players are increasingly adopting AI and the use of big data analytics to work towards flexible models.

THE HUMAN TOUCH

Service ambassador, street-smart navigator, shipping expert couriers are the human touch point for the e-commerce transaction, so choose your international shipping partner wisely. While your brand sets you apart, it's your DHL Express courier who brings you and your customer together.



Leendert van Delft, Vice-President Sales Programs, Global & Europe, DHL Express







YOUR OPTIONS FOR LAST-MILE DELIVERY

DHL Express' On Demand Delivery service provides your customer with in-flight delivery options in 165 countries. With it, you can choose to activate specific delivery options and have DHL Express notify your customers via email or SMS about a shipment's progress. The customer can then select the delivery option that best suits their requirements via the On Demand Delivery website. It's a service that is designed to meet the demands of international e-commerce deliveries, where customers crave flexibility and convenience.

And, if your customer needs a package by a set time, a <u>Time Definite International</u> delivery service offers the chance to do just that. Global reach and local teams ensure fast delivery with end-to-end tracking and customs clearance, so your customers can rest assured that their package will be with them in time.

Re-directing deliveries to service points and parcel lockers is also increasingly popular, further concentrating deliveries into urban areas. DHL Express offers network service points and parcel lockers in more than 60,000 locations worldwide.







SECTION SIX

GLOBAL SHIPPING: YOUR FINAL CHECKLIST

Getting your business ready for global e-commerce might seem daunting, but with the right shipping partner on your team, it doesn't have to be. From generating electronic waybills to preparing paperless customs documents, worldwide tracking at every mile, in-flight delivery options and safe and secure doorstep delivery, DHL Express simplifies cross-border e-commerce around the world.



The world of e-commerce is waiting. Make sure you've ticked all the points on the list below to maximize your chances of becoming a global success:

Set yourself up for international e-commerce



Take the DHL Express Website Health Check to confirm you are set up for international sales



Ask DHL Express to help identify the markets that are interested in your product



Is your website available in multiple languages?



Do you apply currency conversion?



Do you offer localized payment options?



Are international delivery notifications and in-flight options provided?



Do you know your duty and tax?

Avoid cart abandonment



Tell as many people as possible that you deliver internationally



Offer a range of shipping options



Don't hide shipping charges



Make the customer purchase journey as simple as possible



Consider your returns policy carefully

Define your global brand strategy



Use testimonials from global customers



Use branded packaging and labels where you can



Design your packaging to fit neatly inside shipping boxes to protect them

Strengthen your supply chain



Understand the key paperwork required for customs clearance



Find out if the country or region you're exporting to adds VAT or customs duties



Confirm that all associated costs and import duties are correct



Make sure you have the correct HS Code for your product



Correctly complete your waybill and commercial



List each product separately, each with an accurate description



Talk to your shipping partner about other paperwork required



Check for consistency across all documents



Provide as much detailed information as possible



Ensure that the receiving country or person is not on a Denied Parties list

Get the last mile right



Give as many delivery options as possible to your customer



Consider On-Demand Delivery and Time Definite International options



Find out about service points or parcel lockers in your destination country and consider offering delivery to those



DHL Express

SO, ARE YOU READY TO TAKE YOUR BUSINESS GLOBAL?

DHL Express is available to fit shipping, tracking and delivery management tools to the needs of your business. When you ship with DHL Express, you're getting more than a worldwide shipping service, you're accessing a global network of certified international specialists to support your cross-border e-commerce journey. And of course, there is a wealth of FREE e-commerce information and business advice available at Discover DHL.

Cross-border e-commerce is growing at twice the rate of domestic online sales. Seize the opportunity and ensure your sales, fulfillment and last-mile services are ready for the global marketplace. Get it right, and your new international customers will take your sales to world-beating heights!

References:

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I'M READY TO START MY E-COMMERCE JOURNEY. WHAT NEXT?

Take advantage of our business expertise by opening an account with DHL Express.

<u>Visit our website</u> and we'll be delighted to help.

DISCOVER.DHL.COM. Global Shipping

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