Global E-Commerce Cross Border Logistics

Trend Report

ReturnHelper

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1.
Global Online
Shopping Overview

E-Commerce Market Revenue Is Expected to Reach US$7.75 Trillion Worldwide in 2028

According to the latest data from Valuates Reports, the global e-commerce market size will reach US$7.72 trillion in 2022 and is forecast to grow to US$20.3 trillion in 2028 with a significant compound annual growth rate of 17.4%.

The rapid growth of e-commerce is owed to the rise of the digital transformation of enterprises, the convenience of online shopping, and the application of AI technology tools,
which simplifies the processes of product listing, marketing, logistics, and global supply chain.

Growth in global e-commerce revenue

7.75 Trillion USD
2022

20.3 Trillion USD
2028

17.4 Trillion USD
CAGR
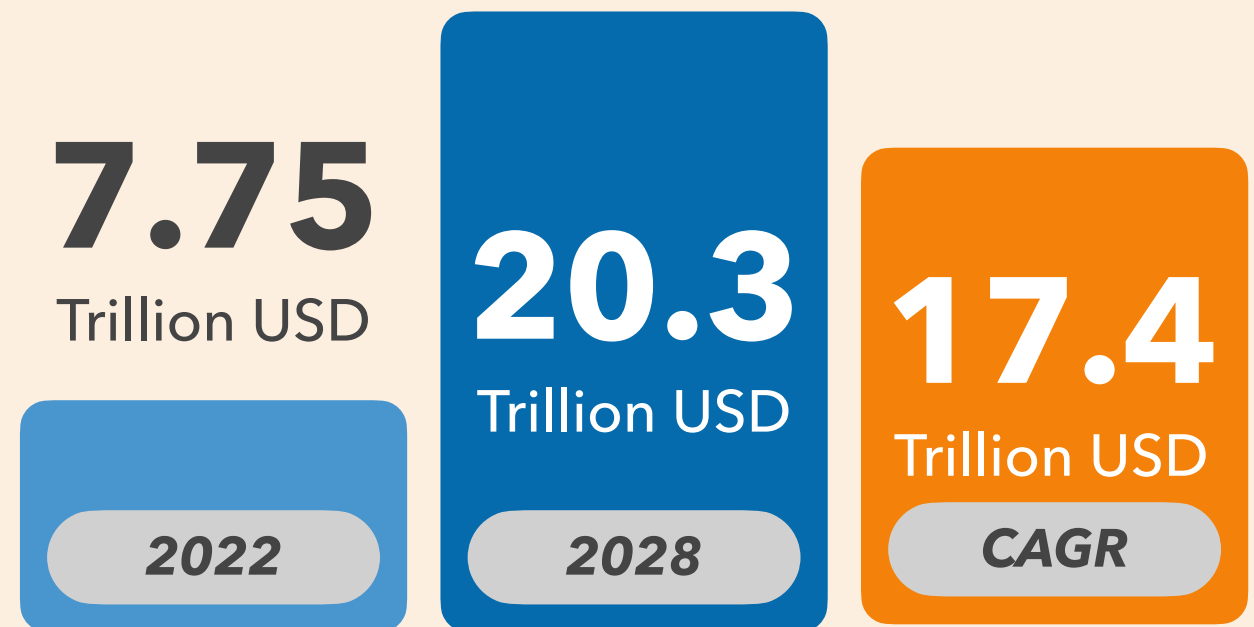
Source: prnewswire.com

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The Average Growth Rate of Global E-Commerce in the Next Five Years Will Hit 47%

According to *E-commerce Mega Trends to Watch*, a white paper released by FedEx,
the average growth rate of global e-commerce in the coming five years will reach 51%.
The Asian market leads the field at 51%, followed by Europe (42%) and North America (35%).

The e-commerce market in the Asia Pacific, Middle East,
and Africa (AMEA) region will expand significantly,
which logistic infrastructure is the backbone of the thriving e-commerce ecosystem.

47% *Global average*

51% *Asian market*

42% *European market*

35% *North American market*
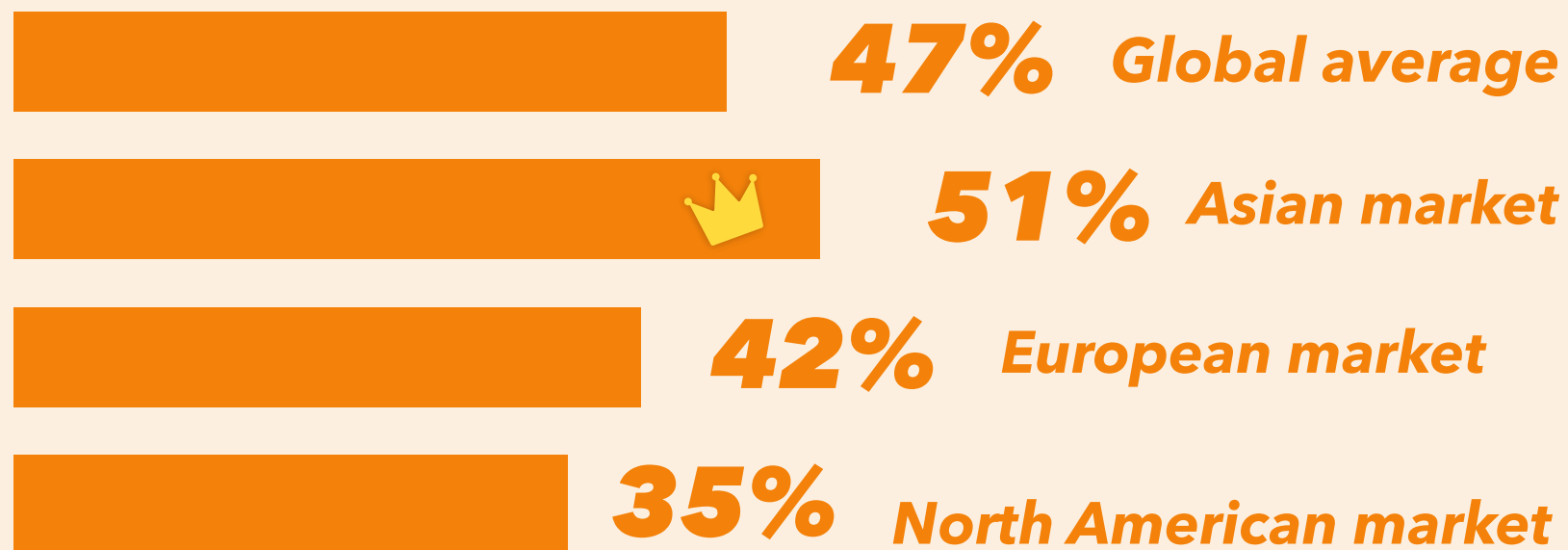
Source: udn.com,prnewswire

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The E-Commerce Major Trends That You Must Know

The advancement of the e-commerce industry indicates the keen inter-brand competition.
We suggest companies consider the following trends when strategizing brand operations for more profit opportunities.
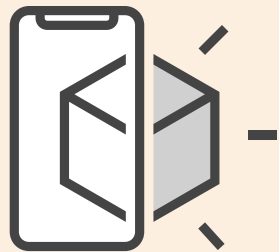
Redefine customer experience

The rise of intelligent and immersive technology has pulled the gap between brick-and-mortar and online shopping. Consumers expect for more interactive consumption experiences, such as Augmented Reality (AR) online shopping, hotel tours in Virtual Reality, and live streamings. Merchants should target on impressing customers by hosting online marketing campaigns and customized services.

Globalising logistics

Under the online-merge-offline trend in the e-commerce market, online shopping is the selling point to oversea consumers. The logistics industry has been seeking market opportunities and launched a variety of cross-border logistics options.
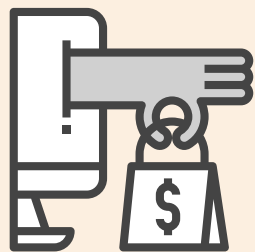
Convenience is the key

Statistics show that 48% of consumers are willing to spend more to buy time, which means shopping online is the most time-saving retail option. A convenient shopping process, which includes multiple online payments, diversified logistics, and return policies, is expected to be available to overseas customers. Therefore, it will be a competitive strategy to include consumer convenience in brand planning.

Source: newsroom.fedex.com
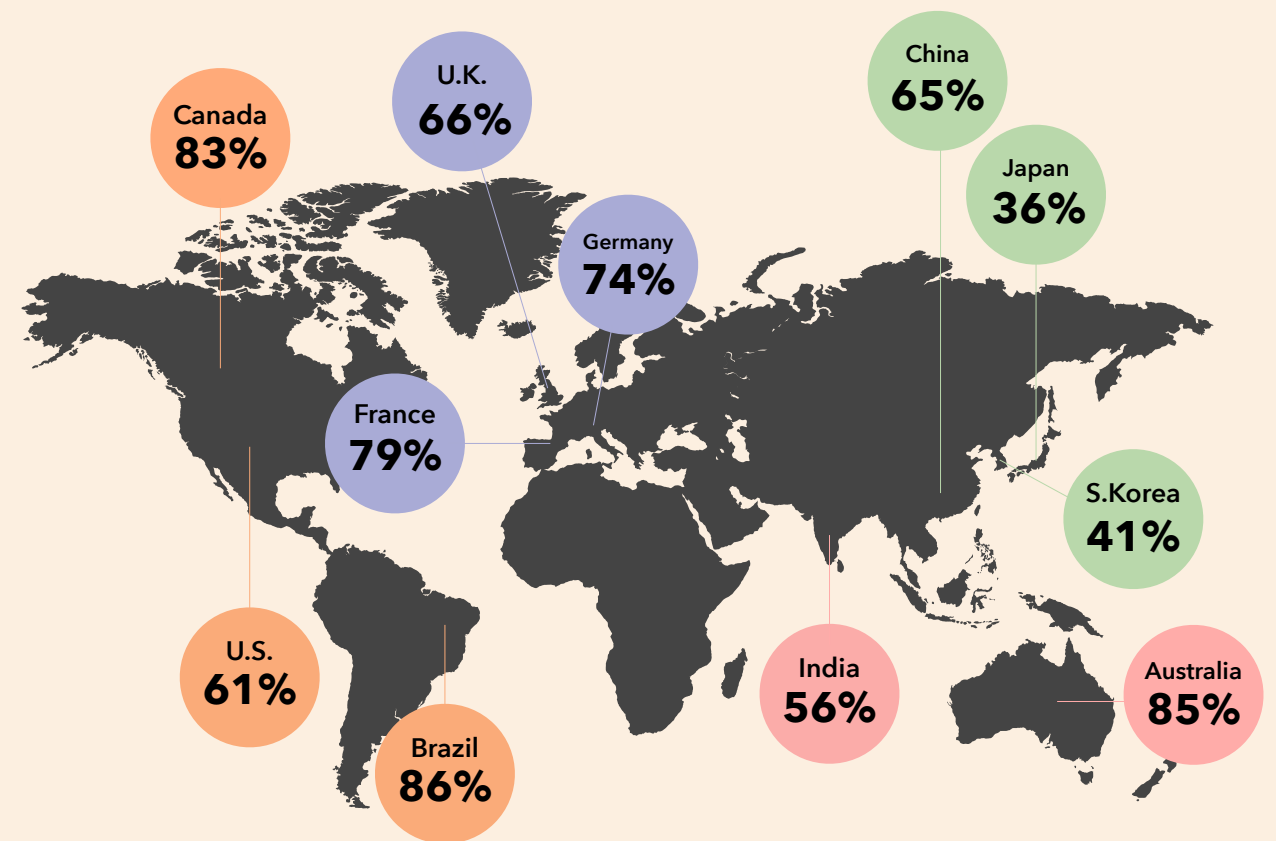
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2.
Cross-Border eCommerce Overview

Cross-Border E-Commerce Market Will Meet a Revenue of US$1.5 Trillion by 2027

The advancement of the e-commerce industry indicates the keen inter-brand competition.
We suggest companies consider the following trends when strategizing brand operations for more profit opportunities.

The global cross-border e-commerce revenue exceeded US$53.2 billion, and the market estimates it will leap to US$1.5 trillion by 2027. In addition to expanding Internet coverage, the growth in e-commerce over borders is catalyzed by the rise of the middle class in Asia, the increase in disposable income, and the government's internationalization and foreign trade strategies.

With regard that in July 2021, over 27%of the internet traffic came from international buyers in Shopify's report, it is foreseeable that cross-border consumption will grow continuously.
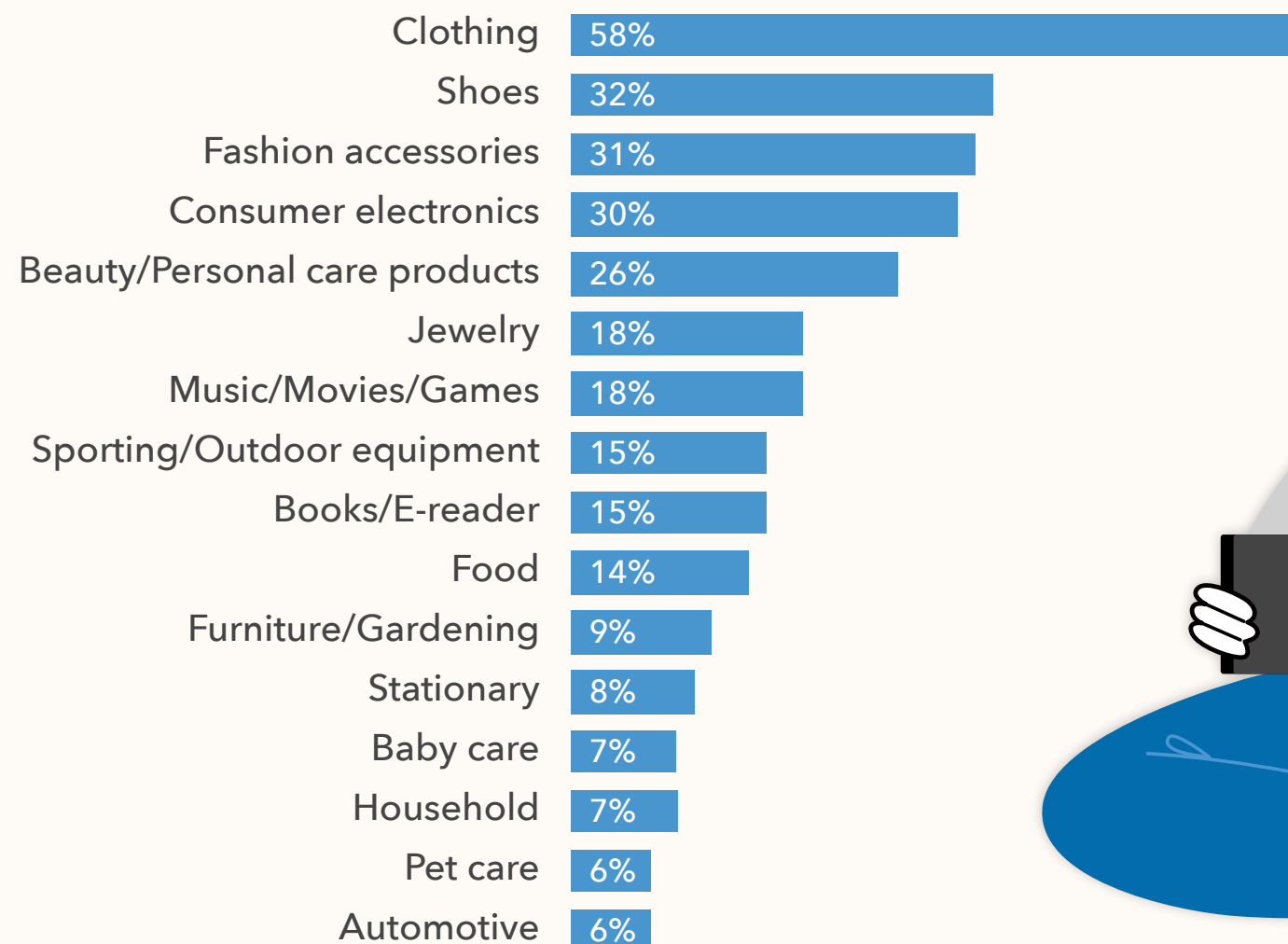
Canada
83%

U.K.
66%

Germany
74%

France
79%

China
65%

Japan
36%

S.Korea
41%

U.S.
61%

Brazil
86%

India
56%

Australia
85%

Source: reports.valuates.com, jingdaily.com

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Cross-Border E-Commerce Popular Consumer Categories

According to a survey conducted in 2021, clothing and shoes are the popular categories purchased cross-border. More than half of the respondents said they would be willing to order these items from overseas. Other popular products are from the sports, hobby, and leisure categories.

Category	Percentage
Clothing	58%
Shoes	32%
Fashion accessories	31%
Consumer electronics	30%
Beauty/Personal care products	26%
Jewelry	18%
Music/Movies/Games	18%
Sporting/Outdoor equipment	15%
Books/E-reader	15%
Food	14%
Furniture/Gardening	9%
Stationary	8%
Baby care	7%
Household	7%
Pet care	6%
Automotive	6%

Source: statista

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Cross-Border Popular Consumer Items

A survey conducted by flow.io shows consumers from
different counties show varied consumption preferences when shopping across borders:

Brazilian consumers have a wide range of needs - from typical items like shoes, accessories, consumer electronics, cosmetics to niche items such as automotive, pet care, and baby care

The vast majority of **consumers in China** purchase beauty & personal care products, food, baby care, and sporting equipment

Consumers in India mostly spend on fashion accessories, consumer electronics, jewelry, and sporting equipment.

Apparel shopping is the most popular among **Brazilian and Canadian consumers**

Source: flow.io

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The Biggest Obstacle in Cross-Border Shopping

Respondents who have not shopped cross-border express the concerns below:

The shipping fee is high..

Taxes and duties are high

I prefer local retailers

I don't feel safe shopping online

Takes ages for delivery

Specific factors for consumers in certain countries to shop less overseas

Chinese shoppers often find difficulties from
- Inability to find products/brands they are interested in (20%)
- No available payment method (22%)
- Unable to speak to customer service (19%)

Customers in Japan and South Korea own the lowest rate of cross-border shopping. Respondents point out that their willingness to purchase overseas would drop if the store website is not in the language they are familiar with.
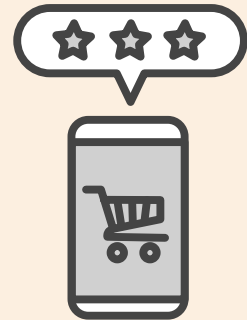
Source: flow.io

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Must-Know Cross-Border E-Commerce Trends

Introduction of AI in supply chain

The rise of cross-border shopping means that it is necessary to improve the management of the supply chain to handle parcels from around the world efficiently; consumers and brands also expect to be able to grasp the status of their goods promptly

Optimization of international customers' UX

By the end of 2022, it is estimated that the number of overseas consumers of many brands will exceed that of local consumers. Therefore, the consumption experience on the website needs to be more intuitive in terms of currency value and language switching. Companies should localize visual elements and marketing strategies to cater to overseas consumers.

Localization of social marketing

The social media channels for brand exposure are changing rapidly. Common platforms like Instagram, Pinterest, and TikTok allow consumers to shop while shopping. Companies planning to expand their overseas market need to consider cooperating with local KOLs and place localized advertisements to reach local consumers.

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Global E-Commerce Logistics Overview

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Must-Know Cross-Border E-Commerce Trends

A report from Acumen, a research and consulting firm, forecasted that the global e-commerce logistics services (including delivery, warehousing, and courier) will surpass US$3606 billion by 2028 at a CAGR of 20%.

The rapid growth of e-commerce logistics is mainly due to the popularization of network coverage, the prevalence of online shopping, and the support of convenient technology for online payment and cash-on-delivery in convenience stores. Acumen's statistics show that logistics distribution increased by 25% during the epidemic, and online shopping of fresh food drives the growth of cold chain logistics.

E-Commerce logistics market will grow to
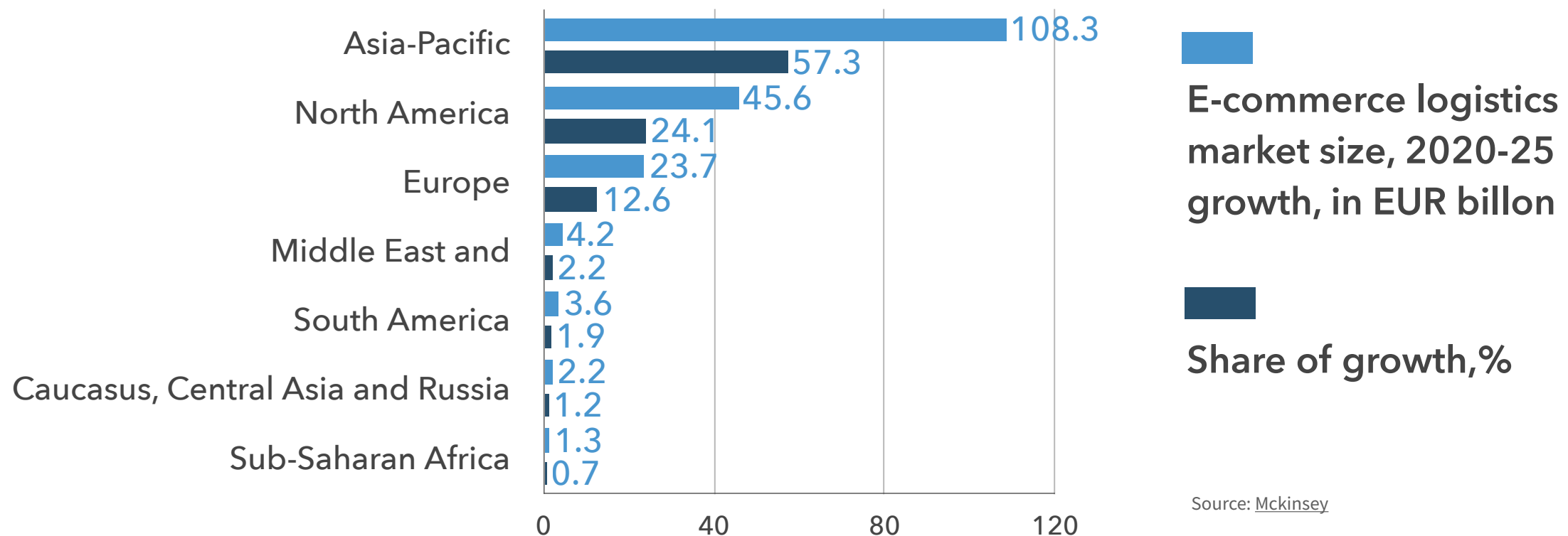
$3.6 trillion USD

The CAGR in e-commerce logistics

20%

During the COVID-19 pandemic, B2C parcel delivery services have risen by

25%

Source: Zion Market Research, Global Newswire

Logistics in the Asia Pacific Outpaced With an Average Annual Growth Rate of 5.4% In Coming Five Years

An article from McKinsey reported that Asia, which outpaced the e-commerce market from the rest continents in the world, was expected to account for 57% of the growth between 2020 and 2025. Not only taking the lead in the market growth, but Asia also plays a crucial role in the logistics ecosystem. Many e-commerce merchants have been structuring a plan to optimize logistics solutions, which include forward and reverse logistics and returns management, to offer a streamlined shopping experience.

Region	Market size	Share
Asia-Pacific	108.3	57.3
North America	45.6	24.1
Europe	23.7	12.6
Middle East and	4.2	2.2
South America	3.6	1.9
Caucasus, Central Asia and Russia	2.2	1.2
Sub-Saharan Africa	1.3	0.7

E-commerce logistics market size, 2020-25 growth, in EUR billon

Share of growth,%

Source: Mckinsey

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Logistics Trends Driven by the Growth of E-Commerce

Digital transformation

In recent years, digital transformation tools have been introduced in traditional e-commerce and logistics. Big data and automation tools are employed to improve the operational efficiency of enterprises and reduce labor costs.

Enhance consumer experience

The customer experience (CX) is one of the core goals of many industries. A good customer experience can make a company stand out in the red sea. In e-commerce, customers' experience in marketing, shopping, checkout, payment, and delivery are equally important. An omission in the quality can cause churning in long-term.

Raising environmental awareness

More customers care for environmentally friendly packaging and logistics. E-commerce waste has become a challenge to enterprises and governments. A well-planned return solution that allows returns to be reused and improves local recycling can reduce pollution.

Source: DHL Taiwan Connects

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Global E-Commerce Returns Solutions

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Surging online shopping return rate attacks retail profits

According to a report by the National Retail Federation, in 2021, U.S. retailers bear a total of US$761 billion in returned merchandise, accounting for about 16.6% of the total retail sales in that year. In other words, US$16.6 is cut from every $100 profit, not to mention derived costs such as warehousing, logistics, staff inspection, etc.

Total U.S. merchandise value returned by consumers in 2021

$761 billion USD

2021 total rate of returns in the U.S.

16.6%

Consumers will repurchase if the return process is convenient

92%

Source: cdn.nrf.com

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Returns Pain Points Faced by Enterprise and Consumers

Lost profit from returning merchandise is one of the pain points for sellers when handling returns. The factors are as follows

- Expensive and time-consuming return logistics
- Overseas returns mean more discarding and more costs
- Complicated returns process when products are sold overseas
- Overseas returns require warehouse collection & logistics cooperation
- Receiving returned merchandise that is counterfeits or damaged by misuse
- ......
- Unable to check the status and logistics status of the returned goods in real time
- A complicated return process from the consumer side will affect brand impression
- High labor costs are required to inspect returned products

Source: cdn.nrf.com

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# Turn a crisis into an opportunity with an e-commerce return solution

Return merchandise is perceived as a time-consuming and complex burden to many E-commerce enterprises and consumers. The return process can indeed be simpler and automated with an effective tool, which can resolve negative impressions of the return process.

Imagine - there is a tool that can help companies manage returns in various countries, provide multi-country return warehouse collection, integrate international logistics, assist in inspecting the returned goods, and allow consumers to print returns waybills to ship out goods quickly. All of these can reduce operating costs, improve customers' shopping experience and turn the crisis of returns into a turning point.

5X

The cost of acquiring a new customer is **5 times** that of attracting an return customer to repurchase
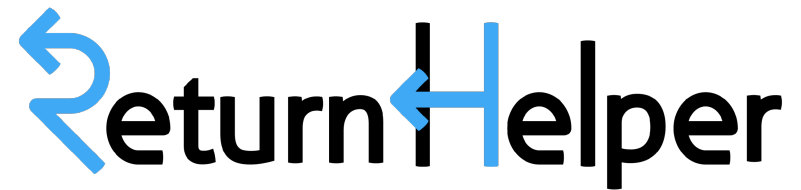
(Forbes Magazine, 2018)

87%
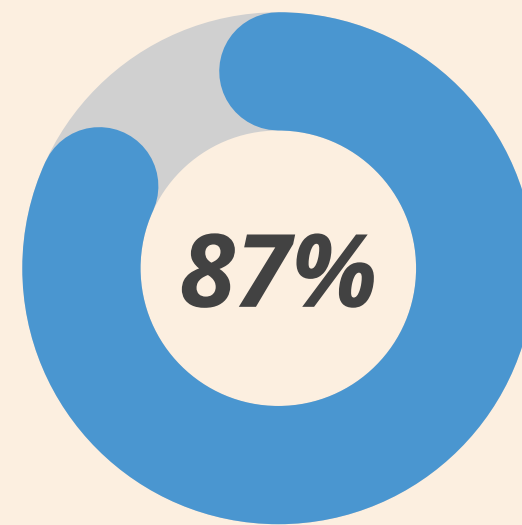
Investing in an online returns experience can improve overall consumer satisfaction by **87%**

(IMRG Consumer Delivery Review 2019)

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Global E-Commerce Returns Solutions

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Return Helper offers a one-stop global e-commerce return management solution that simplifies reverse logistics, lowers costs, and thus opens up more profit opportunities.

Forward/reverse logistics management solutions

Global warehousing bases partnered with overseas & local logistics companies

Optimize buyer/seller two-way return experience

Global E-commerce Returns Solutions Core Services

Overseas/local warehouse return collection

- Warehouses in 13+ countries
- 24-hour returned goods status update
- Stowed goods inspection

International/local logistics integration

Logistics costs for buyers and sellers are reduced by a range of logistics carriers, and premium shipping prices

One-stop return management system

- Instant view of goods return status
- Return Portal exclusive returns portal
- Integrations with eBay, Shopify, OnBuy, Amazon

Customize return services

- 3C electronic product inspection and photo taking
- Relabeling, packaging
- Disassembly and consolidation
- Serial number & other customizable inspections

Overseas/Local Warehouse Return Collection Cross-Country Locations to Increase Return Efficiency

With Return Helper's one-stop global e-commerce return management solution, sellers can simplify complicated procedures and restrictions to return goods and update goods statuses in real-time. As a result, it improves the return and exchange experience, lower reverse logistics costs, and increases profit margins.

v **12+ country warehouse return collection service**

Available in the U.S., Canada, UK, Germany, France, Italy, China, Hong Kong, Taiwan, Singapore, etc.

v **Return status uploads to the system within 24/48 hours.**

After receiving the buyer's returned goods, the warehouse will provide a standard photo record within 24 hours; FBA (Fulfillment by Amazon) returns are uploaded to the system within 48 hours.

v **Centralized returned goods logistics**

Warehousing provides centralized return processing services. Merchants can choose to gather a number of returned goods and send them back to the local region to reduce freight costs

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International/Local Logistic Brand Integrations to Offer You Seamless Service at the Best Price

V **One-stop international/local logistic integration**

In cooperation with logistics partners including FedEx, USPS, SF Express, DHL, etc., Connections to major e-commerce platforms are available

V **Attractive and competitive service cost**

Free from trouble looking for logistics providers in different countries, Return Helper has negotiated competitive logistics costs for you

V **Local shipment, batch recall or one-off recall**

Provide forward/reverse logistics services, combine warehousing and systems to assist sellers in one-stop handling of various distribution needs

One-Stop Return Management Solution Combined With Warehousing and Logistics

V **One-stop management of all return orders**

View all return order statuses and pin the most appropriate processing on the return order, such as re-labeling, re-sale, or recycle locally, etc.

V **One-click return labels generation**

Enter the buyer's address in the system, and a return label can be created to provide buyers with convenient returns.

V **Real-time shipment status and report generation**

Completely grasp the product level, warehousing, and logistics status of all returned commodities, and can create reports based on single-order requirements.

V **Self-service returns portal (Branded Return Portal)**

The system is integrated to the e-commerce website. Buyers can select returned products through the official website

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Customizable Return Service Save Business Costs With Multiple Return Options

Valuable products inspection

Inspect the IMEI/Serial number to ensure that the returned product has not been replaced, further check and format password lock/cloud lock, and resell it in other ways to reduce losses.

Re-labeling, changing labels

Assist in processing outer box labels and SKU labels to save sellers' labor costs; quickly restocking FBA to avoid goods out of stock affecting rankings.

Repackaging, packaging reinforcement

Repacking in a suitable carton can save shipping costs; strengthen the packaging to reduce the chance of damage during shipping.

Consolidation, disassembly

Assist sellers in disassembling multiple products or parts in a package, sending them to new buyers separately, and handling returns flexibly.

Other customizable inspections

Provide customized return options based on seller's needs and establish a standardized process, so that returned items will have the opportunity to be resold in brand new condition or directly recycled locally in an environmentally friendly manner

# Hussle-Free Customer Return Process With Progress Indicators

Return Helper simplifies the process of local/overseas returns for consumers, which can increase the consumers' confidence in shopping overseas and tendency to repurchase in the future.

Consumers select products to be returned through the brand's exclusive buyer portal

Fill in the basic return information
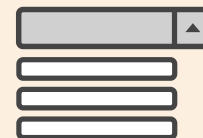
Choose the preferred shipping method

Online credit card/PayPal payment for shipping

Stick the return waybill and wait for the courier pick-up

Receive return label by mail

**What a smooth and fast return experience!**

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Success Case
Overseas Return Service Support for Cubo Ai

Cubo Ai is the world's first artificial intelligence baby camera founded in Taiwan. Since its launch, it has been well received and reviewed by over 100,000 parents in 10 countries. One of the challenges faced by Cubo Ai is "return management." After the introduction of the Return Helper One-stop Global Return Management System, Cubo Ai's reverse logistics management has been greatly optimized with 3 major changes:

With the Return Helper system, brands can obtain the real-time status of the reverse logistics in one glance, which conveniently controls all return cases and saves time for management.
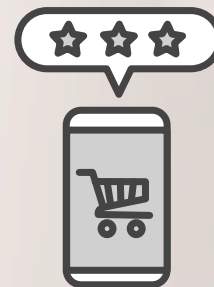
Improves buyers' return experience and allows buyers to download labels to simplify the return process. This can greatly reduce the cumbersome procedures and better the after-sale experience.

Saves the effort to negotiate service prices with logistics providers and freight forwarders one by one and obtains competitive logistics costs directly through Return Helper.

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Conclusion

The rapid development of e-commerce means consumers have more choices; a little "Return" button inevitably leads to the growth of returns. Solely in the United States, 6 billion pounds of returns need to be buried every year.
In the era of reverse logistics in lack, many returns have no option but to be discarded, yet there are ways to treat returned merchandise better and wiser.

Return Helper's global e-commerce return solution provides sellers with more flexible return options. Also, it allows sellers to manage and process overseas return information in a quick grasp, thus helping businesses handle returns without stress.

Global E-Commerce Returns Solutions

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Get in touch with us!