

# Cross-border commerce

How to navigate the corridors  
of cross-border commerce

White Paper

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Featuring exclusive interviews with

**AliExpress™**

**JOOOM**

**myWorld**

**ASOS**

A White Paper produced by InternetRetailing in association with Worldline Digital Commerce

# #1

## Editor's introduction



**Liz Morrell**  
*Research Editor – InternetRetailing*

**As shopping behaviours have changed since the pandemic so too has the opportunity for retailers to extend their online reach. Consumers have grown more comfortable with shopping online and cross border, offering new avenues of growth for expansion-hungry retailers.**

Awareness of the benefits of cross-border commerce for sourcing wider product ranges, cheaper prices and finding something truly unique has grown significantly. And consumers have seen their traditional buying patterns shaken up, meaning that they are now more trusting of buying from retail names that they may not have even been aware of pre-pandemic.

So, consumer behaviour and expectations have changed and brought new opportunities for **retailers wanting to expand cross-border.**

**But how do retailers navigate these new opportunities and where should they focus their expansion?**

In this white paper, produced in association with Worldline Digital Commerce, we look at the new corridors of growth and the influence of changing behaviour on cross-border.

We include in-depth, exclusive interviews with retail giants including **AliExpress** and **Joom**, both of whom act as exemplars for cross-border expansion, and the need for localisation in cross-border markets, as well as the importance of partnership with experts already established in such markets.

**We start by examining the new corridors of cross border commerce and the change in consumer behaviours and expectations.** We look at how retailers decide which path to take and the enablers for international expansion. **And we end with an in-depth look at what the likes of AliExpress, Joom and myWorld are doing to make the most of the cross-border opportunity.**

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# #2

## Why retailers are rethinking their growth and expansion strategies



**Mike Goodenough**  
*Global Head of e-Retail – Worldline Digital Commerce*

**COVID-19 has been a catalyst for accelerating the growth of digital commerce and digital payment in the past year. Per Statista's calculation, e-retail sales surpassed 4.2 trillion U.S. dollars worldwide in 2020 by growing 25.7% in YoY.**

Amid the pandemic, the reduced access to stores prompted millennial and Gen Z shoppers to purchase online directly from international brands. 57% of the global shoppers said the pandemic had opened their eyes to the convenience and choice of e-commerce, according to ESW's Global Voices: Pre-Peak Pulse 2021.

To keep up with the pace of change, many leading international merchants have rethought their growth and expansion strategies for targeting high-growth/high potential cross-border corridors with specific product categories that they could focus. The evolution of these ecommerce corridors is a complex topic and depends on geo-political (trade agreements & tariffs, import duties etc.), economic (GDP, infrastructure etc.) and regulatory (taxes, tariffs etc.) factors in addition to changing consumer needs. Hence, the key challenges for merchants are coping with providing a localized offering, fulfilling regulatory & tax requirements, managing supply chain & logistics and offering a local frictionless payment experience which varies per country.

**The use of data is key.** Prior to making any decision online retailers can analyse their consumer traffic and target anomalies, such as a rise in orders from countries they are not specifically targeting. **Linking this behaviour with country specific information and payment trends, it is relatively simple to understand the potential revenue uplift and on-going growth potential when starting to develop a 'go-local' strategy,** firstly through language and product localization, followed by local currency and local payment methods to eventually an optimized shipping model.

Therefore, to have a trusted and experienced partner with local payment data and insights is key for success with the globalization of retail. As an independent and highly innovative pan-European company with global reach, Worldline can enable cross border payments and mitigate associated requirements (such as regulatory compliance, fund settlements, fraud prevention etc.) for our customers. Worldline is able to keep all facets of the payment experience under one roof and commits to providing true end-to-end and comprehensive solutions for international retail, which ensures that we stay on the top of our customers evolving needs.

### About Worldline Digital Commerce

Worldline Digital Commerce is the European leader in the payments and transactional services industry and 4th largest worldwide. The Digital Commerce business unit is part of Worldline and offers online payment solutions with a truly global reach designed to service distinct vertical business.

# #3

## Understanding the corridors of cross border commerce and the change in consumer behaviours and expectations

The pandemic tempted customers into new buying behaviours whether out of necessity – shopping online because stores were closed – or curiosity – trying new retailers as they embraced new hobbies or shopping patterns as a result of time spent in lockdown. This led to a huge surge in demand for ecommerce. In 2020, over two billion people purchased goods or services online and ecommerce sales surpassed \$4.2 trillion worldwide, accounting for 18% of all retail sales worldwide.

Yuri Ivanov, CMO and co-founder of international online marketplace Joom, says the growth of international ecommerce is unsurprising, given the benefits it offers to consumers. **“The main reason is that international shopping offers you real comfort,”** he says.

**“You have almost unlimited freedom of choice, and you can make your shopping decisions in a relaxed atmosphere while laying on your sofa or watching TV. You can compare products and find rare or interesting things not available locally, at attractive prices.”**

But the change in consumer behaviours isn't just a result of the pandemic. The 21st-century consumer demands endless aisles, multiple options and fast delivery and will shop with the retailer that can deliver on these demands – whether they are local to them or not.

Couple that with the rapid development of internet penetration worldwide, increasing mobile connectivity, cross border trade agreements as well as retailers' intensified efforts into their international businesses and improved localisation and it's easy to see why retailers and consumers are flocking to the opportunities offered by cross-border commerce.

**“International shopping offers you real comfort. You have almost unlimited freedom of choice, can compare products and find rare or interesting things not available locally, at attractive prices.”**

Yuri Ivanov, CMO and co-founder of international online marketplace Joom





## The influence of social commerce

There have been further changes which are driving the visibility of ecommerce. The rise of social commerce, as well as the shift by brands and retailers to live streaming shopping events, such as is now popular in China, is increasing demand.

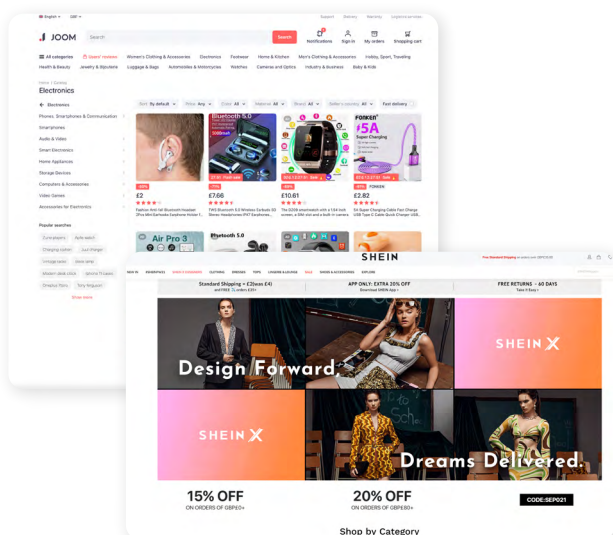
International fashion brand Shein, for example, has seen a massive explosion in consumer awareness in recent months, thanks mostly to its focus on social commerce and influencer strategies. It is forecast to hit 100 billion yuan in sales this year. The brand has been using social media influencers since 2011 and is now the largest cross-border fast fashion ecommerce company in China, selling in more than 200 countries. The hashtag #Shein is said to have amassed more than six billion views on TikTok.

Tactics such as live streaming shopping, a more comparable experience to physical retail, not only drives awareness and conversion directly but also increase the comfort of customers to shop online.

At Joom Ivanov says social commerce it's part of the company's DNA. **"From the very beginning we have been developing Joom as a shopping app with a built-in social network, personalised offers and recommendations and a platform for brands and influencers,"** he says.

And he says embracing social commerce during the pandemic helped to reassure customers at a time when they were hesitant about spending. **"Lots of global surveys showed that despite the rise of e-commerce globally, average online monthly spending per shopper had dropped. That's absolutely normal as far as in the period of uncertainty people are more susceptible to conscious consumption – they try to make better decisions and are looking for higher quality products at lower prices,"** he says.

**"For us, this became an opportunity to reinforce our influencer marketing and boost our internal bloggers' communities worldwide. We had more products tests and thus more reviews resulting in customers' confidence. We also introduced a manual quality-checking service – that let us become the first marketplace to verify products before shipping to customers."**



## Corridors of commerce

**If consumer willingness to buy is evident, and retailers' ambitions are big then where should retailers focus their attention for expansion?**

Mike Goodenough, global head of e-retail, Worldline Digital Commerce, says that retailers should concentrate on corridors of commerce – areas of potential international expansion that have some commonalities.

He says Worldline has identified several corridors of commerce where growth potential is significant and product demands are similar – including Europe to the US, Europe to China, US to Latin America, US to Apac and Europe to APAC.

**"The evolution of these corridors is a complex topic and depends on geo-political (trade agreements and tariffs, import duties), economic (GDP, infrastructure) and regulatory (taxes, tariffs) factors in addition to changing consumer needs,"** says Goodenough. However, he believes that cross border trade will continue to grow with cross-border online shopper penetration reaching 68% in 2020, according to figures from yStats. In 2020 APAC, North America and Western Europe dominated ecommerce sales while areas such as Latin America saw the fastest growth.

There are big opportunities not only for growth, but also optimising international markets to perform at their best with the appropriate level of localisation. This means that cross-border expansion is about more than just making sales in new markets but requires a focus on performance and optimisation to boost sales further. Goodenough says that he sees a number of retailers doing this. **"They are measuring their success beyond just 'how we have sold in Europe?' Now they are looking at how many people are hitting the payment or checkout page and any friction in the payments process,"** he says.



## 5 reasons consumers choose to shop cross border

- Cost savings / better prices
- Products not available locally
- Access to unique or special products
- Low shipping costs or free delivery
- Higher quality of products

# #4

## How should retailers decide which path to take?

With an increased consumer willingness to shop internationally, coupled with increased ease for the retailer to sell overseas, how should retailers decide which route to take?

**The chance to sell into new markets, boost sales and revenues and build their brand in other countries offers valuable growth opportunities which can't be ignored but must be tempered by the correct choice of target market and the appropriate level of localisation to maximise opportunity.**

Goodenough says here insights from retailer's partners, such as Worldline, can help; coupled with customer feedback and other sources of knowledge. "Payment insights can offer a lot of guidance, such as products in demand and geographies where such demand is generated, for example."

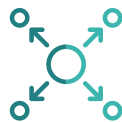
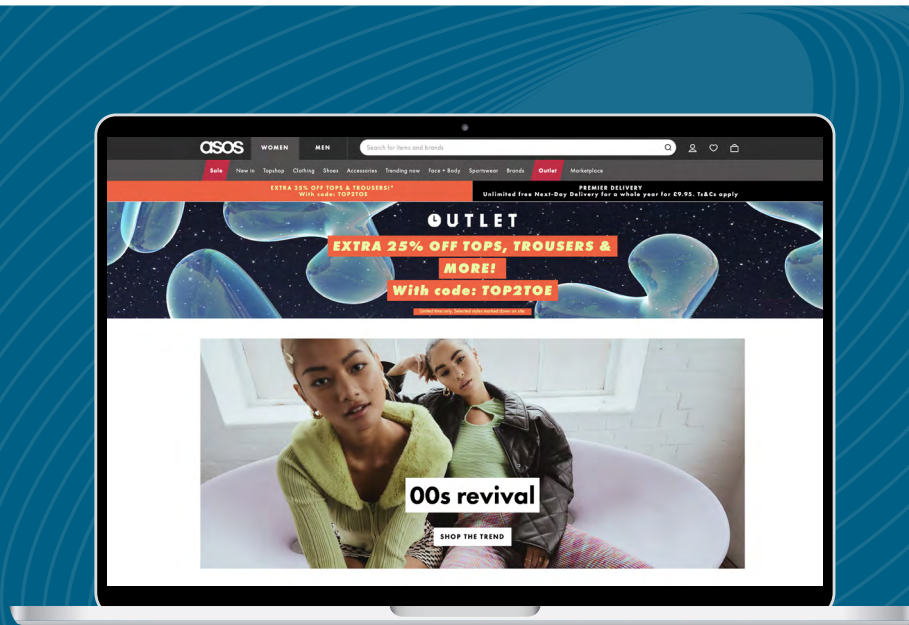
He says retailers need to choose carefully where to expand and while key markets, such as Europe, China, the USA and the rest of the world, present mature markets with high consumer spend, retailers should be looking further afield at newer markets too.

"The next step is to capitalise on these initial gains and expand into growth markets to make the most of early mover advantage," says Goodenough. "Growth markets are potential markets which have not reached the size of mature markets but show promising CAGRs. Since the type of market (mature/growth) determines a specific strategy, merchants should segment them appropriately," he says.



“Linking this behaviour with country-specific information and payment trends it is relatively simple to understand the potential revenue uplift and ongoing growth potential.”

Mike Goodenough, global head of e-retail, Worldline Digital Commerce



#### Using data to segment markets

For this the use of data is key. Retailers need to analyse consumer traffic and target anomalies, such as a rise in orders from countries they are not specifically targeting, to see where potential growth might be.

“Linking this behaviour with country-specific information and payment trends it is relatively simple to understand the potential revenue uplift and ongoing growth potential,” says Goodenough. He says retailers should then start to develop a ‘go-local’ strategy, firstly through language and product localisation, followed by local currency and payment methods to eventually an optimised shipping model.

Retailers such as Chinese fashion retailer Shein and UK fashion giant ASOS have got this use of data right, says Goodenough. “These are companies which appeal to an international audience; they use internal and external data to monitor and react to trends very quickly, adjusting their offer in each market to react to these trends. In addition, the ability to optimise the design and supply chain has resulted in a true ultra-fast or real-time fashion model,” he says.



#### Being aware of potential mistakes

Retailers must do their homework before entering new markets, however, since mistakes can prove costly. Common mistakes include underestimating the size of the market and starting in a non-local way.

The need for localisation is key, since even seemingly small factors – such as not having prices in local currency, can have a big impact on buying behaviours and conversion.

“If you go through the purchase process and then see that the product is only offered in dollars then it starts to prompt a lot of questions,” says Goodenough.

He says that Worldline research shows that websites can lose between 15 to 35% of spenders if the site’s pricing is in a foreign currency. Instead, Goodenough says that retailers should allow their customers to choose the currency they prefer, explaining that country flags and well-labelled dropdown menus in conspicuous locations work well for this.

A lack of comprehension about factors from payments to delivery, culture to customer desire, can all hamper retailers’ expansion plans if they get such details wrong so choosing the right path is key.



# #5

## The enablers of cross-border

Apart from increased customer demand and a greater ease of doing business internationally, there are several factors that are driving cross-border expansion. It's important that retailers understand these enablers and how they have changed both now and in the future.

### #1 The rise of direct-to-consumer

The rise of the direct-to-consumer business model is one of the biggest impacts for brands' international growth. Social media is having an increasing influence on how consumers shop – and the brands with which they feel comfortable – and this is leading to an increase in the direct-to-consumer business model as brands get closer to their customers than ever.

A great example of this is Nike, which has stormed ahead with its direct-to-consumer model since announcing a change in strategy in 2017. It has since built direct-to-consumer sales to more than a third of revenues in 2020, compared to only 16% ten years before. The growth has come from its innovation in digital and encouraging consumers to engage directly with the brand via its app.

### #2 Multiple touchpoints and social commerce

The retail world is witnessing both an increase in brand-specific apps and customer engagement models in-app, as well as new innovations such as live streaming shopping that are helping to replace the instore experience and improve customer comfort with buying from new retailers, thereby enabling cross-border growth.

**"This is having a big impact,"** says Goodenough. **"More and more international brands or local internet brands now have the chance to reach out to global consumers via multiple online touchpoints directly."**

**"We want the customer to feel that it's a very local shopping experience."**

William Wang, head of Southern Europe,  
AliExpress

### #3 Lower prices and greater choice

As we saw earlier lower prices and wider availability also play their part. For instance, there has been an emergence of European luxury brands selling cheaper online than Chinese brick and mortar stores thanks to several factors including a lower pricing strategy in the EU than China; annual tax-free credits for imported goods in China and deeper discounts, says Goodenough.

China meanwhile has emerged as an ever-stronger supplier of competitively priced fashion and electronic products to the US, EU and the UK online during the pandemic, avoiding resellers and distributors and saving the high operational costs of running physical stores in such areas.

At Joom the company has evolved its mix to not only include the value-led Chinese goods that have helped to drive its growth but also a more representative spread of international brands that help to extend its appeal further. **"We set out on a search for more expensive products from Chinese, but also Korean brands,"** says Ivanov. **"Then we began to experiment with local products in France. Today we have a wide product range running far beyond low-priced goods from China. Products from Korea, Thailand, Turkey are relatively more expensive, but these are products from well-known and beloved brands around the world,"** he says.

At AliExpress the company's value proposition drove sales during the pandemic, according to William Wang, head of Southern Europe. **"We have a unique value proposition,"** he says, citing the company's breadth of product range and low prices.

**"For us, that local experience is really important, and offering our customers the right mix of payment methods and currencies is a big part of that."**

Brent Hobson, director,  
ASOS Payments

#### #4 Improved localisation

Localisation is one of the most important enablers for retailers to be aware of and is easily done if retailers are proactive enough to embrace the advice from partners who already have local experience in such markets. **“We try very hard to make it local,”** explains Wang. For AliExpress that includes everything from payments to language, payments, logistics and customer service – all of which the company aims to seek to continuously improve.

At fashion giant Asos the localisation of all experiences - from language to payments - is key to the company's operation in more than 200 markets. **“For us, that local experience is really important, and offering our customers the right mix of payment methods and currencies is a big part of that,”** says Brent Hobson, director, ASOS Payments.

At Joom Ivanov says that logistics is one of the first enablers that the business looks to optimise. **“To be able to do business in a country you should ensure a reliable delivery system. So, you should start with searching for logistics channels and partners.”**

But he says that the company then looks at other options too. **“To offer your customers a flawless shopping experience, you must consider local payment methods that are crucial for conversion. To gain some notoriety and increase in brand awareness and loyalty, a targeted marketing campaign is a must. We always try to first launch small campaigns and predict how successful we'll be on a large scale.”**

One example of payment localisation was Joom's introduction of PayPal during its cross-border expansion, a payment method that helped it expand in a wider array of markets. **“That adds confidence for customers, especially if it's a merchant they have never done business with before,”** says Goodenough. But Goodenough says it's also important not to overwhelm customers with too many payment

offerings. **“A couple of years ago merchants would offer as many payment methods for a country as they could but that also confuses the consumer. The ideal number used to be ten to twelve but now we see that anything beyond ten becomes confusing, so we recommend somewhere between six and eight to make sure the consumer has the ones that they really need,”** he says.

Another localisation enabler for Joom is content localisation. **“That's more than just word-for-word translation,”** says Ivanov. **“It's about adapting your app for a pleasant user experience. You need to hire and train support agents locally, translate the interface and rethink your content. Joom is working hard to provide its customers with relevant campaigns and personalised offers, and everything starts here,”** he says.

It's a similar ambition at AliExpress, according to Wang. **“We don't want customers to feel that it's cross border. We want the customer to feel that it's a very local shopping experience,”** he says. **“We know that we have gaps compared to the local platforms, but we have the confidence that as long as we keep working at it, customers will feel that change.”**

#### #5 The role of innovation as an enabler

Another enabler of cross border trade is innovation, something that will play an even more important role in the future, according to Goodenough. **“For example, artificial intelligence is widely used in fraud prevention tools to reduce fraud risk and chargebacks during cross-border transactions. Meanwhile, with the adoption of AI in robotics, consumers can enjoy even more localised customer services and be more likely to purchase on international merchants' sites. Blockchain might be another technology to simplify and fuel the growth of cross-border trade through enabling smart contracts.”**

## 5 localisation strategies



Hosting the merchant's independent website at local servers considering different data security requirements in different countries



Building up the site in local language and designing in local preferred look and feel



Supporting the majority of local payment methods and being able to display price and settle in local currency



Building local logistics or warehouses to allow easier, faster cross-border fulfilment



Provide customer services with local phone number and agents speaking the local language

# #6

## The future: Where next for cross-border expansion?

As with domestic expansion, retailers can't afford to stand still when it comes to cross-border expansion and need to be aware of the influence of emerging trends in established markets – from voice commerce and social commerce to new delivery and payment methods – as well as keeping on top of developments in emerging markets, such as Southeast Asia, Turkey and the Middle East, Latin America and Africa.

Goodenough says that experts such as Worldline can help keep retailers up to date with changes. **"Retailers need to identify suitable partners and solution providers who have specific or local knowledge and can help in international merchants to own a particular function or enter a new market swiftly,"** says Goodenough.

And they can also help retailers be aware of changes in markets, particularly around legislation. **"For instance, come October 2021, Visa and MasterCard will quintuple cross-border charges to 1.5% for credit card payments and 1.15% for debit cards,"** explains Goodenough. **"For Visa this is bidirectional, affecting both UK and EU merchants, and for Mastercard the new rate will only apply to UK online purchases from the EEA."**

### Emerging markets and trends

International expansion will continue to be important for retailers as they recover from the pandemic. **"Across the board we've seen huge acceleration and the importance**

**of the cross-border element,"** says Goodenough. **"Retailers have brought forward projects expanding across the globe."**

Brazil is a market that Joom is currently experimenting with as it assesses the potential for further expansion. **"This market is extremely interesting for Joom – as one with great potential,"** says Ivanov. **"We are currently sounding out the situation and developing our business there in a testing mode."**

But also important is the need for more intensive localisation as retailers expand more fully into international markets. At AliExpress the company is working on options that more closely fit the wants and needs of customers in individual markets such as more localised delivery options.

**"We see potential to improve in that space,"** says Wang. **"In terms of product choices and the sections on the website we can do better too. It's about understanding the local market need and trends and organising products so the customer can find the product more easily and efficiently. These are the areas we can continue to improve, at the same time developing the local market too."**

### 6 future trends to keep abreast of



**Social commerce**  
(live streaming,  
influencer marketing)



**Increasing depth of  
engagement through interaction**  
/loyalty/In-App rewards



**Online order and  
offline pickup (O2O)**



**Adoption of new technologies  
such as AI and AR to improve  
the user experience**



**Increasing popularity  
of buy now pay later  
(BNPL) options**



**Growth of voice commerce**

# #7

## Retailer interviews



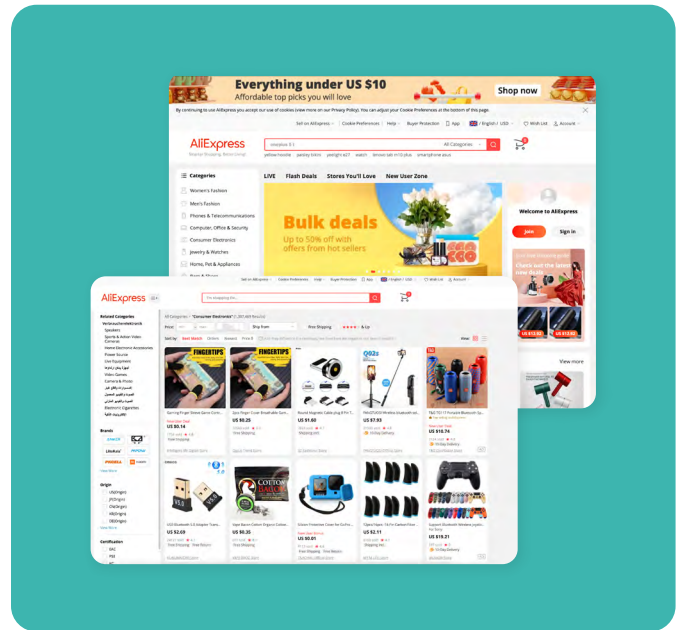
[www.aliexpress.com](http://www.aliexpress.com)

Part of the Alibaba Group AliExpress is a global marketplace first launched in 2010, allowing customers to buy directly from manufacturers and distributors mainly from China but also other markets.

The site includes a global English language version but is also available in 17 other languages, including Portuguese, Spanish and French. It ships to over 200 countries.

William Wang, head of Southern Europe for AliExpress, says that international expansion has been key for the marketplace, whose top markets include the US, Brazil, Spain and France. This has particularly been the case during lockdown. **“We saw a lot of new users coming to the platform during the difficult times of the pandemic,”** says Wang. **“Some customers didn’t feel comfortable in buying online at first, but we saw that change and shift happen and believe that this habit will continue in the future.”**

The huge breadth of the product range offered by AliExpress, coupled with great prices, makes it an irresistible value proposition for consumers, who shop internationally for three reasons, he says. **“The first is that they find something that they cannot easily find offline or in the local market. The second scenario is that they find cheaper and better choices than they can get in their home market. Other times people are just having fun finding something unique.”**



Localisation is key



The role of payments

Whatever the reason the customer has landed on the AliExpress site the focus is the same - an experience that feels as localised as possible, whether that’s payments or logistics. **“We are improving standards every day,”** says Wang.

**“For example, on payments in the past we didn’t have PayPal. Now we do. We also have local wallets and try to provide local payment choices as much as we can. Similarly on delivery now for Spain and France we are launching a 10-day delivery service which is much better than in the past.”**

He says the company looks at several indicators before deciding how much to localise a market. **“The market potential for us is important to decide which markets are suitable for localisation. We also look at the penetration rate for ecommerce and then look at the politics, economy and society – for example is it stable and suitable? Having looked at the macro environment we then look at whether the localisation strategy will have different impacts.”**

On payments he says the company has worked hard to offer customers the choices they prefer. **“We find that customers don’t come to us if we don’t have local payment methods and we now have a very good, successful payment rate in Europe.”**

However, he says that it’s also important that retailers keep abreast of all changes in the different markets that they operate, such as changing consumer preferences for installment payment methods and local wallets, evaluating whether it’s feasible to introduce them as local demand increases.

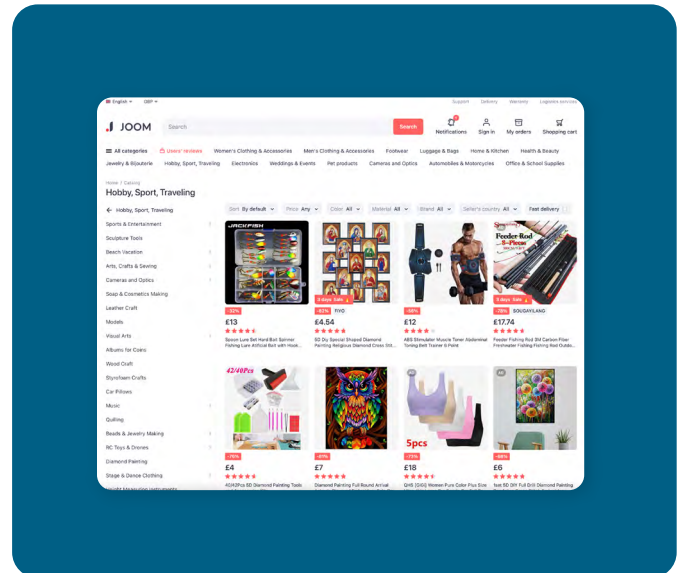


www.joom.com

Joom claims to be the fastest-growing shopping application in Europe, with more than 250 million users. It has seen more than 400 million downloads worldwide, is available in almost 200 countries and offers around 10 million unique products from Europe and Asia.

The global mobile marketplace – 95% of its transactions are made on mobile - launched in 2016 in Latvia but the business also has offices in Luxemburg, Hong Kong, China and the US and allows users to buy goods from China, Turkey, South Korea and Japan, as well as from local sellers and brands in Europe.

Its social commerce-based offer was also established to take advantage of international opportunities and embrace a new trend. **“We were looking for a business model that could be strong internationally,”** says Yuri Ivanov, CMO and co-founder of Joom. **“A cross-border marketplace seemed to be the best option. We are not talking here about the idea of simply linking sellers and buyers from different countries. From the very beginning we have been developing Joom as a shopping app with a built-in social network, personalised offers and recommendations and a platform for brands and influencers,”** he says.



Expanding across the globe

The company expanded into France in 2017 and has since added Spain, Germany and the UK, with six new countries in 2020. Today the core of Joom’s business is concentrated in Europe, with almost half of its sales generated there, but it is also testing newer markets such as Brazil.

Growth comes from low-priced goods complemented by a range of more expensive items sourced from the likes of China and Korea, as well as Western brands and European sellers.

Ivanov says it’s important that the platform targets everyone. **“We are striving to become an all-embracing platform for every need, taste and budget.”** Service reliability is key, with the company creating Joom Logistics to ensure it has control of its delivery experience and an ambition to beat competitors when it comes to international delivery standards.

Ivanov says that logistics is one of the first enablers that the business looks for. **“To be able to do business in a country you should ensure a reliable delivery system. So, you should start with searching for logistics channels and partners.”**



Being aware of regional nuances

But he says that retailers have to beware of the different peculiarities and nuances of a market. **“It’s vital. You can’t just copy a model that was successful in a market and paste it to another without adjusting. There are lots of things to take into consideration: cultural differences and particularities, social agendas that can influence your marketing campaign, local infrastructure and business landscape,”** he says.

He cites the example of Saudi Arabia. **“Despite the fact that this market has much potential, some nuances like a local penchant for paying in cash could make it difficult for us to attract our target audiences for the moment.”**

This need to understand local payment preferences is crucial to getting the payment mix right, according to Ivanov. **“Consumers typically have one to two preferred payment methods, while others are useless to them. So, if you can’t offer them the method they want, they may abandon their shopping cart and never return to the platform.”**

And the benefit of partnering with established players such as Worldline meant understanding peculiarities about markets and accessing specialised knowledge.

**“We always research what payment methods consumers want before coming to new markets and look for trusted and experienced partners in the area,”** says Ivanov.



[www.myworld.com](http://www.myworld.com)

**MyWorld operates the myWorld Benefit Program, which offers a range of benefits for shoppers, retailers and service providers alike.**

**More than 15 million customers and 150,000 partners in 55 markets use the benefit programme, which originally launched in Europe but has since expanded to North and South America as well as the Asian and Pacific regions.**



Establishing customer trust

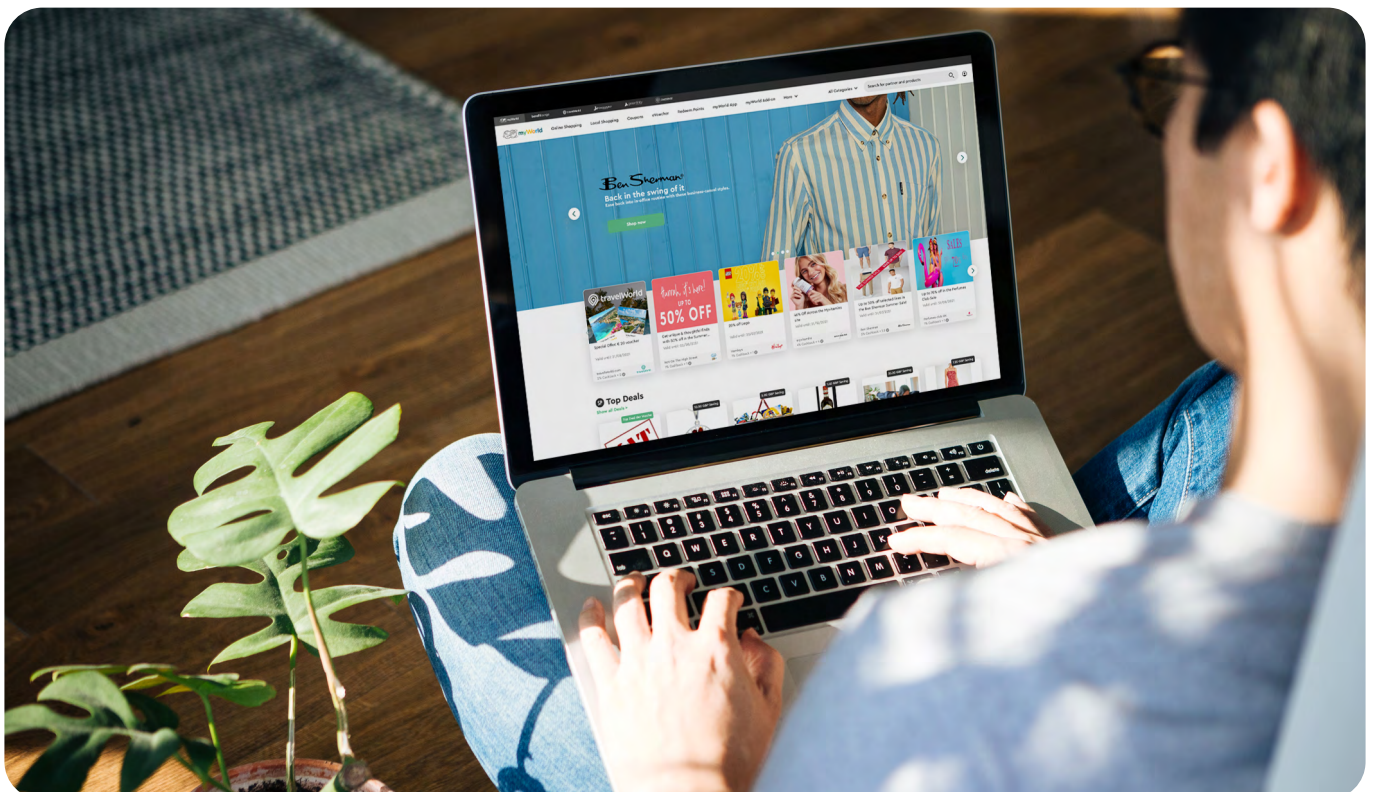
Davy van Loon, CMO of myWorld International, says the company's growth is shaped by adapting to local markets and conditions. **"As a multinational group of companies, we open up markets in which our products and services relating to the topic of *shopping with benefits* are accepted,"** he says. **"Our internationality is based on the needs of our customers and the availability of partners."**

Loon says the company first evaluates markets according to their profitability, as well as keeping an eye on shopping trends and consumer behaviour in that market. **"The more open a country or an entire region is to needs-based shopping behaviour, the more attractive a target market becomes for us."**

Payment is one of those features that has to be localised to the particular market, he says. **"In our experience, payment processes must run as locally as possible to benefit the acceptance and use of the local target group. Foreign currencies or unusual payment processes lead to increased abandonment of purchases or additional costs,"** he says.

And this is particularly true as volumes increase, explains Loon. **"The higher our business volume, the more important it is to make the right decisions about payment options. Because with every purchase, our global customers decide whether we will get their trust with the options offered and we show that we understand their everyday life. The customer's perspective during their customer journey decides whether the company appears strange or whether it aligns with the customer's behavioural patterns."**

And, as we highlighted earlier a need to constantly be scanning developments in existing and new territories is also important, which means a need for flexibility is key, according to Loon. **"We've learned that we have to organise ourselves flexibly to keep pace with the constant developments on the global market. This flexibility, coupled with the understanding that different cultures and local market dynamics also prefer different types of consumption, enables us to operate in over 50 countries worldwide and keep expanding globally."**





www.asos.com

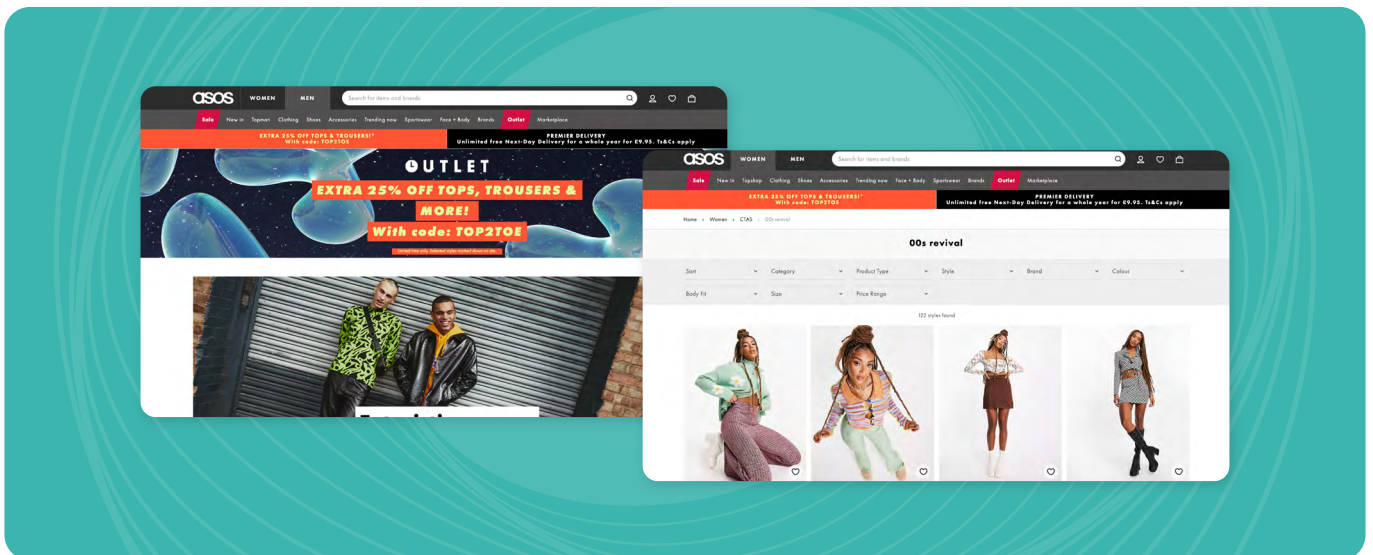
Asos is an online retailer for fashion-loving 20-somethings around the world. It says its purpose is to give its customers “the confidence to be who they want to be”.

The fashion giant sells over 85,000 branded and ASOS brand products through localised app and mobile/desktop web experiences, delivering from fulfilment centres in the UK, US and Germany.

Brent Hobson, director, ASOS Payments, says that the issue of localisation is key to the company’s success in international markets. “Our propositions help bring our amazing products to almost every country in the world and we serve customers globally with increasingly tailored local experiences,” he says. “This includes relevant languages, payment methods and delivery and return options, in over 200 markets and in ten languages.”

“For us, that local experience is really important, and offering our customers the right mix of payment methods and currencies is a big part of that.”

But he says it’s vital to understand the needs of individual countries and their customer bases to understand the level of localisation which is required. “We work with our partners to identify the potential options for each market and validate the business case,” he says. “Following launch, we will monitor the payment mix and the customer behaviour, to ensure we are delivering for our customers in the way that suits them.”



# #8

## Conclusions

**Our research and our interviews show that retailers believe that despite the challenges the world has faced in the last year or two the opportunity for cross-border expansion remains across markets.**



But we have also seen that such moves don't come without challenges. Getting shipping and payments wrong can be two of the biggest turn-offs for customers and two of the biggest challenge for new brands or those expanding into newer cross-border territories.

Consumers want to see fast, transparent delivery and payments with a checkout process in their own language and a payment method in which they have confidence.

Retailers can ease their cross-border expansion by choosing the right routes, looking at corridors where behaviours and opportunities are common but localising to markets that require it.

There are opportunities in both existing and growth markets and embracing local experience expertise is critical since it can help you to identify the different trends across markets and embrace the critical local knowledge that will ensure that your expansion is a success.



# About Worldline

Worldline [Euronext: WLN] is a global leader in the payments industry and the technology partner of choice for merchants, banks and acquirers. Powered by 20,000 employees in more than 50 countries, Worldline provides its clients with sustainable, trusted and innovative solutions fostering their growth. Services offered by Worldline include instore and online commercial acquiring, highly secure payment transaction processing and numerous digital services. In 2021 Worldline generated a proforma revenue close to 4 billion euros.

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Worldline's corporate purpose ("raison d'être") is to design and operate leading digital payment and transactional solutions that enable sustainable economic growth and reinforce trust and security in our societies. Worldline makes them environmentally friendly, widely accessible, and supports social transformation.



**For further information**  
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