

Selling internationally:

Your **step-by-step** guide to cross-border **expansion**





Did you know that by 2030, the cross-border ecommerce market is expected to reach a whopping **\$7.9 trillion?**

More and more people are taking their shopping global. **Over half** of consumers plan to up the ante to increase their international shopping spend. This means the world's your stage, shoppers are no longer spectators. They're active participants, eager to dive into international shopping sprees.

But let's be real—cross-border expansion can feel like a maze. Tax? Compliance? Logistics? Where do you even start?

Don't worry. This ebook is packed with all you need to know, from navigating different markets to mastering logistics and everything in between. So, grab a comfy seat, maybe a cup of your favorite brew, and let's get into it.



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1. Pick your next market playground

Before you pack your business bags and jet off to new markets, it's critical to first pick the right playground. Just like in real estate, it's all about location, location, location, knowing the rules of the game, and who else is playing.



“The key to picking the right market is to understand where your product fits. Start by identifying markets with a demand for your offerings.”

Matt Little,

Founder and Managing Director
of Festoon House



Scout the terrain and market demands

Embark on your global expansion journey by carefully choosing the right markets, not just by tossing a dart at a map, but by understanding the pulse of potential markets. Are the locals tech-savvy enthusiasts or just warming up to the concept of ecommerce?



When considering market selection, analyze not only market size but also digital penetration and buyer's purchasing power. Markets with high international SEO demand for your product can be a strong indicator of untapped potential.

Gianluca Ferruggia,

General Manager at DesignRush.

Use tools like [Google Market Finder](#) to decode ecommerce penetration, revealing where your products might strike a goldmine. Forget about fleeting trends in the context of global expansion, they tend to pass, instead look at where the real sustained product demand is – what essentials do locals consistently invest in? Perhaps it's eco-friendly gadgets or lifestyle tech?

You'll also need to take a very, very, VERY deep dive into market research reports to pinpoint which devices consumers prefer to shop on, which marketplace platforms are popular, and what shopping habits you need to tune in with to grab consumer attention.

Get to know the evergreen favorites and you're already halfway there.



Map out the online marketplace landscape

Venturing into online marketplaces can significantly bolster your global expansion strategy.

Each marketplace has its unique ecosystem, characteristics, and customer base, which means a one-size-fits-all approach won't cut it. Start by identifying leading online marketplaces within each target market; do they favor Amazon, prefer Alibaba, or is there a local giant like MercadoLibre or Rakuten capturing consumer dollars?

Also consider the marketplace's geographical reach and logistical support. For instance, Amazon FBA can be a game-changer for efficiency and customer satisfaction if you're lacking the resources or know-how to do it yourself. Aligning with a marketplace that offers robust warehousing and shipping solutions can ease entry barriers and assure fast delivery times.

✓ Top Tip

Don't simply catch the next wave, find where the water is deep and rich with opportunities to ensure your products meet a real, enduring need.



2. Conquer the compliance maze

Once you've opted into your next new market, it's time to look at compliance (yes, I know it sounds boring). BUT, think of compliance as your roadmap, not your roadblock.

The more compliant you are, the more respect and loyalty you'll garner from customers, which can be especially hard at first when breaking into new markets.

It doesn't matter if you're gearing up to enter the US, UK, or Europe, understanding the essentials of compliance will help keep your horse in the race. And as there is tons of information available on compliance in the global ecommerce space, we're going to focus on a few key markets and a few key regulations...



Know the trade law arena

First, explore the local trade regulations that reign supreme in each market.



When dealing with compliance, partnering with local legal and business consultants can be invaluable. They can help navigate complex import/export regulations, duties, taxes, and international trade agreements specific to your industry.

Gianluca Ferruggia,
General Manager at DesignRush

In the US, saddle up with the [U.S. Customs and Border Protection](#) to ensure your products meet the mark. Across the pond in the UK and EU, keep a keen eye on [VAT rules](#) and customs duties that can shift as often as the tides (more on that later). Tools like [Avalara](#) or [TaxJar](#) are super helpful to steer safely (and more importantly, compliantly) through these treacherous waters, and will help keep your compliance strategy nice and nimble.

Dodge the custom duties barrels

Customs duties might feel like roadblocks, but they play an essential role in international trade. Familiarize yourself with tariff codes and duty rates, which are vital for efficient customs clearance. Leverage free trade agreements such as the [USMCA](#), to simplify your logistics and reduce costs within North America, turning potential obstacles into a smoother path.

Understanding and optimizing customs procedures can help ensure your products move swiftly across borders, minimizing delays and unexpected costs. [Partnering with logistics experts](#) and using automated tools can further streamline these processes, ensuring compliance with varying international requirements and enhancing overall efficiency.

Uphold quality above all

Product quality is essential to gaining trust and loyalty in every market you enter.

In Europe, obtaining a [CE marking](#) signifies compliance with stringent safety and environmental standards for products such as electronics. Over in the US, meeting rigorous safety regulations is especially crucial for items like children's toys.

To achieve these standards, invest in third-party testing and certifications; this will not only boost your brand's credibility but also build consumer confidence globally. Upholding superior quality across different regions assures customers that your products are reliable and safe, paving the way for a reputable presence in international markets.



3. The thing about tax

This is where going global means the art of number crunching gets a bit of an international twist...

Whether you're an ecommerce entrepreneur or a financial aficionado stepping into multiple markets, understanding the nuances of VAT/GST, [other taxes](#), and currency risks is crucial. Let's break down some key points for the US, UK, and EU.



What's the deal with VAT and GST?

Value Added Tax (VAT) in the UK and EU and Goods and Services Tax (GST) in the US might sound daunting, but they're really just fancy ways of talking about sales tax.

Once your sales hit certain thresholds – **£85,000** in the UK, for example – you'll need to register and start collecting VAT. Remember, when it comes to VAT in the EU, every country plays by its own rules, so what works in Germany might not fly in France.



When dealing with VAT/GST and other taxes in different jurisdictions, my tip is to implement a robust tax management system that can automatically calculate and apply the correct tax rates based on the customer's location and the type of product or service being sold.

Sean Clough,
President at Harmony Lab

The US sales tax maze

Navigating the US sales tax landscape can indeed feel like wading through a maze, given that it operates on a state-by-state basis rather than a unified federal system.

Each state has the authority to set its own tax rates, rules, and regulations, resulting in a highly fragmented system. Local taxes can add another layer of complexity.

For ecommerce businesses, this means keeping track of sales tax nexus, which determines your obligation to collect taxes based on factors like physical presence or economic thresholds. Adopting a comprehensive tax management solution can help automate and ensure compliance, thereby preventing costly errors and penalties. Staying informed and proactive about changes in state tax laws can significantly streamline your operations and maintain your business's financial health.

Keep it clean!

Each market has its own reporting standards, which means you need to now also be bilingual in financial speak – probably not something that was in the job description.

In the EU, [International Financial Reporting Standards \(IFRS\)](#) rule the roost, while the US swears by [Generally Accepted Accounting Principles \(GAAP\)](#). Understanding these types of terms can help you create reports that are clear, compliant, and less likely to cause headaches further down the line, especially during dreaded audits.

4. The art of localization

When your business crosses borders, does it speak the local language?

Whether it's adapting your marketing or offering the right payment methods, localization is your secret ingredient to worldwide wooing.



Don't get lost in translation

First up, language translation goes way beyond swapping words, you need to resonate with local hearts.

“ Localization involves more than just translating content. I adapt my marketing strategies to match local cultural norms, preferences, and languages. This might involve modifying my website's content, design, and product offerings to better align with local tastes and regulatory requirements.

Joosep Seitam,
Founder of Icecartel

Invest in top-notch translation that grasps regional slang, humor, and cultural nuances. It makes customers feel at home with your brand. Also, a well-localized tagline can tickle just the right funny bone, unlike Pepsi's infamously bad [Chinese tagline mistranslation](#).

Fit in to stand out

What dazzles shoppers in one country might flop in another.

Customize your marketing strategies to align with local tastes and media habits. What makes each market tick – be it through colors, imagery, or campaign messaging – ensures your brand doesn't just fit in but stands out.

Tread thoughtfully

Every market has its no-go zones. Cultural sensitivity is about navigating these wisely.

Steer clear of stereotypes and ensure your content respects local traditions and values. Avoid blunders to help build trust and show that you value your customers' cultures as much as they do.



Seal the deal

Ever bailed on a purchase because your [preferred payment option](#) wasn't available? I think we all have.

Don't let that be a roadblock for your customers.

From credit cards in the USA and AliPay in China to buy now pay later options in the UK. Offering preferred payment options can dramatically boost your checkout conversions. For example, PayPal is a preferred option in the UK, and the provider surveyed the results of ecommerce businesses not offering consumers their preferred payment options.

The result?

[59% of respondents](#) have experienced customers abandoning their shopping carts due to their preferred payment option not being available.

If you make paying easy, you'll watch your global sales climb.

5. Logistically Speaking

As you chart a course through global markets, your logistics plan is your trusty compass that keeps your shipping ventures on track.

From shipping goods worldwide to handling the inevitable return, making sense of logistics is less puzzling than you might think.



Ship it like a pro

[Cross-border shipping](#) can seem like a jigsaw puzzle, but it's just about finding the right pieces.

“ Choose reliable international shipping options that balance cost and delivery speed to meet customer expectations. Plus, consider warehousing and fulfillment strategies that reduce shipping times and costs by storing inventory closer to your customers.

Matt Little,
Founder and Managing Director
of Festoon House

When shipping internationally, it's essential to align your shipping strategies with customer needs. For instance, offer express shipping options for customers who expect next-day or two-day delivery, while also providing economy shipping for budget-conscious shoppers who are willing to wait longer for lower costs. Partnering with local carriers in your target regions can enhance reliability and efficiency, as these providers understand the local landscape and can navigate regulatory hurdles more effectively.

Store smart

Storing inventory in multiple locations closer to your customer base can drastically reduce shipping times and costs. Consider using fulfillment centers in key markets to minimize long-distance shipping and improve order turnaround times. Additionally, leveraging advanced tracking technologies can offer real-time visibility for both you and your customers, ensuring transparency and trust throughout the delivery process.

Keep 'em coming back

It's not the most glamorous aspect of shipping, but handling returns well is one of the most important parts of the logistics equation.

One of the most important parts of that? Smooth returns! A recent YouGov survey found that over [43%](#) of consumers say the ease of returning products is very important to them during the purchase process.

Simplified return policies, clear instructions, and prepaid return labels can turn a potential headache into a quick and hassle-free experience.

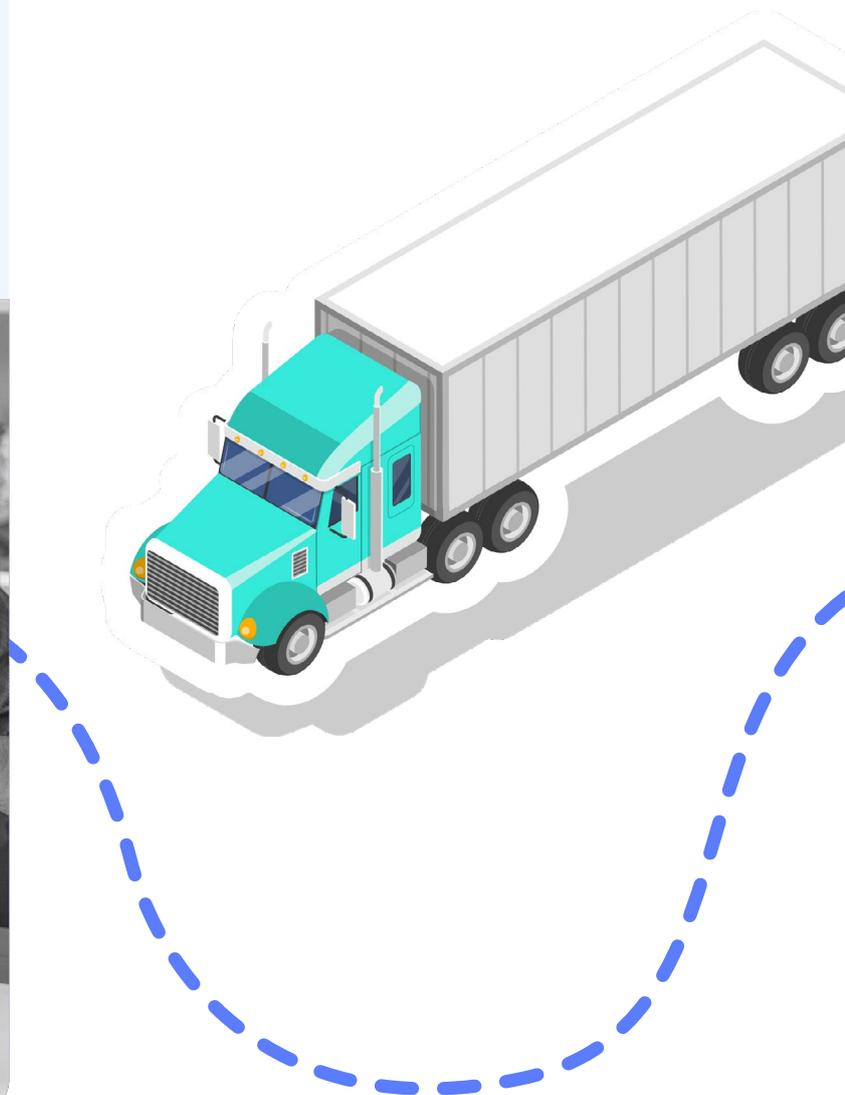
Make returns as painless as possible, so customers only remember the good stuff and share the word!



Partner up with the local heroes

Local logistics providers can be the unsung heroes of your international expansion play. With their home-field advantage, they know the best routes, understand local regulations, and can often expedite customs clearance.

Building strong relationships with these local experts streamlines your process and boosts efficiency. By leveraging their deep local knowledge and experience, you can navigate the complexities of international shipping more smoothly and ensure that your products are delivered reliably and on time.



6. Master global payments

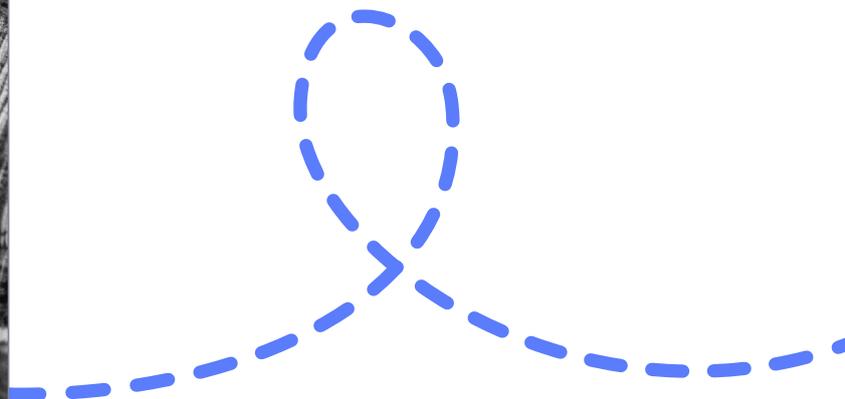
Now, let's talk money. Handling cross-border payments shouldn't feel like deciphering an ancient text. The goal here is to make every single transaction as smooth and secure as possible, like a well-oiled machine.



Lock down those payment getaways

Think of your payment gateway as the bouncer at the door of an exclusive club—it decides who gets in and who stays out. A rock-solid payment gateway is a must for any business diving into cross-border transactions. Invest in a reliable payment processor to keep both your business and your customers' financial data safe from the digital bad guys. Look for one with top-notch encryption and fraud detection, because, let's face it, no one wants to deal with a security breach.

And here's a tip: go for a payment provider with a global reach. Imagine that gateway breaking down all the language barriers, supporting multiple currencies, and knowing all the local customs (pun intended!). This will make the shopping experience seamless and delightful for your international customers. Trust builds business, and happy customers are the secret sauce for boosting your sales. So, set up those gateways and let the transactions flow effortlessly.

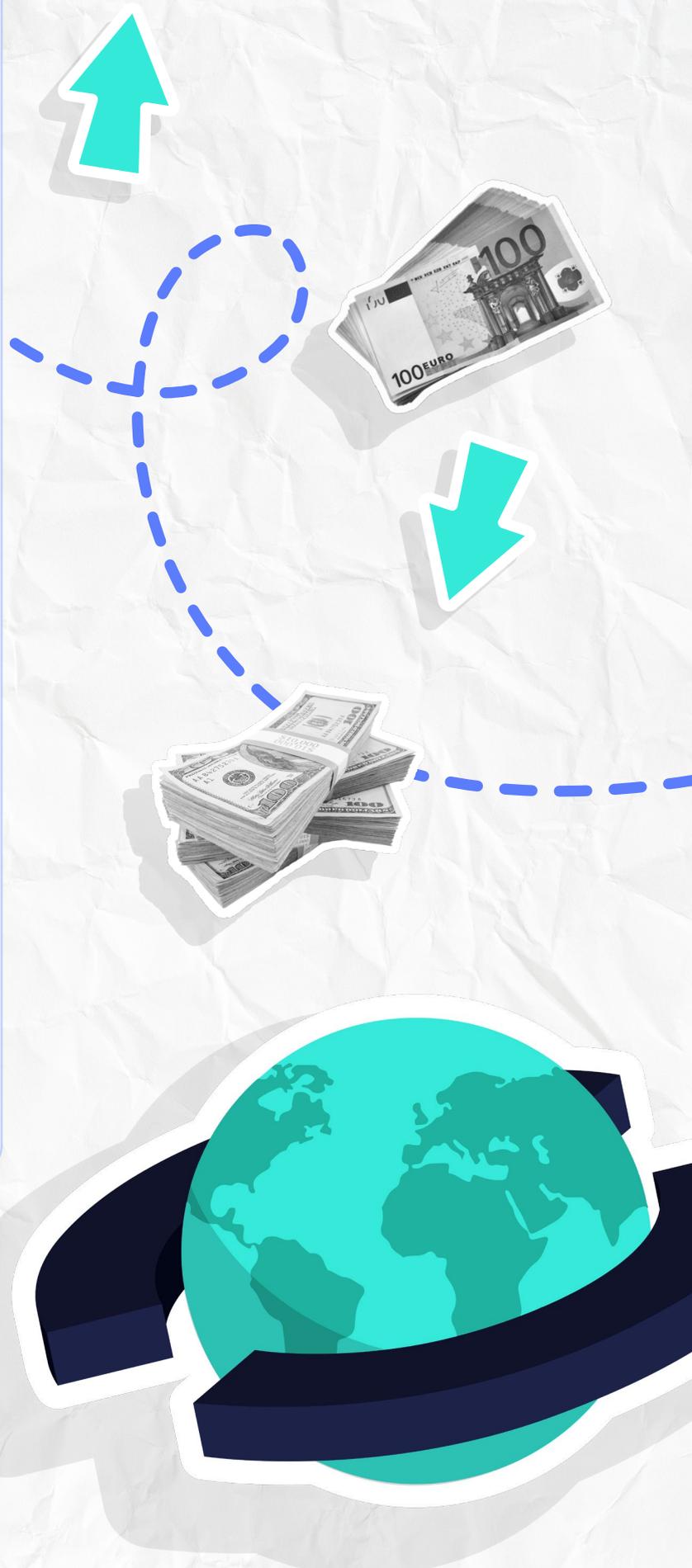


Local currency

Handling currency conversion can be a real head-scratcher when you're dealing with international sales. Think about it—your customers want to see prices in their own currency without feeling like they're getting shortchanged. That's where offering transparent and fair exchange rates comes in. No one likes surprises at checkout, right?

You might want to look into dynamic currency conversion (DCC) tools. Imagine your customer in Tokyo checking out your amazing product and seeing the price in yen—it's like you're speaking their language, literally! This makes their shopping experience smoother and a whole lot more enjoyable.

But, a word to the wise: keep an eye on those currency rates. They're about as stable as a house of cards in a wind tunnel. Fluctuating rates can be a real pain, so partner up with financial whizzes or services that specialize in forex management. They can help you keep everything ship-shape, making sure you stay competitive and profitable. After all, a little financial savvy goes a long way in keeping both you and your customers happy and coming back for more.



7. Win hearts (and customers) globally

Every time you interact with a customer, you've got a shot at winning hearts and creating lifelong fans. That's right, it's time to roll out the red carpet.

To really wow your international customers, you need to nail a few key things. Think multilingual wizardry, super-speedy response times, and a strategy that screams, "We've got your back!" It's all about building trust and making each customer feel like a VIP.

Talk in every language

Why just greet when you can charm?

Rolling out multilingual support isn't just helpful – it's a show of respect and understanding. Equip your team with AI-powered chatbots that natter away in numerous languages, or hire native speakers who can drop local lingo and cultural tidbits that make your customers feel right at home.

This is your global welcome mat that's rolled out in every conversation.

On-the-ball inquiries and complaints

Quick, how do you turn a frown upside down?

By handling complaints and inquiries with speed and a smile of course. Set up a system where responses feel personal and are timely. Whether it's through live chat, email, or social media, make sure your customers feel heard and respected.

Train your team to handle queries like a race pit crew – fast, efficient, and always on point.

Building trust, crafting reputation

Every chat, email, or call contributes to the mosaic of your brand's reputation.

Consistently excellent customer support is the golden thread that weaves through this mosaic. Share success stories and positive feedback across your platforms, such as newsletters and social media channels.

User-generated content (UGC) can offer that extra personal touch for potential customers, gently pushing them over the payment line. Research shows that [40%](#) of customers have bought something after seeing UGC on social media.

But remember, trust is not built in a day, but by being reliably good, day after day.

8. Assemble your tech stack dream team

Strap in and power up – choosing the right tech stack should resemble something like picking your own superhero team. As you venture into international ecommerce expansion, the right tools are crucial. Every hero (or tool) brings something unique to the mission: making your business faster, stronger, and smarter.

Ready to geek out and gear up? Here's how to build a tech stack that's more blockbuster than box office flop.

1. Ecommerce platform

Start with the foundation—your ecommerce platform. This is your home base where all the magic happens. You need a platform that's user-friendly and packed with features to support global ambitions. Look for seamless integrations with payment gateways, shipping solutions, and marketing tools. Shopify, WooCommerce, and BigCommerce are worthy contenders. Your platform should let your products shine, making it a show-stopper!

2. Marketplace management

Now that your ecommerce platform is set, it's time to branch out to marketplaces like Amazon, eBay, or Etsy. Marketplace management tools help you sync all your sales channels, making it easy to handle inventory, orders, and customer service. These tools save time and reduce errors. Linnworks, for example, offers robust features and a user-friendly interface, making it excellent for marketplace management.

3. Shipping and logistics software

Next, tackle your business's backbone—shipping and logistics. You need software that offers real-time shipping rates, quick label printing, and automation for tracking updates. Tools like ShipStation and ShipBob are great options. ShipStation connects with multiple carriers and provides customization, while ShipBob offers fulfillment services, perfect for outsourcing logistics.

4. Inventory and warehouse management

Inventory and warehouse management is where precision meets efficiency. Choose an inventory management system (IMS) with real-time stock visibility to minimize stockouts. While a warehouse management system (WMS) will further streamline operations with advanced features like barcode scanning and automated stock updates, ensuring your warehouse runs smoothly. Yep, we may be blowing our own trumpet again, but Linnworks has both of these capabilities.

9. Linnworks to the HomeScapes rescue

HomeScapes Europa Ltd found its global expansion dreams in Linnworks, turning once logistical headaches into a streamlined adventure. Here's the quick scoop:

Before Linnworks:

"Originally, [our biggest challenges were] with the allocation of picking," he said. "For example, in the UK we have two different locations. The courier would only pick up from one, and we would send a vehicle up to our other location and pick anything that was required from there to bring it back and then fulfill it. But obviously we needed to identify what we needed to go and pick up," Phil recounts, underlining the need for a more efficient system.

After Linnworks:

"Linnworks has streamlined everything... everything's a lot more slick now," Phil explained. The company moved from manual processes to electronic ones, like using pickwaves. "We just press a button and it automatically sends the orders now to the pickers," he said. This transition has allowed them to streamline the entire order fulfillment process.

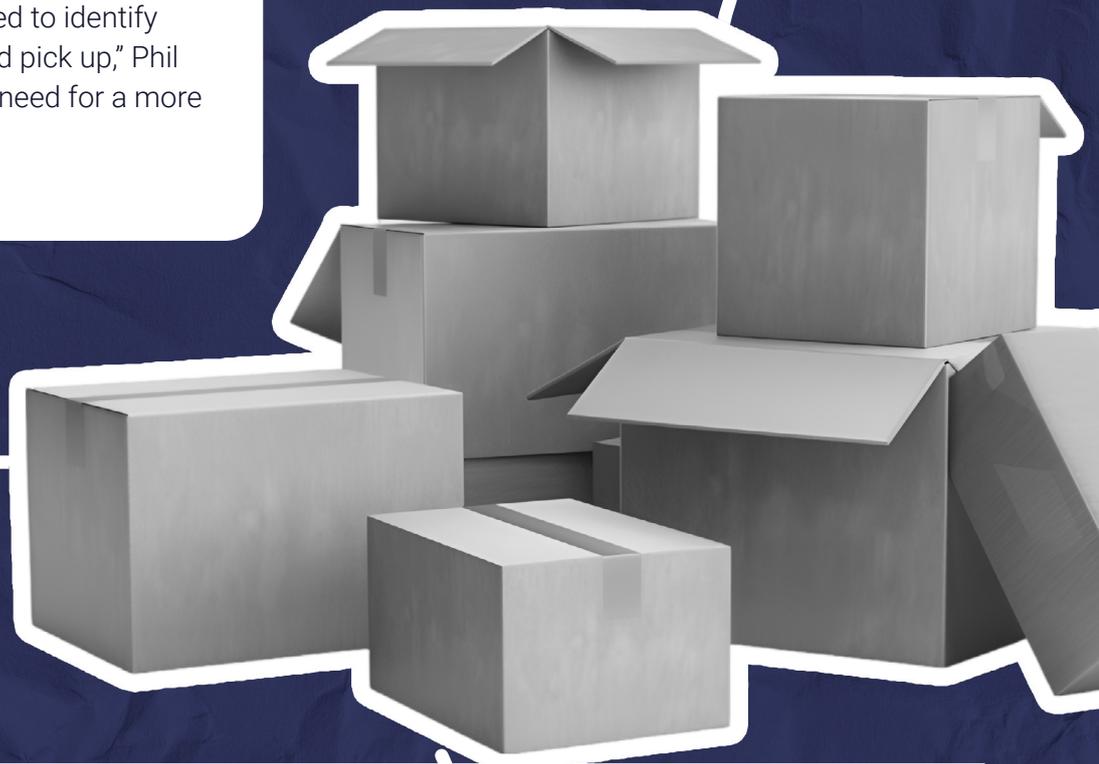


Linnworks didn't just streamline our processes – it revolutionized our customer promise from 'maybe' to 'absolutely'.

Phil Wright,

Founder, and Managing Director
of HomeScapes Europa Ltd

[*Read the full story.*](#)



Expand internationally with Linnworks

Ready to take your ecommerce business global? Linnworks is your ultimate partner for international expansion. With its powerful automation capabilities, real-time inventory management, and seamless integrations, Linnworks simplifies the complexities of operating in multiple markets. By consolidating your marketplaces and sales channels into one intuitive platform, Linnworks ensures you maintain control and visibility over your entire operation, no matter where your customers are located.

Linnworks brings three core attributes to businesses going global



1. connectivity for Global Expansion

Linnworks revolutionizes businesses by offering unmatched connectivity, linking retailers with an extensive network of marketplaces across the globe. From prominent platforms like Amazon and eBay to regional favorites, Linnworks ensures that businesses can tap into diverse markets seamlessly. Global connectivity is essential for businesses aiming to amplify their presence and reach a varied international audience, thereby boosting their global digital footprint. By leveraging Linnworks, retailers can effortlessly enter multiple markets, making their products accessible to a broader, international consumer base.



2. automation for Efficient Global Operations

For businesses expanding globally, Linnworks' advanced automation capabilities are transformative. By automating repetitive tasks such as product listings, stock management, order processing, and shipments, businesses can significantly reduce time and minimize errors. This efficiency is crucial in the highly competitive global e-commerce landscape, where speed and precision are key to meeting customer expectations and driving international repeat business.



3. centralization for Seamless Global Management

Centralization lies at the core of Linnworks' value proposition for businesses aiming for global success. Acting as a centralized hub, it offers retailers comprehensive control over their international operations across various platforms. From managing inventory and processing orders to streamlining shipping logistics — all accessible from a single dashboard. For businesses targeting global markets, this translates to enhanced consistency across sales channels, accurate stock level tracking, and smooth, hassle-free shopping experiences for customers worldwide, ultimately reinforcing trust and loyalty in their brand.



Find out how Linnworks can grow your business.

Request a demo at www.linnworks.com/demo.

Making commerce easy for all

Connected CommerceOps™