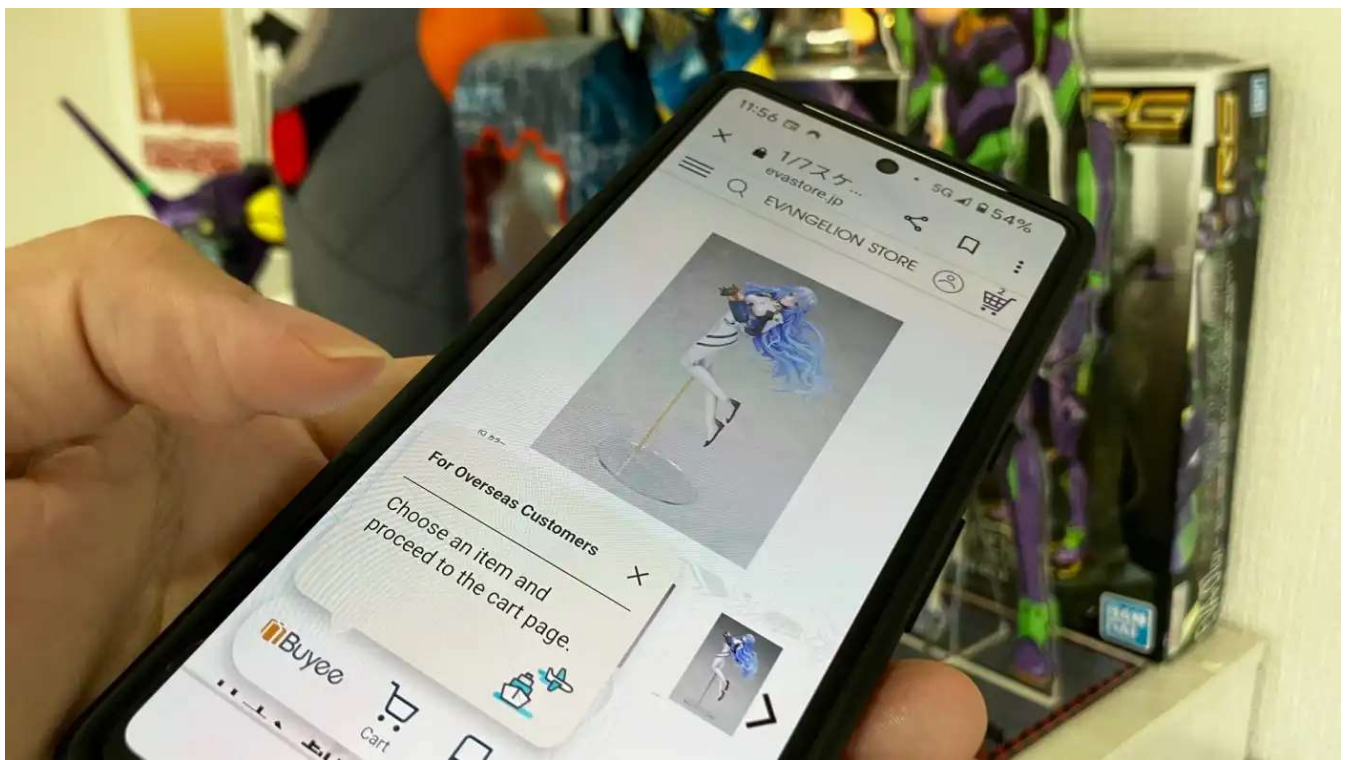


RETAIL

Japan e-retailers extend reach abroad with payment, translation help

Proxy buyer Beenos and startup Wovn support small sellers without in-house resources



Third-party companies are helping Japanese retailers like GroundWorks sell popular products, such as those from the Evangelion franchise, to overseas customers. (Photo by Masaharu Ban)

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TOKYO -- Services to help retailers handle online orders from overseas, from shipping to website translation, are gaining ground in Japan as small businesses seek to tap foreign demand fueled by a weak yen.

One major player, Beenos, serves clients like Tackle Berry, a seller of used fishing equipment. Tackle Berry began working with Beenos last year, and within a few days saw a surge of foreign orders from countries including the U.S., Malaysia and Belarus. Rods and reels in the 10,000 yen to 20,000 yen range, or around \$70 to \$130, sell especially well.

"There's strong interest even in older models," said e-commerce representative Ryuichiro Isoda. "Japan has a lot of manufacturers known for craftsmanship and durability, and equipment being made in Japan appeals to enthusiasts."

Tackle Berry's main business is running its chain of physical stores. To avoid dealing with the complicated process of selling overseas, it relies on Beenos as a proxy purchaser to buy its products and ship them to foreign customers.

Because customizing the entire site for foreign users would be costly, Beenos focuses on the payment screen as the most important piece. Customers who are fine with product descriptions being in Japanese may still hesitate to enter their credit card information into a Japanese form.

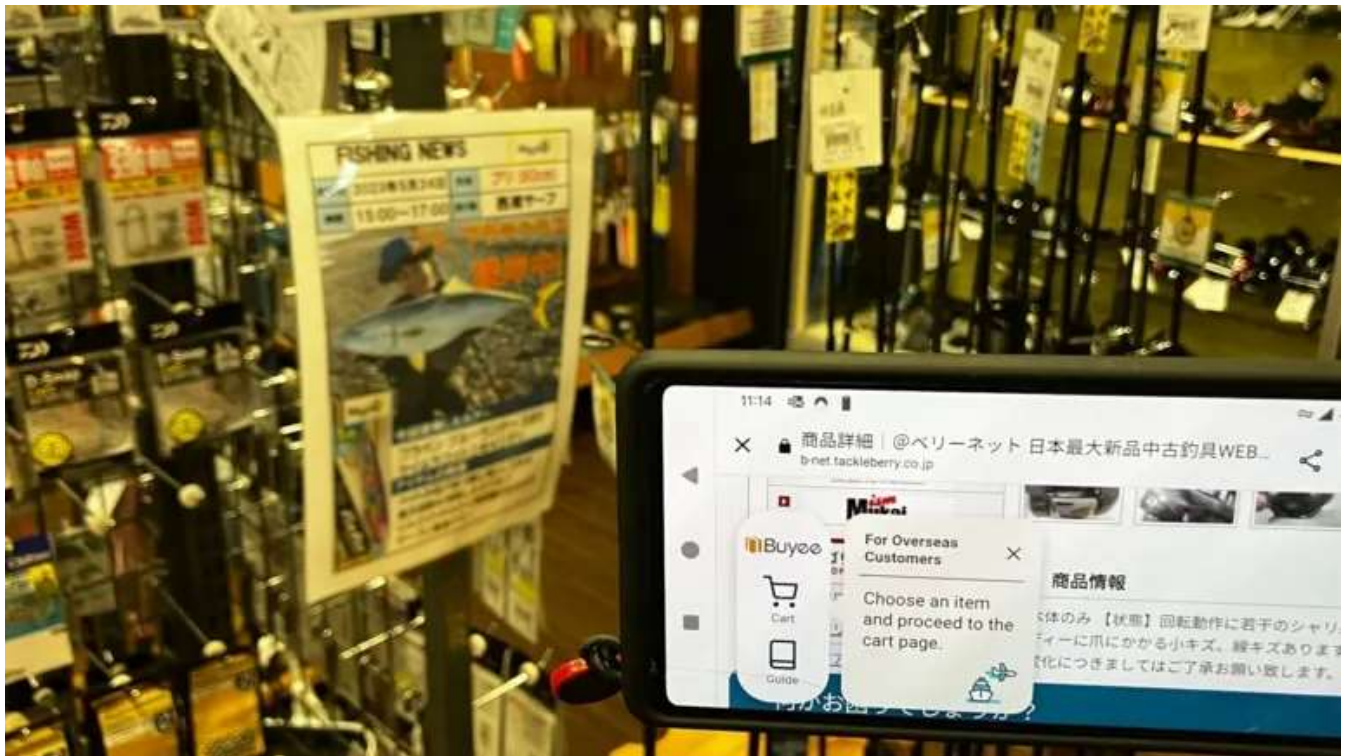
Beenos estimates where a customer is located based on factors such as their IP address, and uses that information to display the payment page in one of 18 languages, from English to Burmese. A user accessing Tackle Berry's online shop from the U.S. will be shown prices in dollars and an English-language form to enter their information.

When international orders come in, clients can simply send the products to a Beenos warehouse in Japan, which costs no more than shipping to a domestic customer. Beenos takes care of the necessary packaging, documentation and shipping arrangements, and the buyer pays the price of the product and shipping, along with a 300 yen fee.



Many Japanese e-commerce sites get a certain percentage of traffic from abroad but are not set up to handle overseas shipping, according to Beenos. Working with the company lets them access up to 120 markets, with Beenos answering questions from buyers and shouldering the risk of nonpayment.

"The amount of business we do in each individual country is small. We'd be completely unable to handle it on our own," Tackle Berry's Isoda said.



With the help of Beenos, Tackle Berry saw a surge of foreign orders from countries including the U.S., Malaysia and Belarus. (Photo by Masaharu Ban)

Beenos also operates its own e-commerce website. Gross merchandise value across all services totaled 70.6 billion yen (\$472 million) in the fiscal year ended in September, up 30% on the year, with items such as figurines and games among the top categories.

GroundWorks, which makes official merchandise for the Evangelion franchise, uses Beenos services, and says some of its new products this year appear to have had 40% of orders come from overseas.

Translating a website into other languages presents another challenge to businesses wading into cross-border e-commerce. It is not practical to hire human translation services to rewrite webpages that update constantly, and free automated translation tools are notorious for errors and lack of context.

Tokyo startup Wovn Technologies has stepped in with solutions that combine automated translations with human competencies. Wovn prepares in advance customized professional translations for product entries where knowledge of technical terminology is required. Machine translation is applied to all other text that is straightforward.

Wovn's platform entirely localizes a webpage to match an overseas user's language and location. This is performed automatically or after the user chooses the language.

The localized webpages are promptly updated to reflect new products and other information. An artificial intelligence program checks to see that the translated text flows naturally.

Elle Shop, an online fashion store operated by Hearst Fujingaho, the Tokyo-based magazine publisher, started using Wovn's translation services in 2021. In the year since, overseas access increased 2.6 times, mainly from Taiwan and the U.S., and sales climbed 70%.

Elle Shop also broadened its marketing, due to advertising targeting overseas markets and through higher search rankings abroad.

The global cross-border e-commerce market will be worth roughly \$8 trillion in 2030, according to market research firm Fact & Factors, which would be about 10 times the 2021 figure.

E-commerce bound for the U.S. and China from Japan amounted to 3.56 trillion yen in the previous fiscal year ended March 31, up 50% from fiscal 2018, according to Japan's Ministry of Economy, Trade and Industry. The weak yen provided a lift to sales.

At ZigZag, a Tokyo outfit that provides services similar to Beenos, the average unit purchase price was up 12% in summer 2022 compared with a year earlier. The yen was sliding at that juncture. Orders worth 100,000 yen or more jumped by 50%.

Chinese e-commerce platforms such as Temu and Shein have drawn heavy download counts for their apps across the world by offering discounted products and free shipping.

"It's essential for Japanese companies to devise ways of steadily capturing overseas demands in areas where they excel, such as anime and cameras," said Shota Naoi, president and group CEO of Beenos.

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