

Top Tips for Going Global

eCommerce has entered the mainstream in force, with the Global eCommerce market now standing at over \$1 trillion - so retailers who ignore this growing market segment do so at their own risk. But how does a traditional 'bricks and mortar' business move into the internet space?

Dave Emerson, Group Sales and Marketing Director at SEKO Logistics, provides some handy hints for retailers, e-tailers and brand owners who are looking to expand their eCommerce presence into new territories.



"As retail revenues level off in Western markets, British companies and brands are starting to focus more and more on gaining a foothold in developing markets - with some high profile successes.

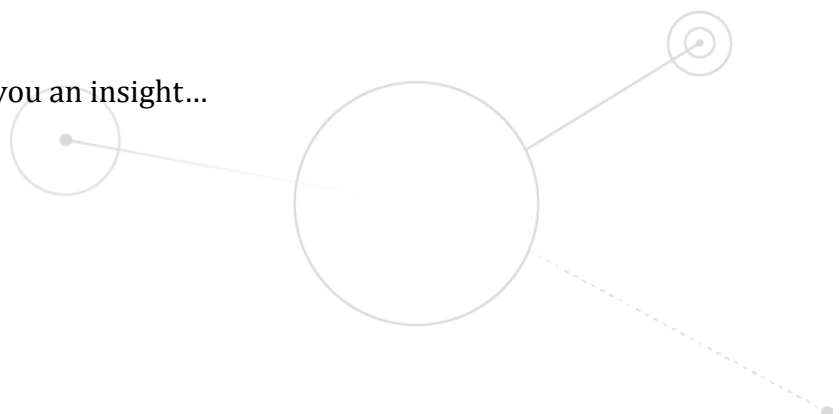
Making the decision to move into a developing market is a popular way of reaching new growth targets - but to achieve this, companies have to look through the online lens rather than just the traditional 'bricks and mortar' one, when it comes to deciding how to approach the challenge.

As an eCommerce retailer that is looking to grow worldwide, you need to think like your consumers - who walk into a store, choose and pay for items, and bring them home instantly. When shopping online, these Global customers expect even more convenience, not less.

With Internet storefronts providing lightning-fast ordering and payment processing, customers expect same-day shipping and speedy delivery of their purchases to complete the shopping experience - wherever they are in the world!

Great British brands such as Cath Kidston, Reiss, Molton Brown, Charles Tyrwhitt Shirts and Lulu Guinness have all succeeded in meeting this challenge. So what is the secret of their success abroad?

These Top Ten Tips may give you an insight...



1

Be realistic about the challenge ahead

Moving from bricks and mortar locations only, to a business model that includes eCommerce is challenging for any type of organization. However successful your retail business is, you have to go back to the beginning and rethink your entire business strategy – to ensure eCommerce will integrate into your business successfully.

2

Be clear about the long term goal

In an ideal world, you want to develop the kind of customer relationships and loyalty that you have with consumers who visit your stores in person, even though you will never see your online customers face to face. The first part of that process involves creating a warm customer environment, ensuring a smooth order and checkout experience, and building an online community. You then need to think about seamless order fulfillment, speedy delivery and easy returns – if you are going to successfully introduce this new sales channel.

3

Find out where the fast growth online markets are

Building an online presence is a low risk way to test new markets or complement existing store footprints. But to gain maximum advantage from these strategies, you have to know a country's true eCommerce potential, and its online market challenges. And the way to do this is to engage one of a growing number of credible eCommerce consulting companies, who can provide valuable advice and support – enabling you to significantly exceed your original online growth aspirations.

4

Never under-estimate customer expectations

Managing an online store, which is used by customers worldwide, requires more than a pretty website or even a highly functional one. When the customer has made the purchase, you need to know exactly what is going to happen next, in order to meet their delivery expectations. And furthermore, when they receive it and don't like it – you need to have a plan in place for how they can return it!

5

Opt for a fully integrated solution

Working in a piecemeal fashion, with a website provider that lacks logistics experience, can cause real issues. So it's far better to find a Global logistics partner that has eCommerce specialists, who knows how your back end systems need to connect to your eCommerce storefront. One that can build complete solutions which fit together seamlessly, and will support your ability to deliver to your customer's demanding requirements.

6

Think about what's going on behind the scenes

Your eCommerce storefront needs to be far more than just a website. Behind the scenes, it also has to operate as a fully integrated online order fulfillment, inventory management and shipping application. Working with a partner that specializes in smart logistics solutions is essential. One that can build your eCommerce websites to deliver the optimum customer experience while smoothly integrating with logistics processes behind the storefront.

7

Extend your supply chain reach

You need to grow quickly on order to respond to consumer demand, but you also need to reduce risk and lower your fixed costs. So rather than establish full distribution centre capabilities in foreign countries, many companies prefer to find a partner that can provide the overseas warehouse space they need, coupled with flexible 'pay as you go' logistics services.

Working with an external specialist can support you in scaling your store footprint and eCommerce sales, without the risks of fixed facilities and operations. So if you are planning to growing Globally, it's vital to partner with a flexible worldwide logistics organisation that has the experience, the know-how, the facilities and the resources you need in order to build a low cost, activity-based extended supply chain strategy.

8

Local knowledge is vital

Local bureaucracy and red tape all add complexity when trying to get your goods to a new store in China or Russia for example. Issues like sales and corporation tax, international security, border controls, documentary requirements and Customs duty and all have to be considered – yet despite these challenges, consumers still expect to receive their goods next day if ordered online!

The answer is to establish strong working relationships with international freight forwarders and Customs duty consultants. This will help you to build an internal reference guide and robust operating procedures for regulatory compliance and fulfilment costing, by channel and by market.

9

Satisfy your customer's need for information

Consumers are information hungry and time pressed, so they want the convenience of products being delivered to their homes or made available for collection from a pick-up point at a time that suits them. And if a product is not available for any reason, they expect to know at the click of a button when it will be available and be able to place a back order. It's essential therefore, that when it comes to stock – you have complete Global visibility and control.

10

The right technology will provide the answer

Work with a logistics provider who can deliver a best-in-class inventory management solution across all your Global territories, and one that also has the capability to integrate seamlessly into your existing information systems. By doing this, you will always be able to answer the questions that your customers have – whenever they ask, and wherever they are.

So going back to the brands mentioned previously who have all had significant successes when 'going Global' - how did they deal with these challenges and what do they all have in common? The answer is that Cath Kidston, Reiss, Molton Brown, Charles Tyrwhitt Shirts and Lulu Guinness all work with SEKO Logistics."

What now?

To find out more, visit http://www.sekologistics.com/en/services/omni-channel_logistics/ or email hello@sekologistics.com.

About the author

Dave Emerson has over 25 years experience in international logistics, having held senior management positions in the UK, USA, Hong Kong and Singapore, with Expeditors and Eagle Global Logistics (now CEVA Logistics).

He is responsible for all client-facing activities across the SEKO group, including sales and marketing, account management and customer solution development - working with the SEKO software team to develop specific web-based solutions for the UK client base. He is also responsible for eCommerce and fulfillment product development within the UK and globally.

Outside of work, Dave has two grown up children aged 21 and 19 who are doing their best to bankrupt him and likes to play golf and tennis. Dave is also an avid supporter of Arsenal FC and London Irish rugby.

