



// MAY 2021

# Go Global

Everything you need to consider  
before entering a new market.



The global shift toward  
ecommerce is undeniable



**Over 2.14 billion** people  
worldwide are expected to buy goods  
and services online in 2021.

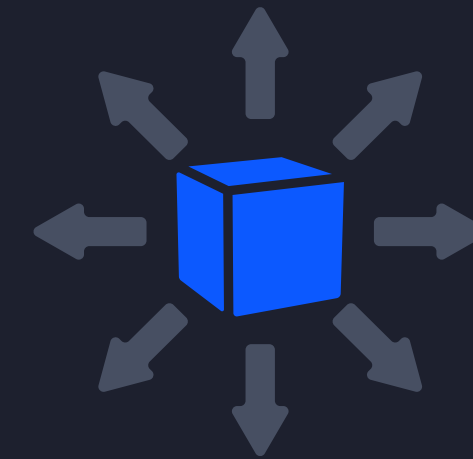


Global e-retail revenues are projected  
to grow to **\$6.542 trillion**  
US dollars in 2023.

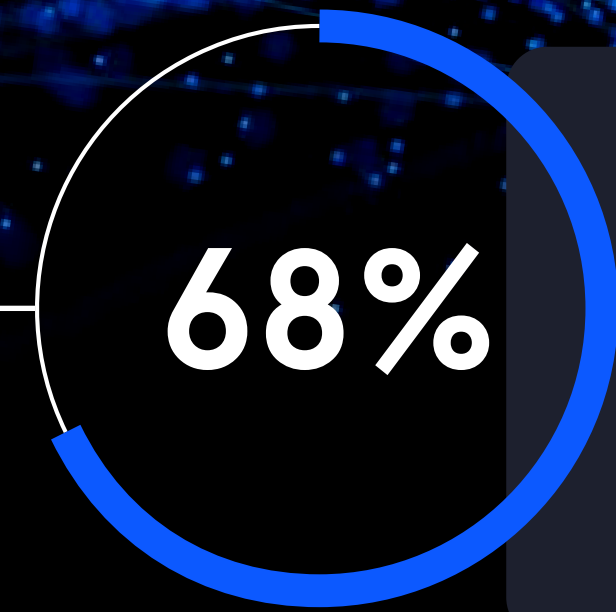
Internationalisation is an effective corporate strategy that focuses on making flexible products and services that can smoothly enter different national markets.



While globalism focuses on shipping goods around the world from areas of cheap-labour.



Internationalisation encourages businesses to think local and develop regional hubs that resource and distribute products via local means.



**DID YOU KNOW?**

Of business leaders have plans to enter new markets over the next 12 months.<sup>1</sup>

<sup>1</sup> <https://durhamlane.com/insights/entering-a-new-market-in-2021-heres-what-you-need-to-know/>



# Going Global

What are the main drivers behind the decision to expand across borders?



## Reacting to change

A company is pushed to internationalise by external factors.



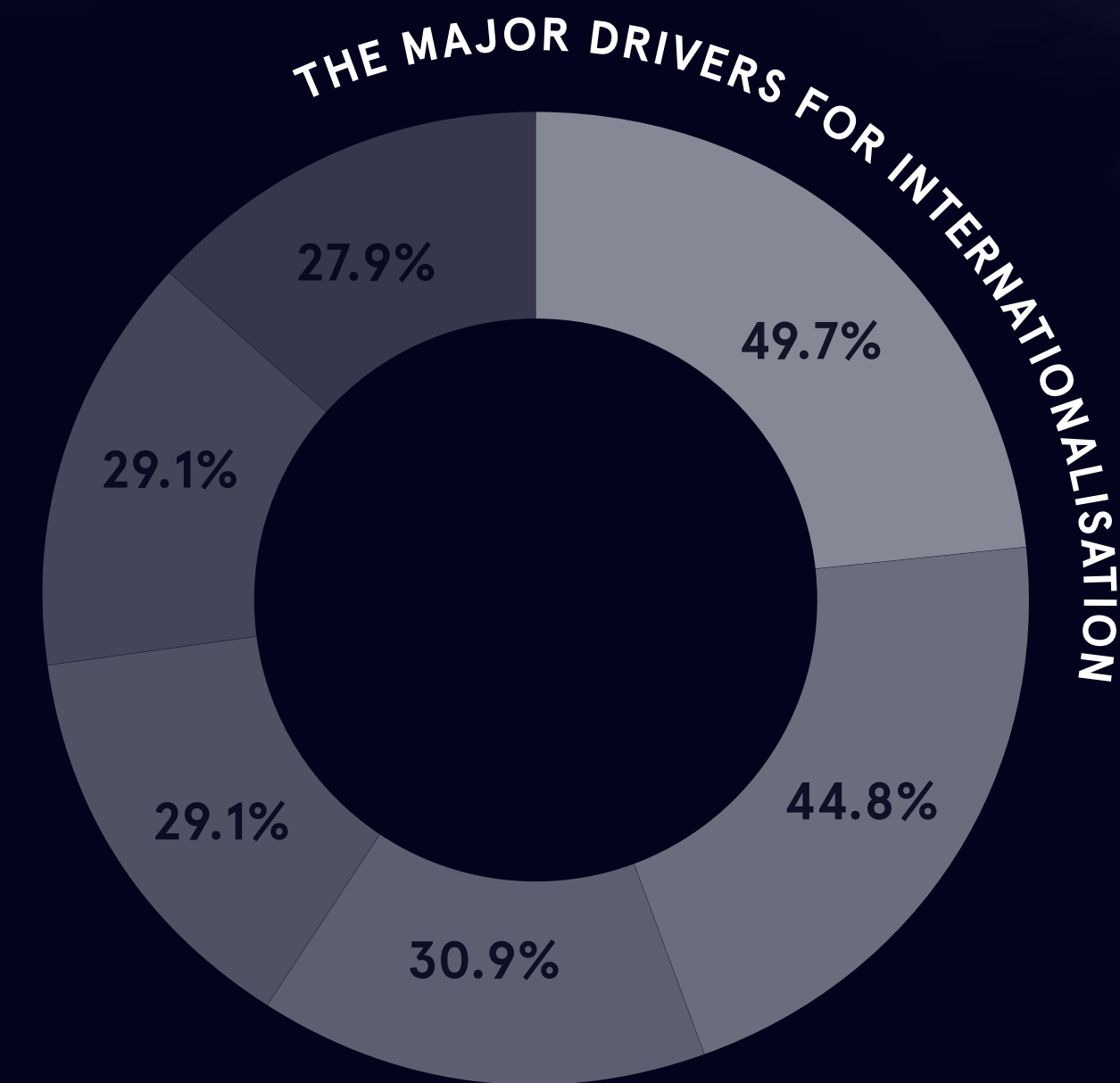
# Seeking change

A company is lured to a new territory by potential in the market



By anticipating first-mover advantages, proactive companies can gain high profits in new markets because of the absence of competitors.

- 49.7% of companies enter new markets to capture market share.
- 44.8% of companies enter new markets to expand their sales presence
- 30.9% of companies enter new markets to diversify their investments.
- 29.1% of companies enter new markets to acquire new top talents.
- 29.1% of companies enter new markets to achieve cost reduction.
- 27.9% of companies enter new markets to carry out M&A activity.<sup>2</sup>



<sup>2</sup> <https://bortobeglobal.com/2020/06/26/why-companies-expand-into-international-markets/>





# Overcoming Barriers

Any business looking to enter a new region should be wary of the cultural nuances and potential trade barriers that may constrict trade on both a macro and micro level.



## Barriers to cross-border ecommerce

Cultural	Product adaptation may be necessary to suit the needs of the local market. When entering the Indian market, Myprotein developed a series of localised products that would resonate with local consumers.
Governmental	Government regulation can be a major hurdle when entering new region. For example, in the UK certain food colouring agents are prohibited.
Language	In some cases, product packaging and websites must be totally redesigned to serve customers in a new language. Extensive research must also be conducted to ensure themes, product names, taglines, slogans, and concepts translate appropriately.
Technical	Adjusting for different markets may require companies to modify their products to meet stringent technical specifications.
Infrastructure	Depending on the market, there may be infrastructural issues that can stifle development and growth.



# Localisation

The key to entering a new market



Investment into a localisation strategy will make or break your efforts when entering a new market, so here's what you'll need to consider:

EFFECTIVE TRANSLATION



Around **56% of consumers** state that the ability to get information on products and services in their native language was more important than price.

THE ONLINE EXPERIENCE



Businesses must be considerate of the customer's needs; a brand website in a new market should typically reflect the local language and culture as around **75% of internet users** prefer to read product information in their native language.<sup>3</sup>

LOCAL PAYMENT OPTIONS



Customer payment preferences differ substantially in each region and businesses need a bespoke payment strategy for each country to **facilitate growth** e.g. cash on delivery, pay later, direct debit etc.

<sup>3</sup> <https://phrase.com/blog/posts/why-localization-is-about-survival-in-the-global-marketplace/>

DISTRIBUTION AND LOGISTICS



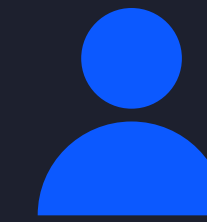
Using a local warehouse, introducing local final mile couriers, and extending the supply chain closer to the new market can substantially shorten delivery time, improve customer satisfaction, and **reduce overall cost**.

MARKETING



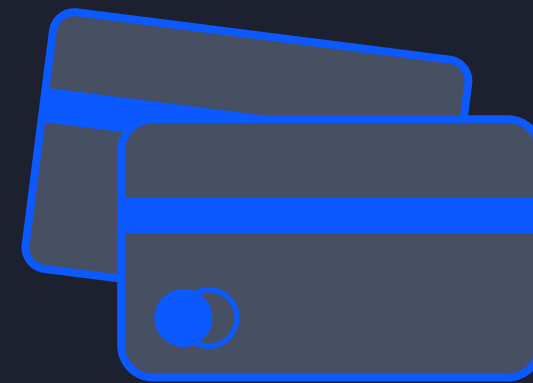
Make use of regional experts to provide **unique insight** into the trends and preferences of the customers you want to target. Using local influencers is another useful way of introducing products and generating interest in the new market.

CUSTOMER SERVICES



Using a **native-speaking customer service team** works to both enhance the customer experience and improve staff productivity by reducing the amount of time spent resolving issues.

In Brazil, up to 80% of all ecommerce payments are made in instalments and a significant majority of these consumers prefer to use credit cards.



However, many of those cards are not capable of cross-border payments.



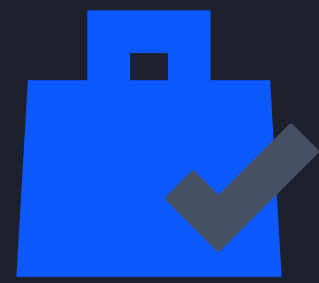
71%

**DID YOU KNOW?**

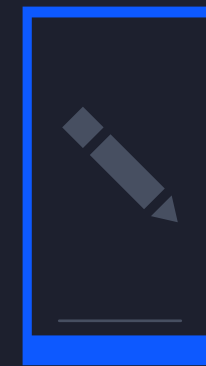
of marketing decision makers increase sales  
in their target market because of localisation



Around 90% of online shoppers choose their native language when it's available.



78% of consumers are more likely to make a purchase on online stores that are localised.<sup>5</sup>



86% of localised campaign creative for mobile produced more click-through and conversions than English campaigns.



80% of consumers are more likely to purchase from a company that provides a personalised experience and tailored content to the users' location.

<sup>5</sup> <https://phrase.com/blog/posts/why-localization-is-about-survival-in-the-global-marketplace/>



“(The) use of a large platform is associated with lower financial and market barriers...firms which sell through platforms tend to have higher shares of online sales, emphasising the important role played by platforms in overcoming some traditional market frictions.

NÉSTOR DUCH-BROWN, EUROPEAN COMMISSION

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**17 years' experience** growing our own brands from start-ups into the global pure play leaders in their respective categories



We have garnered **expansive industry insights** and understand the challenges of building a successful brand.

Our enterprise-grade offering provides the strategy needed to meet the complex needs of our clients, **helping them launch and scale into new markets across the globe.**

For more information please contact: [contact@thgingenuity.com](mailto:contact@thgingenuity.com)

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