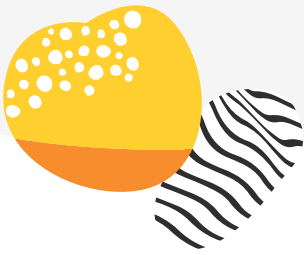


8 Foolproof Ways to Scale Your Commerce Operations: Best practices for selling into new markets with ease



Strategies for seamlessly expanding online commerce into new markets



As ecommerce continues its strong growth trajectory, cross-border commerce in particular presents significant opportunities for online retailers to expand their operations on a global scale and substantially grow their brand.

The number of online shoppers around the globe has increased significantly over the past few years. Between 2016 and 2021, the number of digital buyers worldwide increased by half a billion¹ and is poised to continue its growth trajectory over the next couple years. It is estimated that by 2023, online retail sales will reach \$6.17 trillion, with online commerce making up 22.3% of total retail sales.²

Much of this recent growth has been driven by the pandemic, which accelerated online shopping habits and ushered in a new era of digital-first buyers. More consumers turned to online shopping, with 1 in 4 consumers (23%) more likely to purchase products online that they would normally buy in store.³ Of those consumers who engaged in online shopping, a significant portion of consumers made cross-border purchases. More than half (57%) of online shoppers made at least one cross-border purchase, while another 22% of online shoppers have considered doing so.⁴

As a result, commerce organizations have the opportunity to expand their customer base and scale their brand by successfully tapping into a growing market of cross-border shoppers. In today's online commerce landscape, there's a significant missed opportunity for retailers who do not expand their commerce organizations on a global scale. In fact, the cross-border ecommerce market is poised for a substantial trajectory of growth over the next few years and is expected to reach a value of \$2.25 trillion USD by 2026.⁵

1 Source: Statista, 2021


2 Source: eMarketer, 2021

3 Source: Statista, 2020

4 Source: Internet Retailing, 2021

5 Source: Statista, 2022





However, expanding commerce operations on a global scale comes with complexities that are sometimes unforeseen and can hinder merchants from scaling their business in the first place. Additionally, the consequences of not preparing for the indirect tax complexities of cross-border commerce and additional government restrictions can have significant implications for online merchants and can include costly penalties such as fines, fees, and indirect tax claims.

Adobe and Vertex have worked with some of the world's leading brands and have seen first-hand what works—and what doesn't—when it comes to successfully and seamlessly scaling an online commerce business on an international scale.

In the following eBook, Adobe and Vertex reveal best practices for expanding online commerce operations on a global scale and avoiding common cross-border pitfalls so you can grow your ecommerce business with ease.



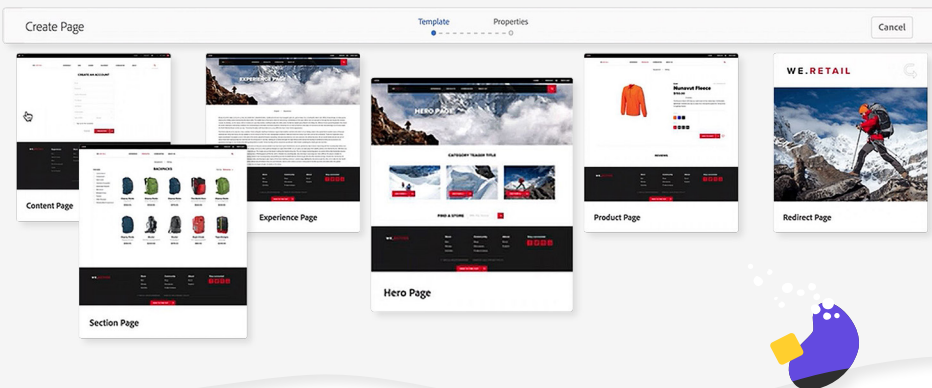


Strategy #1: Create a unified, frictionless commerce experience across all online channels and storefronts.

An engaging, seamless customer experience helps drive purchase intent and cultivate a growing, loyal customer base. Ensure that as you scale into new markets and expand online storefronts, the overall customer experience remains consistent, personalized, and integrated across all channels. Consider the following elements to deliver a frictionless commerce experience across all platforms:

- Create a consistent visual experience and unified branding across all online storefronts.
- Deliver accurate, streamlined, low-latency transactions.
- Provide accurate tax calculations for every single purchase (and ensure customers aren't inadvertently overcharged or stuck with any surprise taxes or tariffs after purchase).
- Present customers with the right products, language, and currencies from the beginning of their ecommerce experience.

Adobe and Vertex help streamline the process of scaling online commerce operations while providing a unified experience for the customer—**regardless of channel or region.**



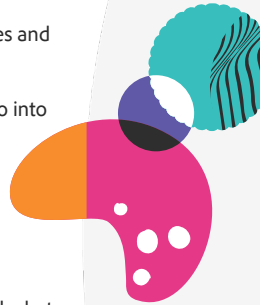
Strategy #2: Don't make taxes an afterthought.

Too often, merchants don't take into account the full breadth of cross-border tax considerations until after they've already decided to—or have already begun—to scale their commerce business internationally.

Factoring in all applicable tax rates, rules, and tariffs in each country, region, and locality in which you do business is imperative. Accurate taxes are fundamental to remaining compliant. Failing to factor in accurate tax rates or not paying the right amount of taxes comes with significant risk, including fees, audits, regulatory fines, and tax claims. Furthermore, inaccurate tax calculations—and, subsequently, inaccurate or inflated pricing—can also significantly negatively impact the overall customer experience. Merchants need to consider the wide range of tax rates and rules for every country and region that they sell into.

Leverage these questions as a checklist for evaluating critical tax considerations prior to scaling.

- ✓ Are we required to register in and collect taxes in each of the countries and jurisdictions that we are expanding into?
- ✓ Do we adhere to all government regulations giving us the ability to go into these countries and sell?
- ✓ How are we structured from a legal entity standpoint?
- ✓ Are goods and services being provided remotely?
- ✓ Are goods being moved between countries?
- ✓ Do we know how much we anticipate selling into these countries and what the applicable tax thresholds are?
- ✓ Am I selling products that are Value Added Tax (VAT) inclusive?
- ✓ Am I collecting payments in the currencies that I need to report my taxes in?
- ✓ Who is liable to pay the taxes that are due for each transaction in each jurisdiction? Is it the customer, the vendor, or a combination of the two? (Note that this can vary for every jurisdiction and also for different product types).
- ✓ Are there additional tax considerations regarding where a customer is located? And how to prove a customer's location, if at all?
- ✓ What are the differences in tax considerations between selling to private consumers and selling to businesses?
- ✓ How are we pricing our goods?
- ✓ Are we offering dynamic or fixed pricing?



It's important to evaluate these considerations prior to scaling your online commerce business so as not to end up with penalties and fees. Indirect taxes are dependent not only on what you are selling and where you are selling into but also the manner in which you are selling.

Taxes play a vital—albeit sometimes understated—role in delivering frictionless online commerce experiences.

Ensuring accurate tax rates is not only critical when it comes to remaining compliant and avoiding fines, it's also a fundamental component to delivering a positive, seamless customer experience. If a retailer undercalculates a transaction and does not collect the right amount of taxes, they're stuck with an additional tax burden to cover the difference. On the other hand, if a merchant overcharges a customer for taxes, they then (inadvertently) inflate their pricing, impacting sales and the overall customer perception. Taxes play a vital—albeit sometimes understated—role in delivering frictionless online commerce experiences.

With the right technology solutions, online retailers are equipped with the tools to automatically incorporate accurate, up-to-date tax rates and rules for each of their transactions—regardless of where they are based or where a customer is purchasing from. Cutting-edge tax and commerce solutions lift the burden of having to manually remain up to date with the vast array of tax laws, rates, and regulations in every single jurisdiction in which a merchant does business. With Adobe and Vertex, commerce organizations are equipped with solutions that deliver accurate and automated indirect tax calculations for thousands of tax jurisdictions around the world. Adobe and Vertex provide reliable, industry-leading solutions for calculating and streamlining a diverse array of tax considerations, from sales tax to VAT to consumer use tax.





Strategy #3: Consider government regulations in every region you sell into.

In addition to tax considerations, each region and country has specific considerations with regard to the types of products that can or can't be sold within each jurisdiction. For example, certain types of cosmetics can't be sold in certain regions due to restrictions on chemicals found in some products.

Taxes, compliance, and government restrictions can often pose significant barriers to expanding commerce operations and engaging in cross-border selling. These mandates can be especially prohibitive for small to mid-sized organizations due to their complexity.

The good news is that merchants don't have to take on this burden alone. Having the right tax and commerce solutions in place can lift many of the complexities associated with ensuring compliance and maintaining accurate tax rates. Being supported by a powerful, integrated tax engine, a scalable commerce platform, and the expertise of industry leaders frees commerce brands to focus on growing their business.

Adobe and Vertex meet merchants where they're at and support them in ascending into their next stage of growth—whether that's scaling domestically, regionally, or internationally. Adobe and Vertex do the hard work for merchants when it comes to indirect taxes and compliance, including accurately determining and calculating the indirect tax rates for each line item in a transaction and keeping up to date with the latest developments around taxes, tariffs, and government regulations impacting online commerce transactions.



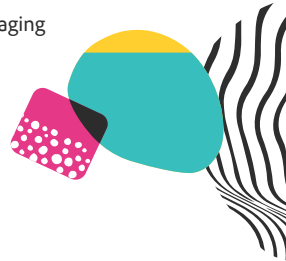
Adobe and Vertex enable merchants to do things they might not have been able to do otherwise, such as expanding into new countries or regions that have complex tax and governmental regulations that may hinder scaling.

Strategy #4: Deliver personalized customer experiences regardless of where you are selling or where the consumer is located.

Personalization in the customer experience is no longer a nice-to-have. It's become a must. Customers have come to expect and prefer tailored, personalized journeys and customer experiences that align with their unique buying habits and interests.

Personalized experiences can often be a primary factor driving repeat sales and long-term brand loyalty. Online commerce businesses would do well to expand the definition of personalization past an image on a website to deliver personalized experiences in every component of commerce operations, including delivering:

- Personalized product recommendations
- Personalized marketing—in terms of visualization as well as messaging
- Personalized payment options
- Personalized fulfillment options
- Personalized tax experiences that factor in all applicable tax rates, rules and exemption certificates for each customer



Adobe Commerce enables online commerce businesses to deliver greater personalization in the customer experience via artificial intelligence (AI) capabilities that provide merchants with the tools to deliver personalized product recommendations in addition to unique customer experiences across every channel and device. Vertex can help to personalize the tax experience to ensure the customers are charged the correct rate.



Strategy #5: Factor in all applicable data privacy, residency, and sovereignty requirements for all regions you sell into.

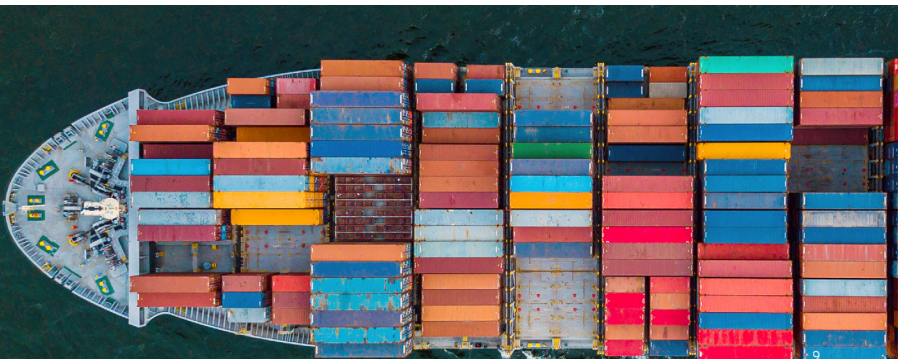
Protecting customer data is fundamental not only when it comes to maintaining customer trust but also for ensuring regulatory compliance. Some regions have very stringent restrictions on how to manage customer data, where customer data can be hosted, and where merchants are allowed to send customer data.

Consider the following questions when evaluating data privacy and sovereignty requirements:

- Where is customer data being stored?
- What types of customer data are being collected? For example, is personally identifiable information (PII) or payment card industry (PCI) data being collected?
- What government regulations are in place for collecting, sending, and storing data—for each of the localities and regions in which we're doing business?
- How do our existing technology solutions, systems, and integrations work when it comes to data residency?

Having a vendor that is highly aware of—and able to support—the breadth and scale of data residency and customer privacy requirements is vital. It's also important to have solutions that are flexible, supporting the manner in which you're scaling and deploying.

Adobe and Vertex, for example, offer support for mixed deployment models, including cloud, on-premises, hybrid, edge, and containerized solutions, providing organizations with a commerce solution that meets them where they are. Adobe and Vertex provide merchants with the flexibility to fulfill data residency, privacy, and sovereignty requirements regardless of what regions an organization is selling into or what their deployment model is.



65%

of respondents prefer content in **their own language**.

73%

want product reviews **in their own language**.

40%

of respondents noted they **would not buy** from commerce websites in other languages.

67%

of respondents noted that they'd **tolerate mixed languages** on a website.

Strategy #6: Provide multiple language options for online storefronts.

Providing commerce websites in multiple languages for international shoppers has become critical for engaging with and converting consumers on a global scale. According to Can't Read, Won't Buy (2020), a study by CSA Research surveying 8,709 global consumers across 29 countries, 65% of respondents prefer content in their own language and 73% want product reviews in their own language, if nothing else. Underscoring the importance of providing localized language offerings, 40% of respondents noted they would not buy at all from commerce websites in other languages.

Overcome these barriers by providing localized language offerings for online storefronts. Even partially tailoring websites to local languages can go a long way. Interestingly, 67% of respondents noted that they'd tolerate mixed languages on a website. Even simply providing product descriptions or customer reviews in localized languages can make a significant positive impact in driving purchase intent.

Adobe Commerce equips online retailers with a platform for delivering localized experiences with multiple language offerings, making it easier for merchants to expand their storefronts on a global scale, fulfill preferences with regard to language offerings, and meet customers where they are.

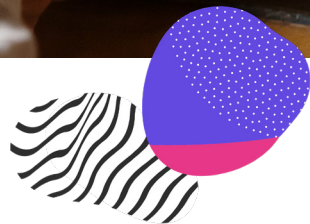


Strategy #7: Consider nuances in payment options, currencies, and preferences across every region.

In addition to language preferences, it's also important to consider what preferences international shoppers have for methods and options of payment. For example, in some regions, micro-payments are very common and are often the preferred payment method for online transactions.

Furthermore, it's vital to provide multiple currency options when scaling commerce operations globally and to also factor even the most seemingly minor nuances in currency and payment options. For example, what is the smallest unit you can collect payments in for each of the regions you sell into? Does your online commerce platform provide support for these units?

Adobe Commerce and Vertex provide support for multiple payment options and a diverse range of currencies, enabling merchants to not only sell into new markets but also fully meet and fulfill customer expectations with regard to payment and currency preferences. In addition, the Vertex tax engine gives merchants the ability to calculate tax based on the relevant currency for each market, which can vary since individual line items may require different rates or currencies. This lifts a considerable amount of manual effort and time that would otherwise be required of merchants while also providing retailers with greater peace of mind that their online transactions are incorporating accurate tax rates in the relevant currencies for each region they sell into.



Strategy #8: Choose a platform that is scalable.

As you scale into new markets, it's critical to choose online commerce solutions that can grow as your business grows. Having a scalable platform that provides the capabilities to create multiple websites and online catalogues serving customers across the globe is vital to successfully expanding into new markets and growing your business.

Adobe Commerce and Vertex support multiple online storefronts from a single platform—empowering merchants to seamlessly manage and expand from one storefront to tens or even hundreds as their business grows. Additionally, Adobe and Vertex solutions provide retailers with an agile platform that can easily scale up to meet spikes in transaction volumes that often arise from holidays, special events, or new product launches. Adobe Commerce and Vertex equip ecommerce organizations with a comprehensive, scalable platform that grows as your business grows, providing retailers with the ability to seamlessly expand into new global markets.



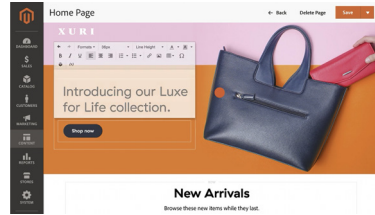
Better Together: Adobe x Vertex

Adobe and Vertex help to ensure a frictionless customer experience by providing a seamless, personalized approach that enables retailers to scale their operations without letting tax and governmental complexities hinder business growth. The strategic collaboration between Adobe and Vertex delivers the all-in-one Adobe Commerce solution paired with Vertex's fully integrated, reliable, and scalable indirect tax technology. Remove barriers to commerce growth with Adobe Commerce and Vertex.

About Adobe Commerce

Adobe Commerce is the all-in-one solution for delivering and managing scalable and personalized omnichannel commerce experiences. With Adobe Commerce, organizations are equipped with a centralized suite of capabilities including online storefronts, personalization tools, catalogue and inventory management, and customer analytics tools, empowering organizations to seamlessly manage, optimize, and scale their commerce business—across any location, channel, or device.

[Learn more about Adobe Commerce.](#)



About Vertex

Vertex Inc. is the leading global provider of indirect tax software and solutions. As an Adobe Premier Partner, the company's mission is to deliver the most trusted tax technology enabling global businesses to transact, comply, and grow with confidence. Vertex solutions can be tailored to specific industries for major lines of indirect tax, including sales and consumer use, value added, and payroll.

[Learn more about Vertex.](#)

Get started

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