



# International Expansion

The True ROI of  
Borderless Commerce.





# Foreword.



**Lucy Cooper**  
**Chief Commercial Officer,**  
**THG Ingenuity**

For many, international expansion is the single biggest growth lever available today. But seizing this opportunity requires more than just ambition; it demands a clear, strategic, and profitable path forward.

Navigating the global marketplace is notoriously challenging. From managing fluctuating shipping costs and navigating intricate customs regulations to meeting the diverse expectations of an international audience, the journey to borderless commerce is scattered with hidden costs that can quickly impact profitability. The question is no longer whether to expand internationally, but how to do so in a way that maximises commercial return.



This guide is designed to help you de-risk internationalisation and calculate the true ROI of global growth. At THG Commerce, we believe that profitable expansion is built on a connected commerce ecosystem. Drawing on 20 years of experience scaling brands worldwide, we have created a platform that empowers brands to sell anytime, anywhere, and in any market, unlocking new revenue streams.

We combine the transformative potential of automation with deep human expertise, helping you connect with new customers across every channel, from your own D2C website to global marketplaces like Amazon and TikTok. We exist to help you simplify complexities, accelerate delivery, and maximise commercial impact.

The future of commerce is borderless. We hope this guide provides you with the framework and confidence to power your next stage of business growth and unlock the full commercial potential of your brand on the global stage.



# 01. Introduction.

International expansion is the single biggest growth lever for ambitious DTC (direct to consumer) brands, but it's fraught with hidden costs that can significantly impact ROI.

This guide provides a C-suite framework for calculating and maximising the true ROI of borderless commerce.

We move beyond vanity metrics to provide a strategy for de-risking internationalisation, leveraging marketplaces as a capital-lightentry strategy, and building a connected ecommerce ecosystem that drives profitable, long-term growth.



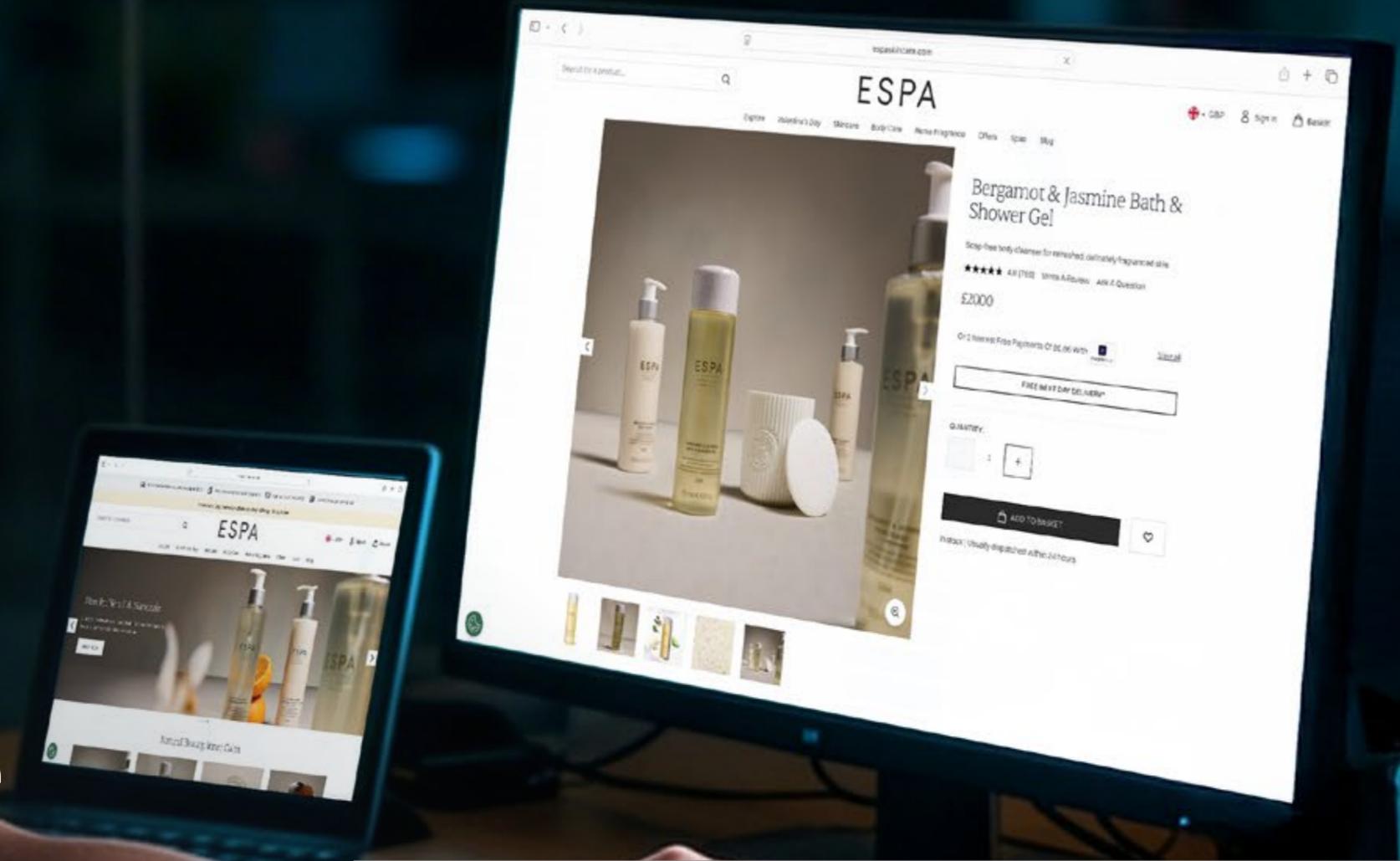
02.

# The Rise of the Borderless Consumer.

Today's consumer is a true global citizen, unconstrained by geography and empowered by digital platforms. They continuously seek the best products and prices worldwide. With 59% of global shoppers buying from retailers outside their home country, the opportunity for brands to expand their customer base and increase revenue has never been greater.

Navigating this global marketplace comes with challenges that can erode profitability and damage brand reputation if not managed with a clear and strategic vision. From navigating complex customs regulations and managing fluctuating shipping costs to meeting the high expectations of a diverse, international audience, the path to global growth is rarely straightforward.

The rise of agentic commerce, where AI agents can purchase on a user's behalf from any brand in any market, adds another layer of complexity, favouring businesses that offer seamless, efficient, and localised experiences. For ambitious brands, the question is not whether to expand internationally, but how to do so profitably, and sustainably.



03.

# Thinking Globally.

While the immediate lure of increased revenue is a powerful motivator, the true value of international expansion extends beyond direct sales. Entering new markets offers a crucial buffer against domestic economic downturns, building resilience and ensuring long-term stability.

Expanding into less saturated regions allows brands to gain a first-mover advantage, while increased production and distribution can lead to significant economies of scale, reducing costs and boosting margins. In a competitive landscape, a well-executed international strategy is a powerful differentiator.

\* <https://www.dhl.com/global-en/microsites/ec/e-commerce-insights/insights/e-commerce-logistics/2025-cross-border-trends.html>



## 04. Marketplaces: Your Low-Risk Gateway.

For many brands, the perceived cost and complexity of international expansion is prohibitive. Online marketplaces offer a powerful solution, acting as a low-risk gateway to test new regions and gauge consumer interest before committing to significant investment. Platforms like Amazon, Walmart, and TikTok Shop provide immediate access to a vast, established customer base.

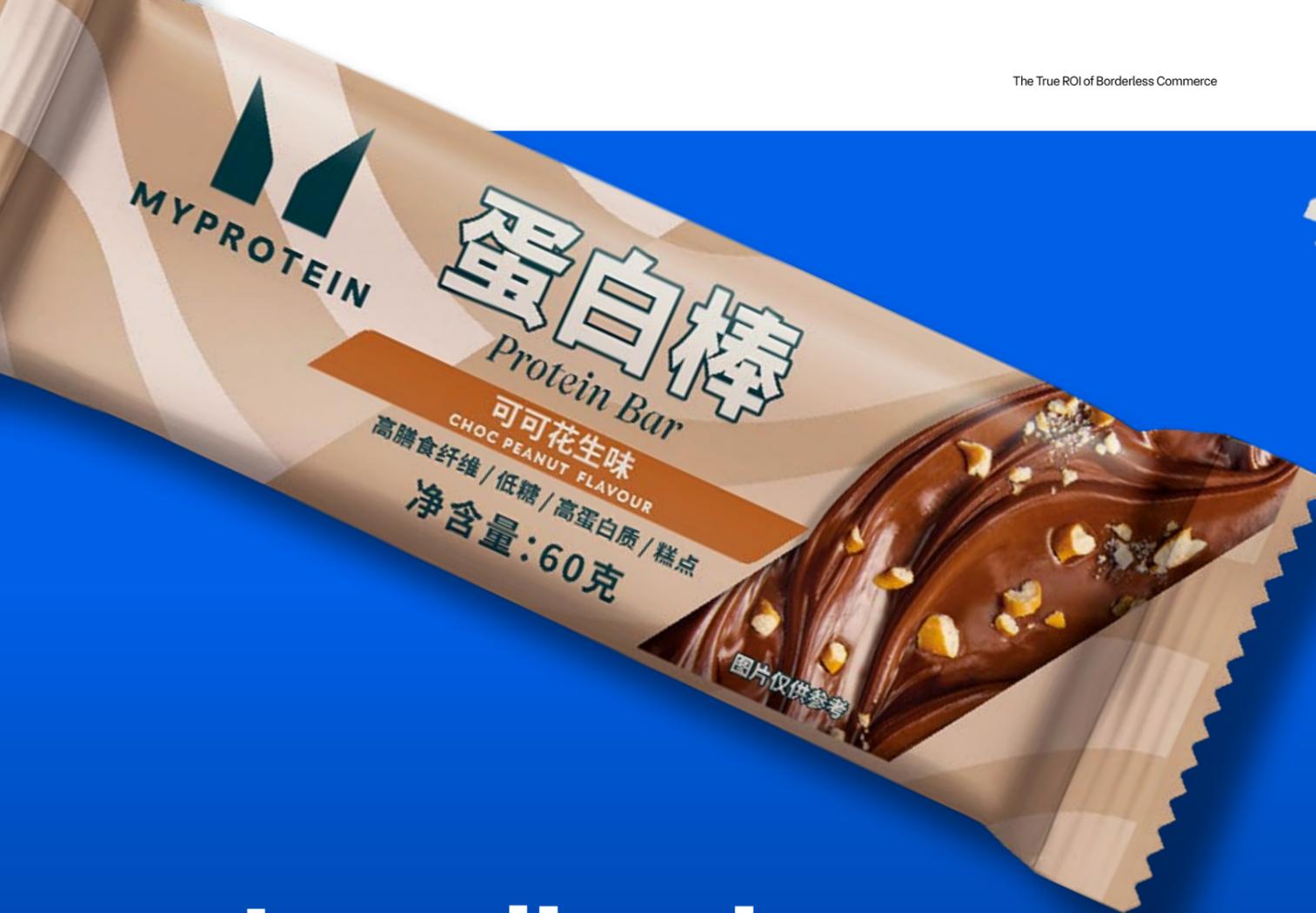
amazon

Walmart

TikTok Shop

Success in this arena requires a sophisticated, multi-channel strategy. A Marketplace Management System (MMS) is essential for simplifying the complexities of selling across various platforms, while a data-driven approach to market analysis can pinpoint regions with high demand and low competition. This allows brands to identify and validate new markets efficiently, ensuring a better product-market fit.





## 05. Localisation & Logistics



Simply listing products on a global marketplace is not enough. True success lies in creating a localised experience that resonates with the cultural and linguistic nuances of each target market. Research shows that

# 73%\*

**of customers are more likely to purchase a product if the information is presented in their native language**

and a significant portion will not buy from English-only site at all.

Effective localisation goes beyond simple translation; it involves adapting everything from website content and marketing campaigns to pricing and preferred payment methods to align with local expectations.

\* <https://csa-research.com/Blogs-Events/CSA-in-the-Media/Press-Releases/Consumers-Prefer-their-Own-Language>

## 05. Measuring True ROI

Calculating the true return on investment for your international strategy requires looking beyond basic revenue figures. You must account for all associated costs, including market research, localisation, marketing spend, technology fees, and fulfilment.

By attributing ROI to specific channels, brands can identify top-performing marketplaces and optimise their strategy accordingly. Deeper metrics such as Customer Lifetime Value (CLV), Customer Acquisition Cost (CAC), and Average Order Value (AOV) provide a more holistic view of profitability and long-term value.



06.

# Projecting Your International Commerce ROI

Entering a new international market is an exciting growth step, and building a solid financial model is critical to making it successful. This worksheet provides a simplified framework to help you estimate the potential revenue and costs associated with launching in a new international market. Use it to build a foundational business case and identify the key variables you need to address.

## Part 1: Estimate Your Annual Revenue by Stream

Identify every channel through which you will generate income. Think beyond direct sales to include all potential sources of value.



### Marketplace Sales:

#### Description:

Leveraging platforms like Amazon, TikTok Shop and Zalando for high-volume, direct-to-consumer sales in established ecosystems.

#### KPIs:

GMV, Average Order Value (AOV), Sales Volume, Conversion Rate by Platform

#### Projections:

GMV: \_\_\_\_\_

AOV: \_\_\_\_\_



### Cross-Border D2C:

#### Description:

Expanding into new international markets via your own brand website to capture untapped customer segments and build direct relationships.

#### KPIs:

International D2C Revenue, Customer Lifetime Value (CLV), Growth Rate by Region

#### Projections:

Target Revenue: \_\_\_\_\_



### Value-Add Services:

#### Description:

Generating incremental, high-margin revenue from offering services like product subscriptions, extended warranties, or premium loyalty programs.

#### KPIs:

Service Adoption Rate (%), Recurring Revenue per Customer

#### Projections:

Adoption: \_\_\_\_\_



### Custom Streams:

#### Description:

Affiliate Marketing, Strategic Partnerships, B2B Sales, etc.

#### KPIs:

Add relevant KPIs

#### Projections:

Add your projections: \_\_\_\_\_

## Part 2: Engineering Cost Efficiencies

Outline how the expansion initiative will lower costs or enhance operational efficiency, demonstrating both savings and improved financial performance.



### Customer Acquisition:

**Description:**

Reducing media spend by leveraging the organic traffic off global marketplaces and improving retention through superior customer experiences.

**KPIs:**

Customer Acquisition Cost (CAC), CLV-to-CAC Ratio, Marketing ROI

**Projections:**

Target CAC: \_\_\_\_\_



### Logistics & Fulfilment:

**Description:**

Expanding into new international markets via your own brand website to capture untapped customer segments and build direct relationships.

**KPIs:**

Landed Cost Per Order, Cost Per Order (CPO), On-Time Delivery Rate

**Projections:**

Target CPO: \_\_\_\_\_



### Operational Automation:

**Description:**

Implementing end-to-end technology to reduce manual workload in areas like customs documentation, order routing, and returns processing.

**KPIs:**

Manual Hours Saved per Week, Order Error Rate (%), Order-to-Ship Time

**Projections:**

Target Hours Saved: \_\_\_\_\_



### Custom Area:

**Description:**

E.g. Reduced returns via better CX, lower fraud & chargeback rates, etc.

**KPIs:**

Add relevant KPIs

**Projections:**

Add your projections: \_\_\_\_\_



## Part 3: Mapping Your Growth Trajectory

Provide a forward-looking vision. Demonstrate how the growth plan show scalability and augments the long-term strategic value beyond the initial launch.

Year 1:

### Foundation

#### Priorities & Milestones:

- Launch on primary channels in 1-2 key international markets.
- Establish baseline operations and logistics.
- Gather initial customer data and test localisation strategies.

#### GMV Target

---

Year 3:

### Scale

#### Priorities & Milestones:

- Achieve significant market share in key categories / regions.
- Explore strategic B2B or retail partnerships.
- Drive significant profit growth and operational leverage.

#### GMV Target

---

Year 2:

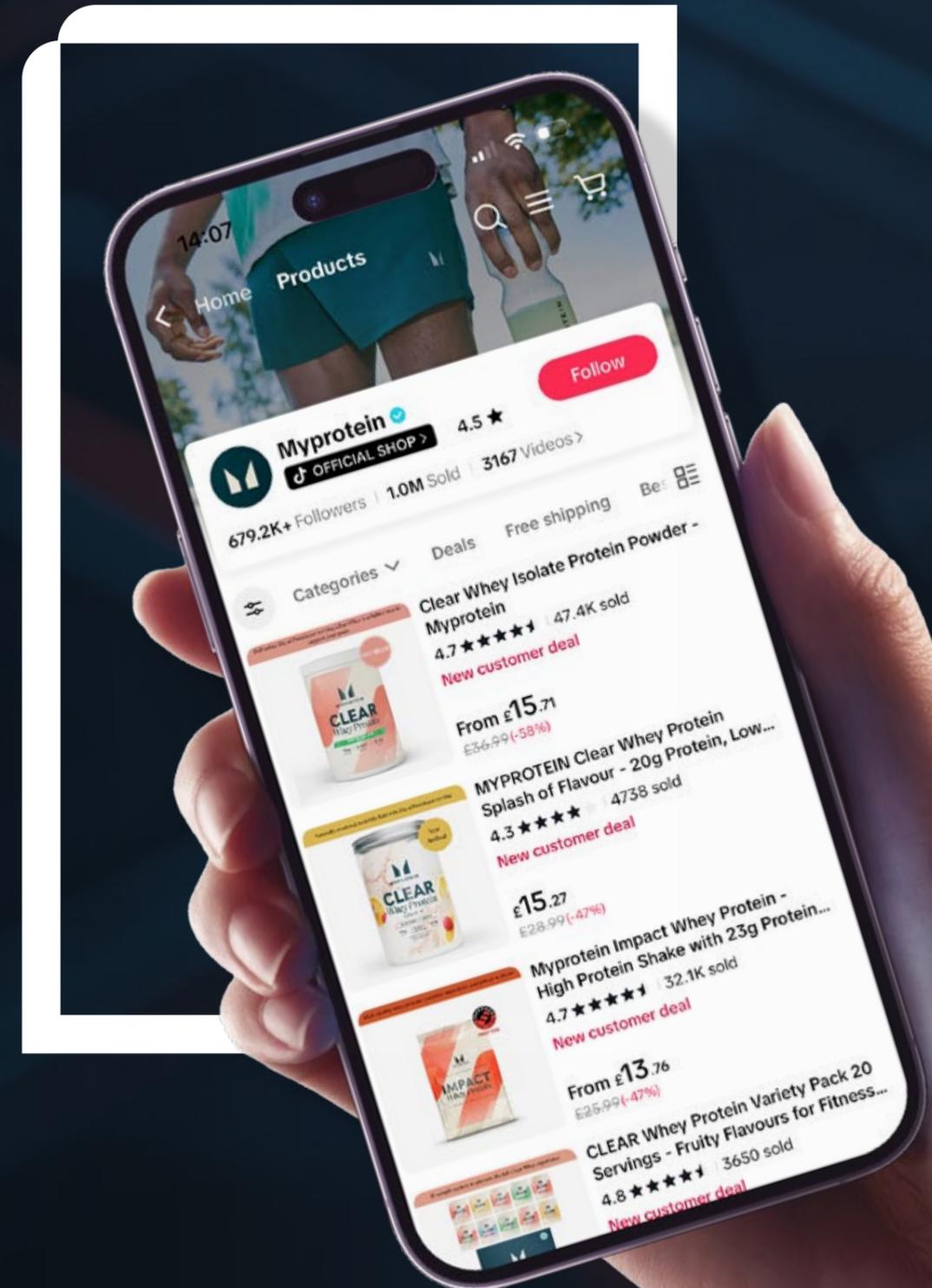
### Optimisation

#### Priorities & Milestones:

- Expand to secondary marketplaces and 3-5 total markets.
- Optimise marketing spend and pricing based on Year 1 data.
- Enhance customer experience and loyalty initiatives.

#### GMV Target

---





#### Part 4: The ROI Calculation

Synthesize your projections into the ultimate metric: Return on Investment. This is the measure of financial viability and success.

### Total Investment:

**Description:**

Sum of all upfront and ongoing costs for the period (e.g. technology, marketing spend, personnel, agency fees).

**Projection:**

---

### Net Profit:

**Description:**

Projected Gross Profit (Total Revenue from Part 1 minus cost of goods sold) minus all operational costs identified in Part 2.

**Projection:**

---

Your Final Projected ROI (Net Profit / Total Investment) x 100 = \_\_\_\_\_%

# 07. THG Commerce: Solving the complexities of global commerce growth

01

## Simplifying Global Market Expansion

Checkout, payments, tax, duty, fulfilment, and CX designed to remove the cost and complexity of global expansion.

02

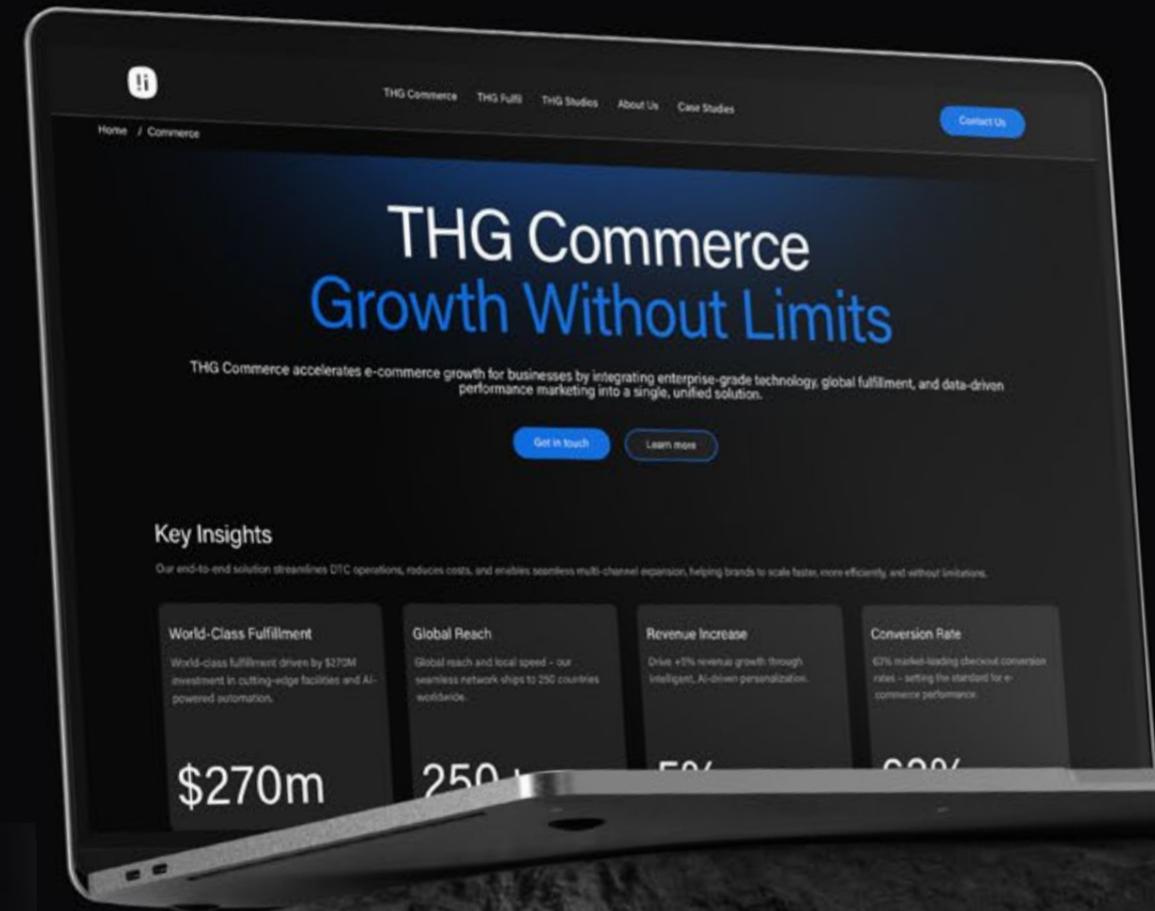
## Acquiring More Customers Through New Channels

Reach new buyers faster and drive revenue growth with seamless global marketplace and social commerce integrations.

03

## Staying Ahead of AI-Driven Commerce

As AI agents reshape how consumers discover and decide, our technology integrations help brands continuously adapt to evolving shopping behaviours.





# One Partner for Global Marketplace Growth.

Fully integrated management system solution, removing complexity across a multiple choice of marketplaces

**Launch new channels in weeks**

**Access 100+ Global Marketplaces Including Amazon, Debenhams, & Walmart**

**One stock pool & fulfillment partners with market leading SLAs**

**THG Commerce handles local requirements per market**

**Unified stock, orders, & reporting across all channels**

**MOR/SOR options for tax, compliance & invoicing**

**Global Checkout Engineered  
for Global Scale, & Conversion**

**Instantly Access 200  
Markets Worldwide**

**Local Currencies, Payment  
Methods, & Languages**

**Fully Branded  
Checkout that Feels Native  
to Every Shopper**

**Automated MOR  
Compliance**

**Inclusive Tax & Duty  
Calculations Handled  
Seamlessly**

**Regulatory Compliance**

**Analytics Dashboards  
for Full-Funnel Visibility  
& Optimisation**



## 08. The Future of Commerce is Borderless

International expansion offers immense potential for brands that can successfully navigate its complexities. The future of retail is global, connected, and increasingly driven by technology. A successful international strategy is no longer a siloed initiative but a deeply integrated part of the business, combining market intelligence, localised customer experiences, and flawless logistical execution.

By partnering with an end-to-end commerce solution provider, brands can mitigate the risks, simplify the complexities, and unlock the true potential of borderless commerce.



**Market Intelligence**



**Localised Customer Experiences**



**Flawless Logistical Execution**



## Power Your Next Phase of Global Growth.

THG Commerce delivers a fully connected commerce ecosystem designed to help you enter new markets faster, engage customers more effectively, and maximise the return on your international investment.

