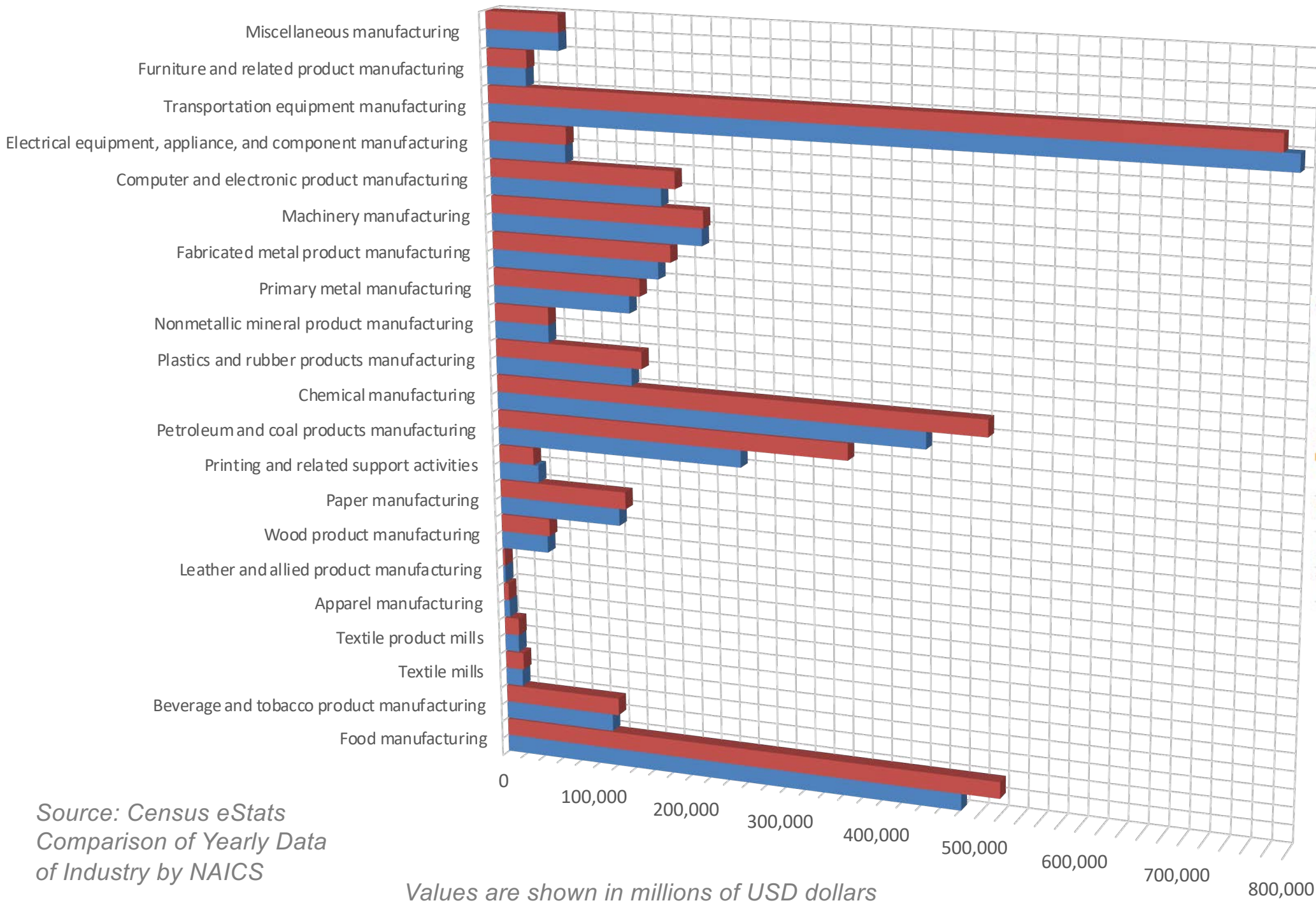




Digital Strategies for eCommerce: Exploring the eCommerce Sales Channels

U.S. eCommerce Value of Shipments 2016 vs 2017



Source: Census eStats
Comparison of Yearly Data
of Industry by NAICS

THE GROWING ROLE OF ECOMMERCE
IN B2B TRANSACTIONS

Ecommerce as a percentage of total sales for wholesalers, manufacturers and total B2B sales

	2017	2018
Wholesalers	36.9%	37.9%
Manufacturers	67.2%	69.7%
Total B2B	49.3%	50.7%

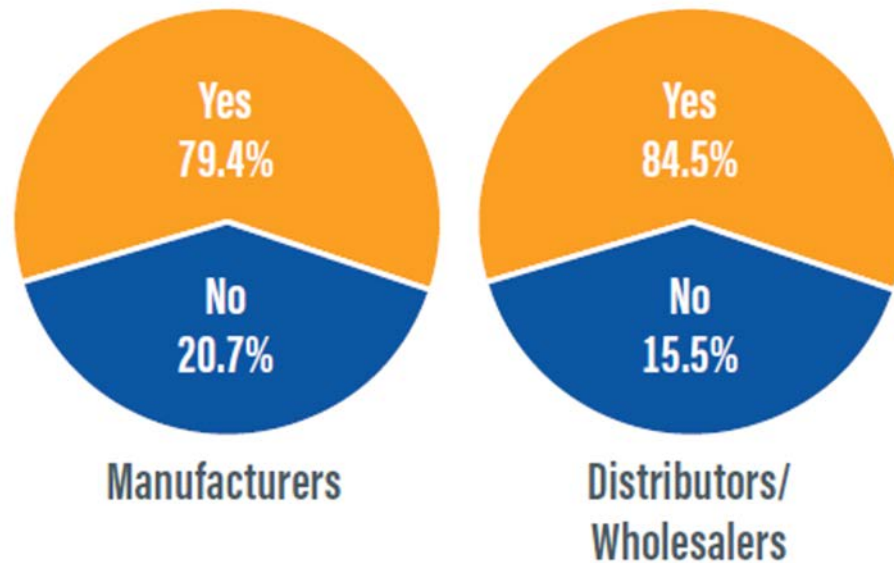
Source: B2BecNews



eCommerce is Changing B2B

MOST COMPANIES ARE INVESTING MORE IN B2B ECOMMERCE...

Plan to increase spending on B2B ecommerce next year



Source: B2BecNews, 2018 surveys of 276 manufacturers, wholesalers and distributors

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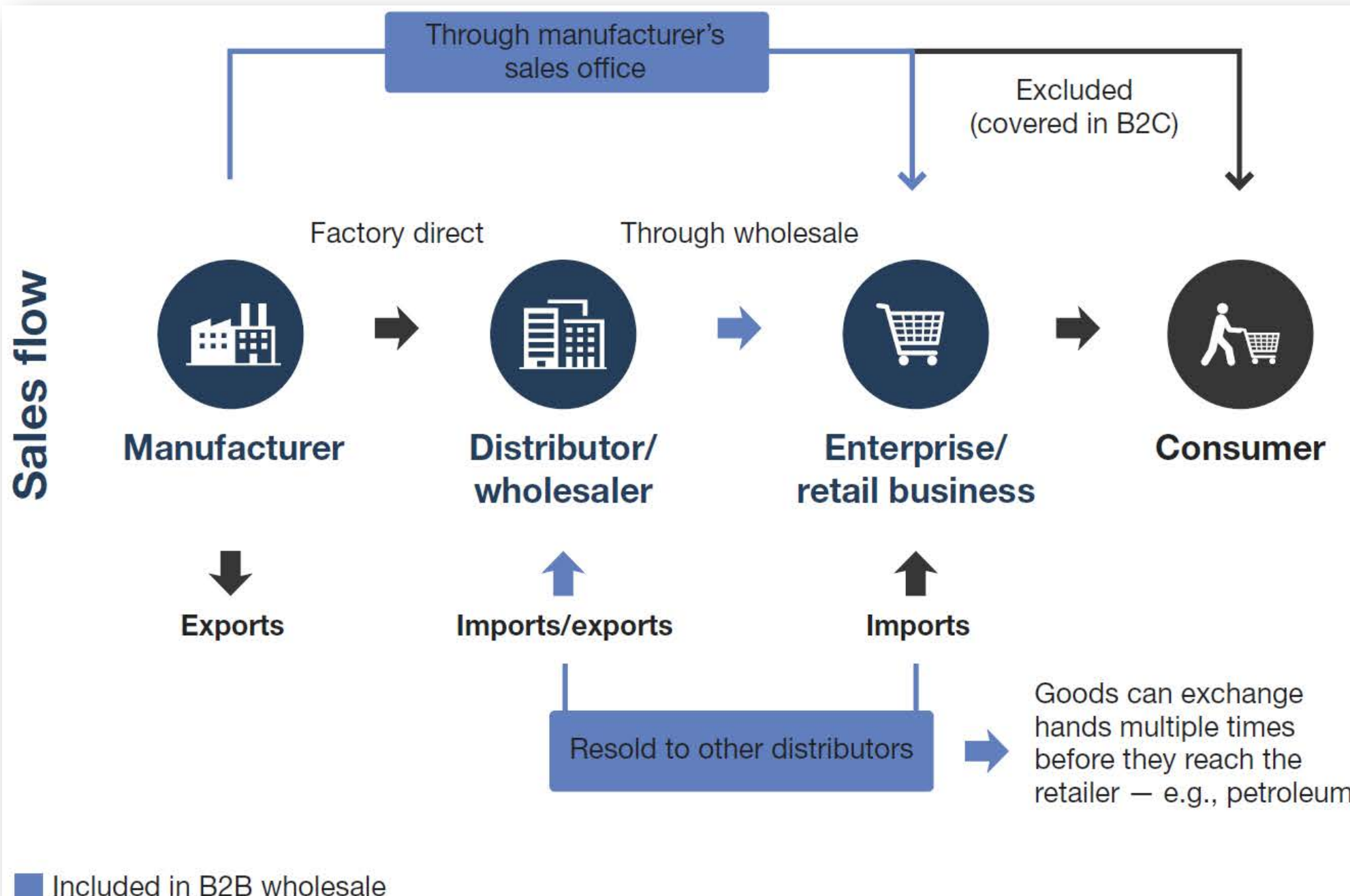
WHAT ARE YOUR BIGGEST CHALLENGES IN BUILDING YOUR B2B ECOMMERCE BUSINESS?

Multiple answers possible

	Distributors	Manufacturers
Competition from Amazon	15.46%	17.98%
Difficulty in recruiting ecommerce personnel	23.71%	17.98%
Resistance from customers to buying online	27.84%	13.48%
Resistance from internal sales department	19.59%	19.10%
Lack of support from top executives	20.62%	23.60%
Lack of money	41.24%	53.93%
Other	15.46%	19.10%

Source: B2BecNews, 2018 survey data

The B2B eCommerce Sales Flow



B2B companies can significantly reduce the cost to serve clients by moving them into an online self-serve ecommerce environment

Source: Forrester Report: "US B2B eCommerce Will Hit \$1.2 Trillion By 2021"

Top eCommerce Business Issues We Can Help With

1. Lack of Business Digital Strategy & Knowhow

- *Solutions: CS Digital Strategy Counselling*

2. Lack of eCommerce Service Provider Awareness

- *Solution: eCommerce Business Service Provider Referral*

3. Help identifying non-tariff barriers

- *Solution: Traditional Counselling*

4. Shipping/Logistics Costs

- *Solution: Traditional Counselling*

5. Online Payment Solutions

- *Solution: eCommerce Business Service Provider Referral*



**U.S.
COMMERCIAL
SERVICE**

United States of America
Department of Commerce

Source: Statista, eCommerce Worldwide Study



5 STEPS TO A DIGITAL STRATEGY



1. Defining your objectives and strategy.



2. Search Engine & Mobile Optimization



3. Examine your internal needs around your backend digital infrastructure.



4. Choose the right channel mix.



5. Establish KPIs to maximize dmROI and conversion rate.

The eCommerce Sales Channels



<p><u>Your Website</u></p> <ul style="list-style-type: none">• Own Data & Design• Full Content Control• Full Pricing Control• Must Do SEO• Will Require Service Providers	<p><u>Thru #SocialMedia</u></p> <ul style="list-style-type: none">• Build Brand Following• Connect Directly With Consumers• Promote Thought Leadership• Boosts Website SEO• Results Vary• Local Social Media Rep Recommended• Requires Constant Monitoring• Sales Dependent On Activity
<p><u>On Online Marketplaces</u></p> <ul style="list-style-type: none">• Reach More Consumers• Payment Received in Other Currencies• Can Help With Market Entry• Boosts Website SEO• Service Interoperability Varies• Lots of Competition• Lack of Control of Customer Data• Returns & Disputes	<p><u>Sell to 3rd Party In-Country Distributor</u></p> <ul style="list-style-type: none">• Quickly and Cheaply Establish Brand Presence• Immediate Purchase of Product• Fewer Transactions• Boosts Website SEO• Requires Interested Distributor• Requires Online/SEO Savvy Distributor• Smaller Margins

<u>Sell From Your Own Site</u> Own Data & Design Flexible Content Control Your Brand Pricing Autonomy Search Engine Optimization Will Require Service Providers Third-Party Logistics Third-Party Payment Gateways	<u>Social Media</u> Build Brand Following Connect Directly With Consumers Promote Thought Leadership Results Vary Can Be Time Consuming/Expensive Local Social Media Rep Recommended Requires Constant Monitoring Sales Dependent On Activity
<u>Online Marketplace/Platforms</u> Lots of Customer Traffic Content & Nav in Local Language Payment Received in Other Currencies Local After-Sales Service (Depends) Service Interoperability Varies Lots of Competition Lack of Control of Customer Data Potential Lack of Control of Pricing	<u>Sell to In-Country Distributor - B2B</u> Immediate Purchase of Product Simple/Fewer Transactions Requires Interested Distributor Smaller Margins Potential Lack of Branding Control Vetting Process Off-Line Negotiations Distant brand management

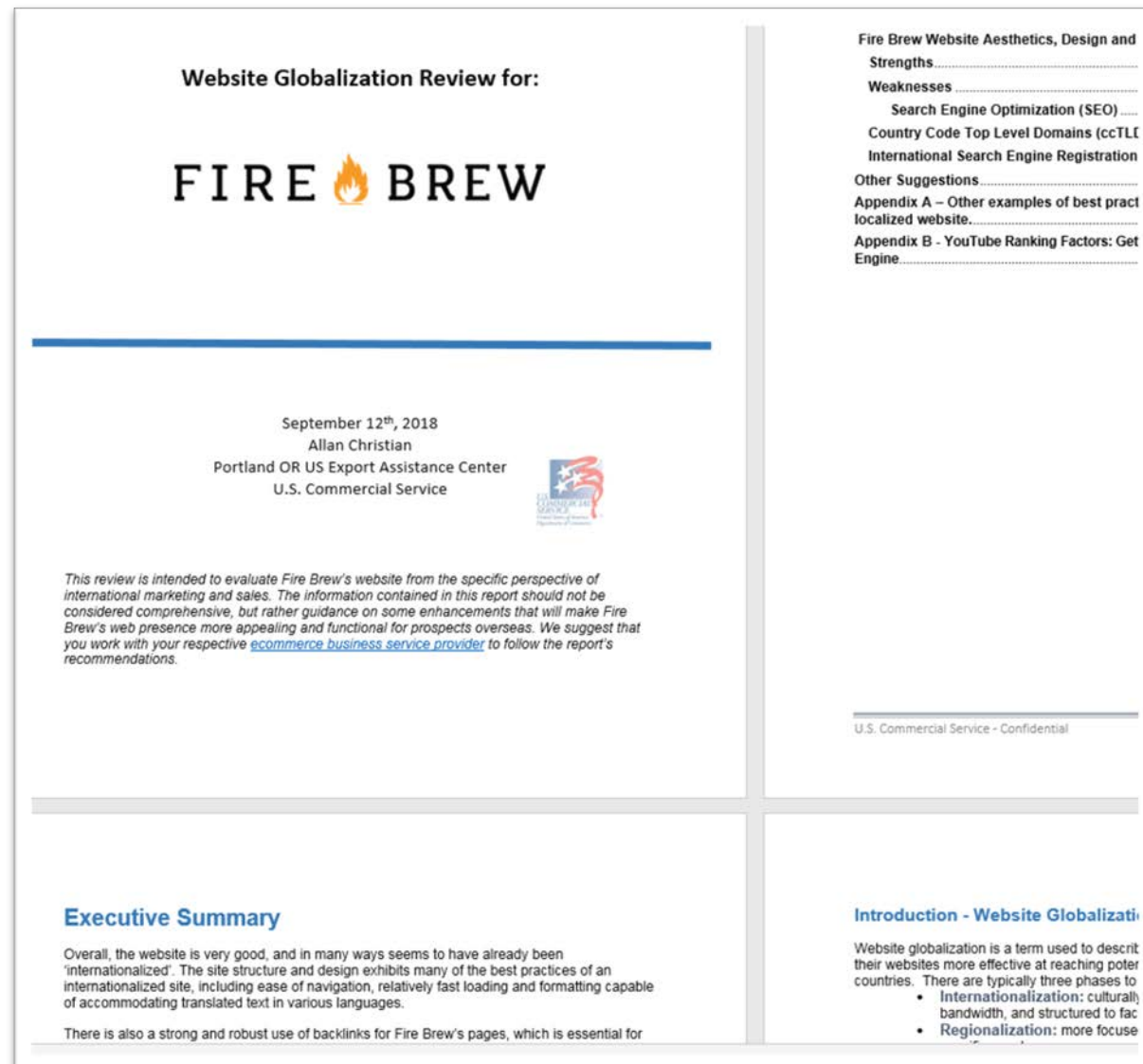
Channel Mix Option: 3rd Party In-Country Distributor

Considerations:

- Allows you to more **quickly and cheaply enter a online localized market** than if you were to attempt on their own
- Local partner has existing marketing and distribution network for your use; already selling to consumers, **already established local SEO**, already established branding
- Will need to coordinate with overseas to find appropriate/suitable representation that is **currently and successfully selling online in-market**.
- You will need to work with your distributor to provide online descriptive content to be used in product descriptions; **translation by a service provider** may be needed
- Our Partner Matchmaking Services
 - International Partner Search <https://www.export.gov/International-Partner-Search>
 - Gold Key Matchmaking Service <https://www.export.gov/Gold-Key-Service>



Website Globalization Review (WGR) Gap Analysis



- ✓ Focuses on Search Engine Optimization (SEO) & internationalizing your business's website
- ✓ Provides technical and strategic evaluation of a business's website from international marketing and sales perspective

Each WGR Gap Analysis Report by the Local USEAC Includes:

- Executive Recommendations
- Technical SEO web crawls (2 tools used- Moz & SeoSiteCheckup)
 - Metadata Issues
 - Keyword Issues
 - Backlink Issues
- Website Internationalization Best Practices & Aesthetics Assessment
- eCommerce Business Service Provider Referrals
- Follow-on Coaching

<https://www.trade.gov/website-globalization-review-gap-analysis>

Referral Resource: eCommerce BSP

Interested in promoting your digital services to U.S. businesses?



Service Provider Categories

The eCommerce Business Service Provider (BSP) Directory contains basic information on ecommerce service providers, that US exporters contacts for optimizing their digital real estate, in pursuit of increased online sales.

Digital Marketing

Search Engine Optimization, Website Localization Services, Social Media Services, Translation Services

FIND DIGITAL MARKETING AND SEO HELP →

Cybersecurity

Security Software, Data Storage, Data Forensics

FIND CYBERSECURITY AND DIGITAL FORENSICS HELP →

eCommerce Logistics

Fulfillment Centers, Last Mile Services

FIND ECOMMERCE LOGISTICS HELP →

eCommerce Legal & Regulatory

Export Compliance, Data Privacy, Intellectual Property Rights

FIND ECOMMERCE REGULATORY AND LEGAL HELP →

Online Payments

Gateways, Shopping Cart, VAT Tax, Foreign Exchange Rate

FIND ONLINE PAYMENT PROCESSING HELP →

eCommerce Marketplaces

B2C, B2B, Commercial & Niche focus

FIND NICHE-FOCUS INDUSTRY MARKETPLACES →

- ☐ Who can help with our content strategy?
- ☐ Who can help with site translation?
- ☐ Who can help with SEO and analytics?
- ☐ Who can help with Channel Management?
- ☐ Who can help with an IT security program?
- ☐ What online marketplaces exist for us to sell through?
- ☐ Where can I find technical assistance for my business issues in the ecommerce sales channel that has been identified through digital strategy counselling?

<https://www.trade.gov/ecommerce-bsp-directory>





eCommerce/Digital Key Performance Indicators

Conversion Rate: A Measurable KPI



{Form submissions (+add) tracked calls (+add) tracked email
(÷by) Total website visitors = **Conversion Rate**.}

$20 \div 1,000 = .02 = 2\%$ conversion rate

The US “industry average” for
website sales conversion is 1.5%

dmROI: A Measurable KPI



{Total Revenue Attributed to DM (–subtract) Total Cost of DM
(÷ by) Total Cost of DM = **Digital Marketing ROI (dmROI)**}

\$10,000 Feb-March online sales – \$2,000 spent on
marketing for Feb-March ÷ \$2,000 = = % dmROI

Resources- Online Market Research

Virtual Services

Learn How To Export

Research Foreign Markets

Network & Learn at Events

Find Buyers & Partners

Explore eCommerce
Resources

Obtain Financing

Negotiate an Export Sale

Navigate Shipping &
Logistics

Comply with U.S. and
Foreign Export Regulations

Perform Due Diligence

Protect Intellectual Property

Resolve Export Problems

International market research is a key piece of successful export planning. It is important to critically review and assess demand for your product, as well as factors related to a given export destination. The information will maximize your company's efforts, while keeping the export plan cost and time-efficient. Our resources can help you compare markets and target the right ones.

Get started today with the 'How To Export' video series!

WATCH THE VIDEOS →

Researching and Selecting Markets

Be confident in choosing export markets with our articles and videos.

RESEARCH THE GLOBAL MARKET
PLACE

PLAN MARKET ENTRY

INTRODUCTION TO FREE TRADE
AGREEMENTS



Trade.gov
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Resolve Export Problems



Please take [this Digital Readiness Questionnaire](#) to help your business grow and increase online sales!

Watch [our eCommerce Video Series](#) to help you build a digital brand for successful international online sales.

Business Service Provider Directory

FIND ECOMMERCE BUSINESS SOLUTIONS →

eCommerce Sales Channels

There are 4 main ecommerce sales channels (Your Website, Online Marketplace, Social Media, 3rd Party In-Country Distributor), consider the mix of available sales channels when planning your eCommerce strategy. The ratio of effort spent on channels may varies depending upon the industry, product, and platform. Know who your customers are and which part of the channel mix they are purchasing from.

YOUR WEBSITE	<u>Your Website</u>	<u>Thru #SocialMedia</u>
ONLINE MARKETPLACE	<ul style="list-style-type: none">• Own Data & Design• Full Content Control• Full Pricing Control• Must Do SEO• Will Require Service Providers	<ul style="list-style-type: none">• Build Brand Following• Connect Directly With Consumers• Promote Thought Leadership• Boosts Website SEO• Results Vary• Local Social Media Rep Recommended• Requires Constant Monitoring• Sales Dependent On Activity
SOCIAL MEDIA	<u>On Online Marketplaces</u>	<u>Sell to 3rd Party In-Country Distributor</u>

[Trade.gov](#)

Explore eCommerce Resources



eCommerce Videos

- eCommerce Website Optimization (SEO)
- Choosing the Right eCommerce Channel Mix
- Build Your Digital Brand Abroad
- How to Get Paid (eCommerce)
- eCommerce International Shipping Options

eCommerce Videos

Welcome to the largest collection of resources for U.S. businesses selling cross-border through eCommerce sales channels. Brought to you by the eCommerce Innovation Lab (EIL).

ECOMMERCE WEBSITE OPTIMIZATION

CHOOSING THE RIGHT ECOMMERCE SALES CHANNEL

BUILD YOUR DIGITAL BRAND ABROAD

HOW TO GET PAID

ECOMMERCE INTERNATIONAL SHIPPING OPTIONS

Website Optimization for International Online Sales

Watch later Share

Follow-Up Information



Local Trade Specialists Who Can Help You With a Digital Strategy:

Jose Burgos

Jose.Burgos@Trade.gov

Quick Resources:

[Explore eCommerce Resources](#)

[Research Foreign Markets](#)

[eCommerce Business Service Provider \(BSP\) Directory](#)

