



Bluecom
The E-Commerce Experts

Magento Webinar Series

10 Steps to localize your Magento Store to the Chinese Market



Magento[®]

an ebay inc company

Topic: Building Your Store

Language: English

When: Oct 29, 2014 | 9:00am PDT

10 Steps to localize your Magento Store to the Chinese Market



1. About Bluecom
2. Market Overview
3. Market Entry Step by Step
4. Marketplaces in China
5. Localization for Standalone Sites
6. Long-term strategy
7. Questions?



About Bluecom


Our Team and Organization



About Bluecom



Bluecom Group is one of the **biggest e-commerce solution providers** in East Asia with offices in Shanghai, Hong Kong, Ho Chi Minh City, Singapore, Tokyo, Seoul and Taipei.



Bluecom
China


Contact Partner >

Company
Products and Services
Clients


Bluecom's expertise is in the planning, development and support of complex e-commerce platforms for medium to large International B2B and B2C companies. With our team of almost 100 e-commerce specialists, including more than 25 Magento certified engineers, Bluecom is a leading e-commerce solution provider in Asia with offices in China, Hong-Kong, Vietnam & Singapore and an extended network of partners in Japan, Korea and Taiwan. Bluecom is working with some of the biggest International companies, renowned brands and successful pure players by providing professional e-commerce implementation and reliable support services in the APAC region as well as globally.

Company Website: www.bluecomgroup.com

| Headquarters | Branch Location |
|--|---|
| Yangzhai Lu 255, Changning District Shanghai, 20000 China | 21st Floor, The Phoenix Building No.23 Luard Road, Wan Chai Hong Kong, Wan Chai 10000 Hong Kong |
| Branch Location | Branch Location |
| 2/F Athena Building | 7/F, No.105, Sec. 2 |

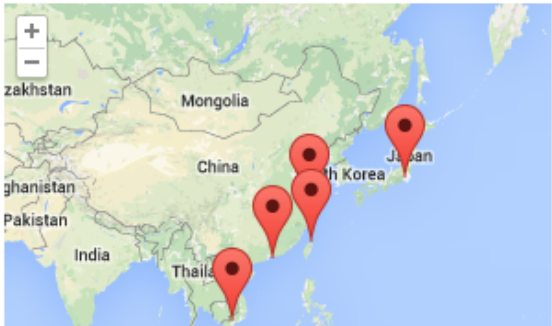


SOLUTION PARTNER



**Certified
Developers**
x35

[View Details](#)





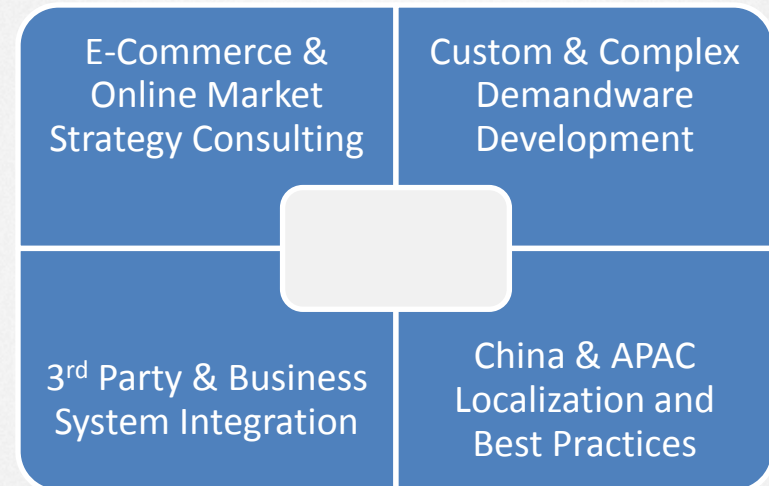
Who we are



Bluecom's expertise is in

- ✓ Custom Development, Integration & Implementation of Demandware Projects
- ✓ Strategic E-Commerce & Online Market Best Practices Consulting
- ✓ Omni-Commerce and Business System Implementation
- ✓ China, Japan, Korea & South East Asia E-Commerce Market Localization

Bluecom's >100 e-commerce specialists work with leading brands, multinationals and international retailers on the implementation, consulting & support of B2C & B2B e-commerce platforms.



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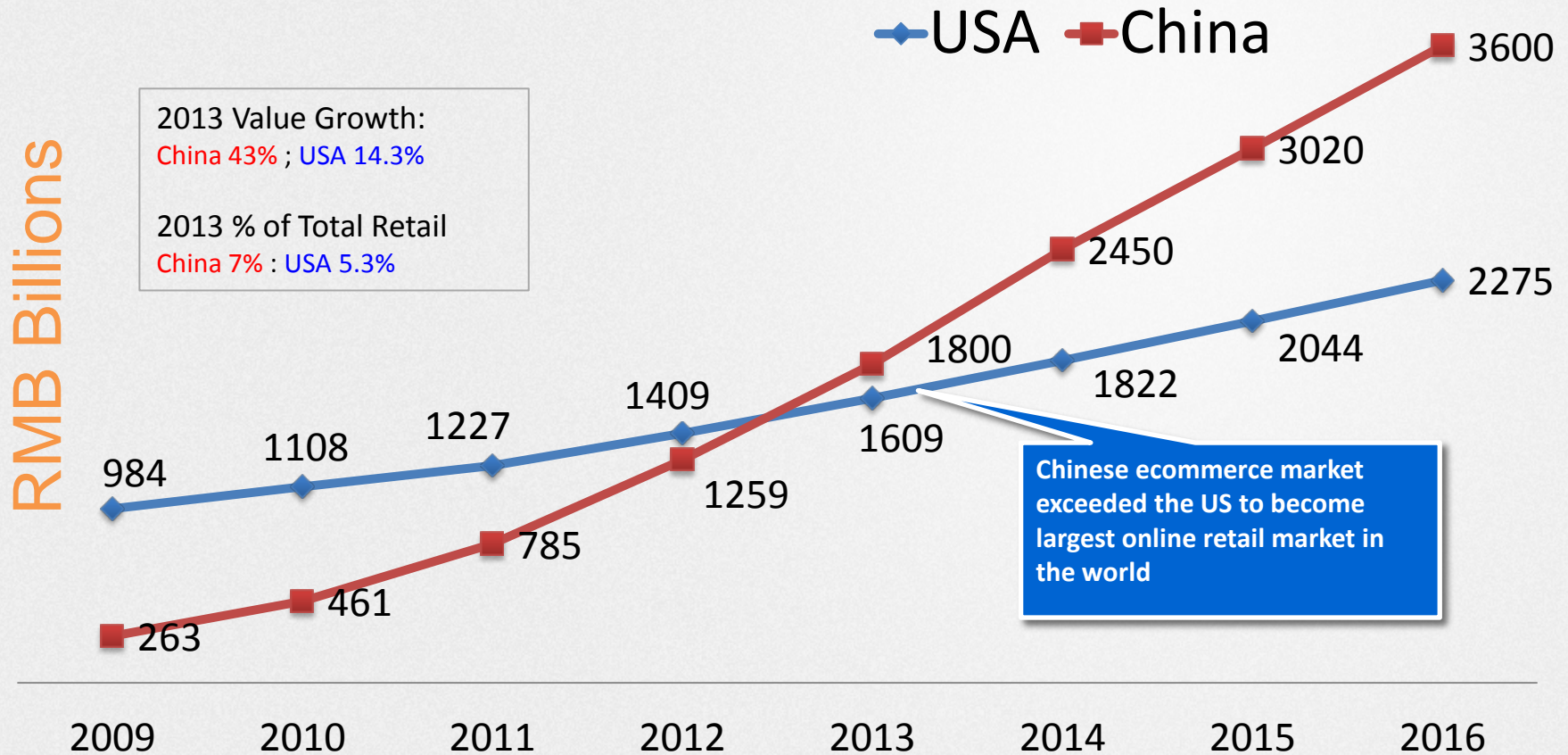
Market Overview

Opportunities in China's e-com market



E-Commerce in China

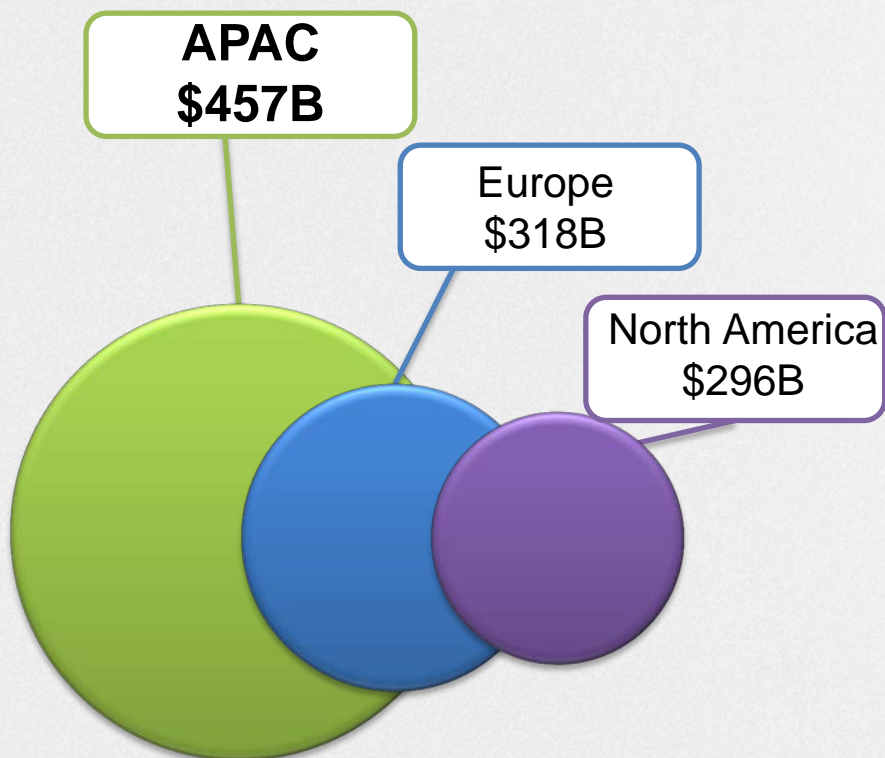
Online B2C Market growth



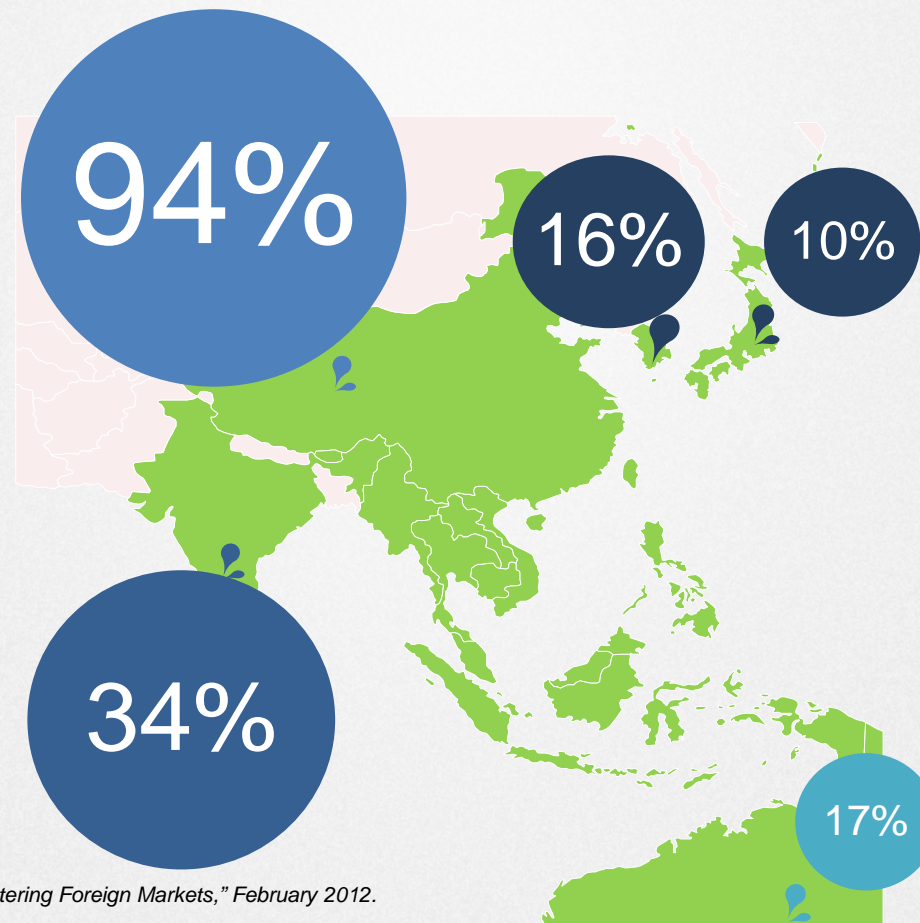
E-Commerce in China

The APAC online B2C e-commerce markets

Digital Commerce Market Size by Region (2014)



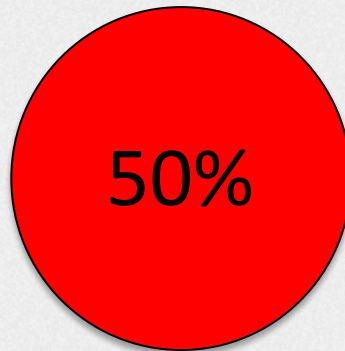
Digital Commerce Growth Rates by Country (2010-15)



Source: eMarketer, "Globalizing eCommerce: What US Retailers Need to Know About Entering Foreign Markets," February 2012.

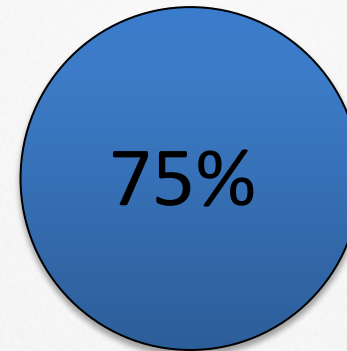
E-Commerce in China

China

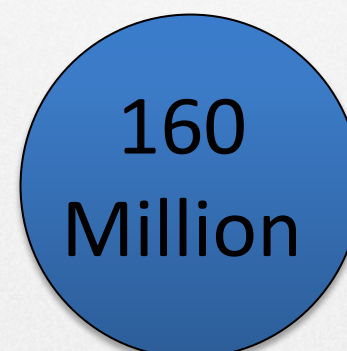


% of Internet users that
shop online

USA



of online shoppers



What makes the Chinese online market so interesting for foreign/western companies and brands?



- 60% of all foreign products in China are purchased online
- Tier 1 cities (Beijing, Shanghai, Guangzhou, Shenzhen) make up >50% of online sales, but....
- Tier 2, 3 and 4 are high opportunity targets (due to local unavailability of foreign/genuine products)

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Market Entry Step by Step

Entering the China e-com market



E-Commerce in China

There are many things to consider when entering a new market like China...

Legal Setup

US Unit vs. local entity

Logistics & Fulfillment

From the US vs. locally

Technology

Server Structure & CDN

Sales Channels

Marketplaces vs.
Standalone

Localization

Local best practices

Marketing & Branding

Search Engines & SNEs

E-Commerce in China

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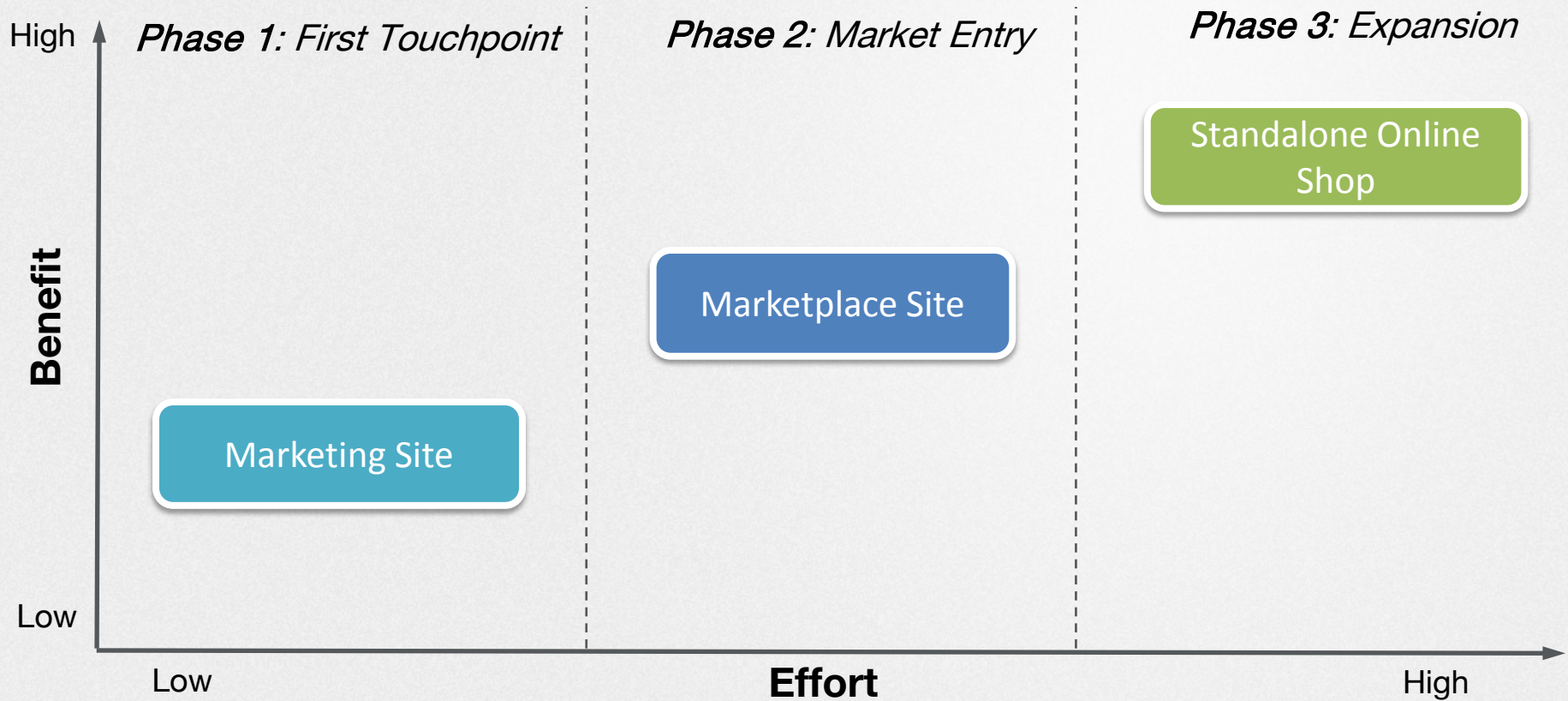
Localization

Local best practices

Marketing & Branding

Search Engines & SNEs

Site & Sales Models



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Marketplaces in China

The power of marketplaces in China

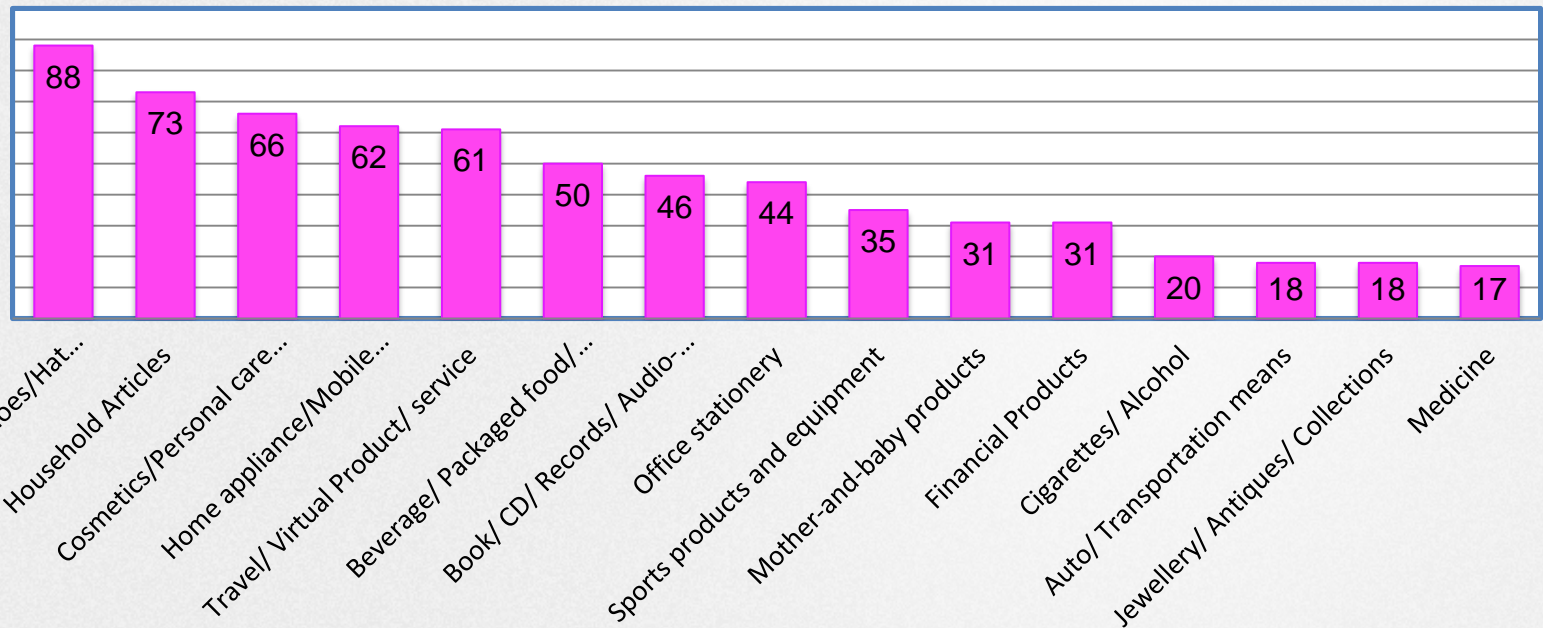


E-Commerce in China

There are several marketplaces & sales channels in China (similar to ebay, Amazon, Rakuten,...).



Importance of marketplaces in various product verticals



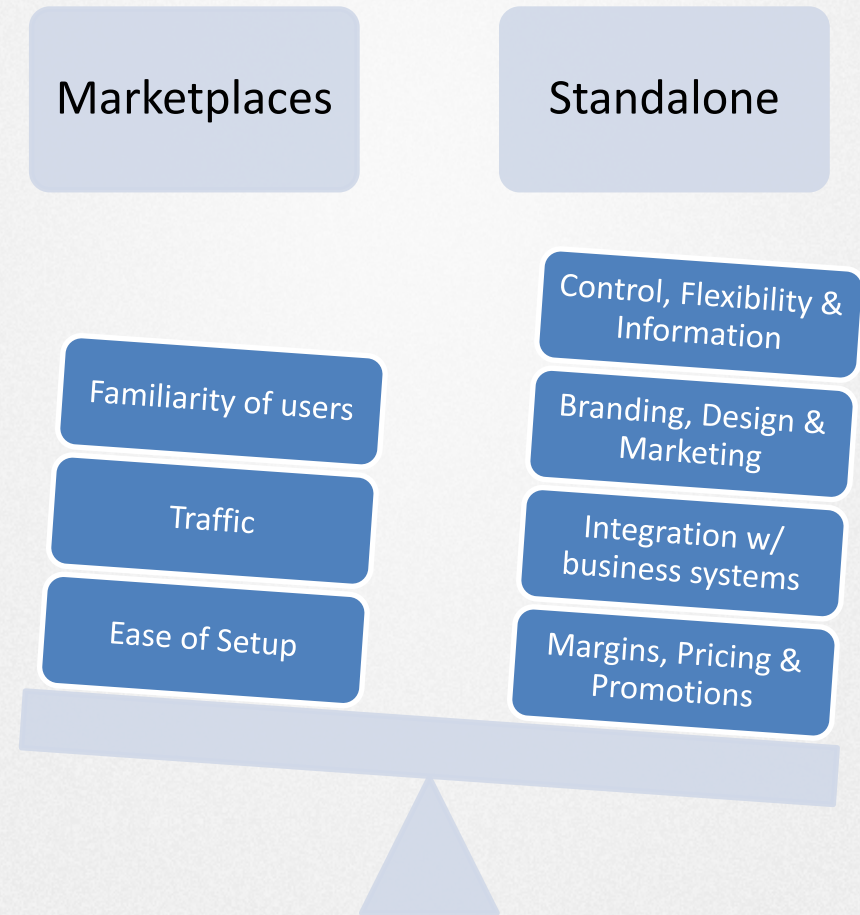
Note that marketplaces do not play a role in B2B business since business requirements tend to be more complex and the scope of clients tends to be very specific



Marketplaces vs. Standalone

There are several advantages and disadvantages of marketplaces & multi-brand websites compared to the standalone sales channel / online shop.

In general, a marketplace is easier to setup since the framework is given. This, however, is traded in with a lack of control & flexibility and less branding/ marketing/ promotion options.



E-Commerce in China

Marketplaces vs. Standalone

| | Standalone E-Commerce Site | Platform Store (Tmall) |
|--|---|--|
| Positioning from consumers perspective | Premium destination | Outlet/Clearance channel |
| Customer Acquisition costs | High (typically negative marketing ROI in 1st year of operations) | Low (typically marketing ROI of 2-4 for spending within Tmall) |
| Customer Loyalty & repurchase rate | Medium | Low |
| Customer Life-Time Value | High | Low |
| Predominant price strategy | Full price | Heavy mark-downs (up to 70%) |
| Integration with POS, CRM, etc. | Possible | Very limited |
| Short-term sales potential | 5-10% of brands e-commerce sales | 50-70% of a brands e-commerce sales |
| Long-term sales potential | High | Medium |

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Localization Items

Localization for standalone sites

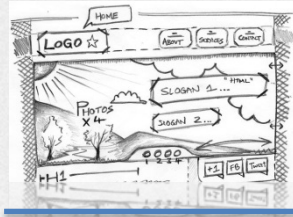


E-Commerce in China

Standalone Online Shop Considerations

网商

**Language
Localization**



**Site UX &
Design**



**SNEs & MM
Content**



**Delivery /
Tracking**



**Checkout
Structure**



**Payment
Methods**



**Mobile /
Responsive**



**Hosting / Server
Setup**

Standalone Online Shop Considerations

网商

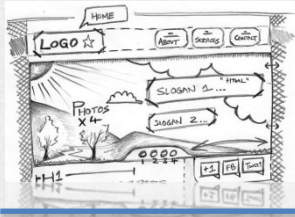


**Language
Localization**



- ❖ Localization of textual content (taking into account marketing best practices, local linguistics)
- ❖ Localization of images and visual content
- ❖ Adaption of system messages and emails
- ❖ Translation / Adaption of meta info

Standalone Online Shop Considerations



Site UX & Design

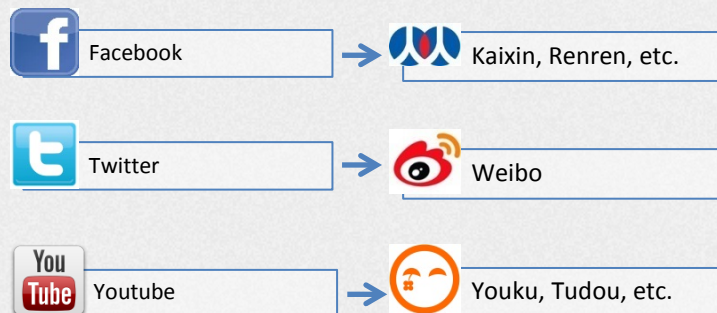


- ❖ Adaption of design to consumer expectations in China
- ❖ Adaption of structure and UX to local best practices
- ❖ Adaption of navigation structure, pathways through site
- ❖ Adaption of product pages (image content, description display)

Standalone Online Shop Considerations



SNEs & MM Content



- ❖ Integration of local social networks (Weibo, Weixin, QQSpace, Duoban, Renren, Kaixin etc.)
- ❖ Single-Sign On feature with QQ, Weibo
- ❖ Integration of social media feedback, reviews and ratings
- ❖ Locally hosted multimedia content (Tudou, Youku, etc.)

Standalone Online Shop Considerations



**Delivery /
Tracking**



- ❖ Integration of local delivery service providers
- ❖ Integration of delivery tracking service (e.g. Kuaidi100)
- ❖ Use of table rates or shipping price calculation
- ❖ Integration of order and return management info with OMS

Standalone Online Shop Considerations



Checkout Structure



- ❖ Adaption of input fields (e.g. name input in single input field, address fields, no separate billing address)
- ❖ Inclusion of location dropdowns (e.g. for provinces, city districts)
- ❖ Input fields for legal invoice details (“fapiao”)
- ❖ One step checkout



建筑业统一发票 (电子)

发票代码: 4301000000
发票号码: 00000000

开票日期: 2025-08-21 09:57:40 (2025)

开票单位: 中国建筑集团北京建设工程有限公司
收款单位: 中国建筑集团建设工程有限公司

开票金额: 430100117727600

开票品名: 工程款

开票金额: 533,400.18

开票人: 张某某

Standalone Online Shop Considerations



Payment Methods



- ❖ Integration of local payment gateways (Alipay, Tenpay, Unionpay, 99Bill etc.)
- ❖ Payment through e-wallet (e.g. Alipay) or directly through bank
- ❖ Payment on delivery
- ❖ Reward points and/or loyalty programs



Standalone Online Shop Considerations



**Mobile /
Responsive**



- ❖ Mobile template for catalog or with transactional features
- ❖ Mobile template vs. responsive design
- ❖ Desktop & smartphone vs. desktop, tablet & smartphone
- ❖ Taking into account mobile bandwidth limitations



Standalone Online Shop Considerations



**Hosting / Server
Setup**



- ❖ “Great Firewall of China” slows down connections from outside China
- ❖ Local hosting requirement: ICP (Internet Content Provider) registration
- ❖ Competitiveness of hosting market not as high as in “western” world
- ❖ CDN service recommended within China for certain traffic expectations



What are the other 2 steps?

Marketing

Expensive and time consuming, but indispensable



Social media strategy: Consumers in China listen very closely to what friends, family and others in their network say about a product or company. Work with a solid social media strategy and engage KOLs.



Search Engine Marketing: Search engines do not have the same importance in China as in the west. Also note that Google does not play a role in the local online search market.

E-Commerce in China

Customer Service

Expensive and time consuming, but indispensable



Comm100

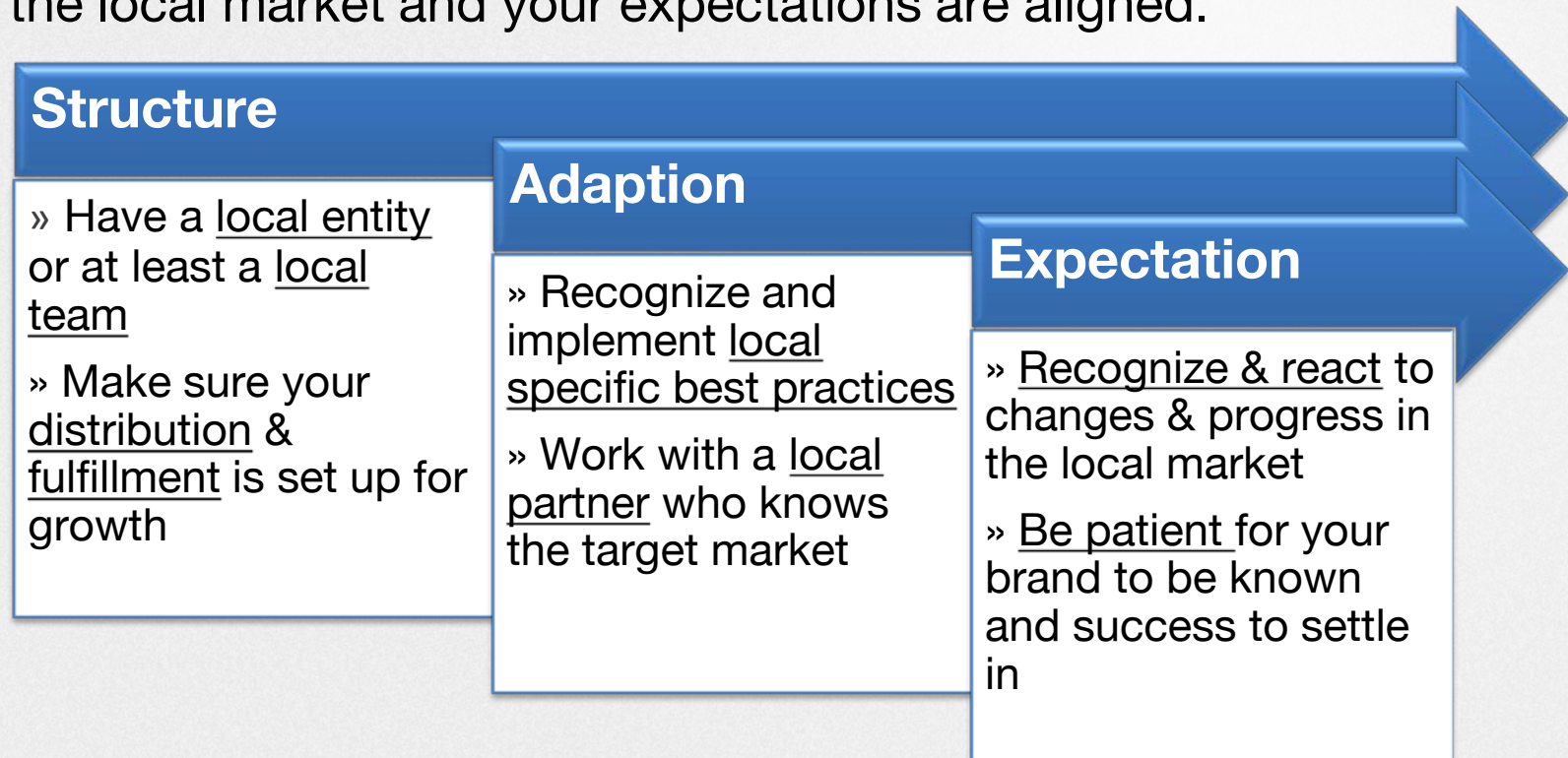
Livechat service: Consumers in China expect personal live service to be available at all times. Often a considerable part of the purchases are made through recommendations through live chat.



Issue Management: If any issues arise (e.g. product arrives with a fault, delivery takes too long) make sure you have good service staff, otherwise the response can be vicious

Standalone Online Shop Considerations

For a successful long-term local e-commerce market strategy make sure your structure is solid and scalable, you are completely adapted to the local market and your expectations are aligned.



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Thank you

Any questions?

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