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International markets aren't limited to big e-retailers, a new study finds

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Internet Retailer

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International orders for the small and medium-sized merchants that do less than \$100 million in annual sales and use Shipwire's services grew 11 percentage points from 9% in 2008 to reach 20% of total shipped orders in 2009, Shipwire reports. The report polled both U.S. merchants, which made up 62% of the sample, or 47 merchants, and merchants from other countries, which comprised 38% of those polled, or 28 merchants.

The study found non-U.S. merchants do more international business than U.S. merchants. 75% of non-U.S. merchants were shipping outside of their home countries versus 13% of U.S. merchants.

A separate analysis just of high volume Shipwire merchants found:

- 18% export products to a warehouse outside of their home country and 15% of this group's 2009 total orders ship from a facility outside of their home country.
- 13% of the U.S. merchants conduct business with one of Shipwire's international fulfillment warehouses in either Canada or the U.K.
- 75% of the non-U.S. merchants do business in the Shipwire's U.S. facility and 25% do business in one of Shipwire's other fulfillment centers in Canada or the U.K.

"It appears that U.S.-based merchants are not tapping into overseas opportunities as readily as are international customers," says Damon Schechter, CEO and founder of Shipwire. "However, we expect that this gap will slowly begin to close as U.S. merchants search for growth markets overseas in greater numbers."

Shipwire also looked at its merchants' shipments over the holiday season, which it defines as the day after Thanksgiving to the end of the year. This period was 27 days in 2008 and 28 days in 2009.

Between the 2008 and 2009 holiday seasons, the average order volume per merchant grew 44%, and the average number of units shipped per merchant increased by 26%.

"This shows that while merchants did ship 26% more product, they shipped it in more orders," Schechter says. "This seems to indicate that there were more online shoppers; but, the average customer bought slightly less product per order in 2009 over 2008."

Schechter says this could suggest a trend towards online impulse purchases.

Shipwire operates fulfillment distribution warehouses in three U.S. cities as well as Toronto, Vancouver and London.

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