



# EXPANDING INTO THE US MARKET

# A Retailer's Guide to Success with Staci Americas

A Staci Americas Viewpoint

# TAKING YOUR BUSINESS TO THE NEXT LEVEL WITH STACI AMERICAS

The United States represents a wealth of opportunity for international retailers. With a population of over 330 million and one of the world's largest economies, the US offers unparalleled market potential. In fact, the US retail market is <u>valued at \$7.1 trillion</u> as of 2023 (Statista), with e-commerce representing a fast-growing portion. For international retailers, this market presents immense potential for revenue growth and brand visibility. However, entering this dynamic market requires strategic planning, careful execution and a strong operational foundation.

> As with any business growth, expansion into the US comes with unique challenges for foreign retailers, including significant competition, new customer expectations and culture and complex supply chain requirements.

This guide explores the key considerations for foreign retailers entering the US, highlighting best practices and explaining how Staci Americas can help businesses thrive in this highly competitive—yet equally rewarding environment.



#### **UNDERSTANDING MARKET DEMAND**

Before committing to a US fulfillment strategy, it's essential to validate demand for your products across the United States. Many businesses begin their US operations by utilizing <u>Amazon's Fulfillment by</u> <u>Amazon (FBA)</u> service. This approach offers several advantages:

- Market Access: Amazon FBA provides immediate access to a vast customer base across the country.
- **Reduced Risk:** FBA enables you to test the waters without investing heavily in infrastructure or operational resources.
- **Streamlined Logistics:** Amazon's extensive network manages everything from storage to shipping and returns.

## ANALYZING MARKET FIT

Beyond Amazon, conduct broader market research to gauge competitive positioning and identify target demographics. Consider regional preferences and trends to fine-tune your offerings for specific US audiences. For instance, if a product is seasonal, it may require tailored strategies depending on the region.

Consider the following possible cases when understanding how your product demand may fluctuate across the US market:

- Winter apparel will perform better in colder climates like the Northeast and Midwest, while lighter clothing may thrive in the South and West.
- Products like sporting goods or outdoor gear may have peak demand in specific areas due to weather conditions or local culture.

**Omnichannel fulfillment strategies** should accommodate regional demand to ensure faster delivery and customer satisfaction. Likewise, wholesale distribution requires an understanding of regional wholesale buyers' preferences and the ability to align with their supply chain needs.

Once you've established consistent demand and identified key regions for growth, you can transition to a more tailored fulfillment strategy, such as <u>Direct-to-Consumer (DTC) shipping</u>.

# TRANSITION FROM FBA TO YOUR OWN FULFILLMENT STRATEGY

While Amazon FBA is an excellent starting point, it comes with fees and limitations that can eat into your profit margins as your business scales. Transitioning to a Direct-to-Consumer (DTC) model allows you to:

- **Reduce Costs:** Avoid Amazon's storage and fulfillment fees by managing your own inventory and shipping.
- Enhance Brand Control: Create a branded experience for your customers, from packaging to delivery.
- Customize Operations: Tailor your fulfillment process to your unique business needs.

However, building and managing your own warehouse can be a daunting task. The costs of infrastructure, technology and labor can quickly add up, and the time required to establish an efficient operation can delay your growth.



## PARTNER WITH A GLOBAL 3PL FOR LONG-TERM SUCCESS

To overcome the challenges of self-managed fulfillment, many businesses turn to third-party logistics (3PL) providers. A <u>3PL partner like Staci Americas</u> offers the expertise, infrastructure and flexibility needed to streamline your operations and scale your business. Here's why partnering with a 3PL is a game-changer:

#### Access to a Global Network

Staci Americas' <u>16 U.S. locations</u> are part of Staci Group's 78-facility global network spanning Europe, Asia, and the U.S. This integrated network supports your domestic operations while preparing your business for future global expansion.



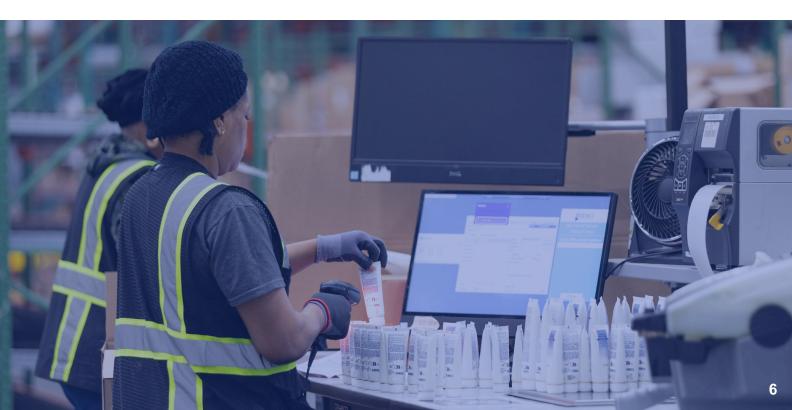
#### **Cost Efficiency and Scalability**

With a 3PL, you can avoid the high costs of building and maintaining your own warehouses. Staci Americas offers:

- Optimized Fulfillment Centers: Strategic locations across the U.S. enable faster delivery and lower shipping costs.
- Flexible Operations: Scale your fulfillment capacity as your business grows, without the need for significant upfront investment.
- Advanced Technology: Real-time inventory management, order tracking and data analytics to enhance operational efficiency.

#### **Tailored Solutions for Your Business**

Staci Americas' experienced project management teams work closely with each client to design and implement customized logistics solutions. Whether you need DTC shipping, <u>omnichannel</u> <u>fulfillment</u> or specialized services like <u>kitting</u> and <u>returns management</u>, Staci Americas ensures your unique requirements are met.



# 2 KEY CONSIDERATIONS FOR ENTERING THE US MARKET

## **REGULATORY AND COMPLIANCE READINESS**

The US regulatory environment is complex, with federal, state and local laws governing everything from product standards to labeling. Businesses who fail to properly comply risk critical delays, costly penalties and, ultimately, decreased customer satisfaction.

Businesses looking to expand into the US market should be prepared to understand:

- Food and Drug Administration (FDA) regulations for specific categories like cosmetics, food and medical devices.
- Packaging compliance requirements, including materials used and proper disposal instructions.
- Labeling compliance, including unit conversions, language requirements and barcode standards.
- Wholesale labeling compliance, such as bulk packaging standards for warehouse distribution.
- State-specific regulations, like <u>California's Proposition 65</u>, for products containing certain chemicals.

**Staci Americas** has <u>dedicated client care teams</u> with years of experience navigating the complexities of international customs and compliance regulations. We work with our customers to conduct thorough compliance reviews to identify potential risks before products even launch.

By leveraging our in-house expertise, <u>our clients ensure adherence to federal, state and local</u> <u>standards</u>. Staci Americas also offers specialized packaging and labeling services designed to meet US requirements, and we effectively manage all necessary documentation and reporting to streamline customs clearance and avoid costly delays.



One of the biggest hurdles in US market entry is establishing an efficient supply chain. Retailers should ensure that distribution centers are strategically located to serve their target audience and minimize delivery times. It is also important to source carriers that offer broad coverage and cost-effective last-mile solutions.

> North America held the largest market share for reverse logistics in 2023—<u>more than 48%</u>—so retailers expanding into the US should be prepared to build or outsource a robust reverse logistics process to meet US consumer expectations for easy, efficient returns.

# FINDING THE RIGHT 3PL PARTNER

Partnering with a US-based third-party logistics (3PL) provider is often the most efficient way to establish operations. With their deep expertise in supply chain management, 3PLs like **<u>Staci Americas</u>** offer end-to-end solutions that simplify complex logistics, from warehousing and inventory optimization to shipping and <u>returns management</u>.

3PLs help retailers navigate US regulatory requirements, streamline multi-channel fulfillment for B2B, B2C and DTC operations and strategically position inventory across regional distribution centers for faster delivery. By leveraging advanced technology and scalable operations, 3PLs like **Staci Americas** enable retailers to reduce costs, improve efficiency and focus on growing their brand in one of the world's most competitive markets.

When evaluating a 3PL partner, it's important to consider the following key characteristics:

- **Experience:** Look for expertise in your product category and familiarity with regulatory requirements.
- **Scalability:** Ensure the provider can grow with your business, handling seasonal spikes and long-term expansion.
- Technology Integration: The provider should offer advanced systems, like <u>warehouse</u> <u>management systems (WMS)</u>, to streamline inventory management and order fulfillment.



**Staci Americas** excels as a leading 3PL provider by delivering multi-channel fulfillment solutions tailored for <u>B2B</u>, B2C and <u>DTC</u> operations. With advanced warehouse management system (WMS) capabilities, Staci Americas ensures real-time inventory tracking and optimization, giving retailers unparalleled visibility and control over their supply chain.

Our **strategically located** distribution centers enhance delivery speed and cost efficiency, allowing businesses to meet the demands of US consumers. Additionally, Staci Americas offers comprehensive returns management solutions designed to align with US consumer expectations for convenience and reliability, making them an invaluable partner for retailers expanding into this competitive market.

## **CULTURAL ADAPTATION AND MARKETING**

Cultural adaptation is crucial for retailers expanding into the US market, as it ensures that products and marketing strategies resonate with American consumers' unique preferences and behaviors. US consumers often exhibit distinct purchasing habits compared to their global counterparts, influenced by cultural norms, values and economic factors.

For instance, American shoppers may prioritize convenience and innovation, favoring products that offer immediate benefits and align with a fast-paced lifestyle. Additionally, the US market is characterized by a high level of consumer spending and a preference for personalized customer experiences. Understanding these nuances enables retailers to tailor their offerings effectively, enhancing customer engagement and driving success in the competitive US landscape.

Tailoring your branding and marketing to US consumers may include:

- Localized Campaigns: Use culturally relevant messaging and imagery to connect with American audiences.
- Holiday Marketing: Capitalize on major US shopping events like Black Friday and Cyber Monday. Tailor your approach to peak seasons and regional demand.
- Influencer Collaborations: Build credibility and reach by partnering with influencers who align with your brand values.
- A Focus on Sustainability: Sustainability is increasingly important to US consumers. Highlight eco-friendly practices, such as sustainable packaging or carbon-neutral shipping, to attract environmentally conscious buyers.

Additionally, marketing materials such as point-of-sale (POS) displays and packaging should reflect US consumer preferences. **Staci Americas** supports these efforts by providing expertise in designing and distributing localized <u>POS materials</u> and assisting with scalable marketing strategies that grow with your business needs.

Staci Americas is also committed to leading the industry in <u>environmentally responsible supply</u> <u>chain practices</u> and offers green packaging solutions and logistics strategies designed to reduce carbon emissions.

# 3 HOW STACI AMERICAS SUPPORTS YOUR US EXPANSION

As part of our mission to support international retailers, Staci Americas offers a comprehensive suite of services designed to streamline US market entry and expansion. These include:

- Unmatched Regulatory Expertise: Our team streamlines customs clearance and ensures proper packaging and labeling <u>compliance</u>, minimizing disruptions and enabling a seamless market entry.
- End-to-End Fulfillment Solutions: Seamlessly manage <u>B2B</u>, B2C and <u>DTC</u> operations from a single platform while optimizing inventory across multiple distribution centers for faster delivery and greater cost efficiency.
- Scalable Operations: We offer tailored solutions that adapt to your business's growth trajectory and handle seasonal surges with ease, scaling up and down warehouse space and labor costs based on demand.
- Advanced Technology: We leverage <u>next-generation warehouse automation</u> like goodsto-person robotics and drones for cycle counting to increase efficiency and reduce costs.

Expanding into the US market presents numerous challenges, from navigating complex regulations to overcoming the logistical demands of serving a geographically vast and highly competitive marketplace. Staci Americas, a trusted partner within the **global <u>Staci Group</u> network**, offers international retailers the expertise and infrastructure needed to succeed in this dynamic environment.

**Staci Americas'** proven logistics infrastructure, regulatory expertise and commitment to innovation make us the ideal partner for retailers looking to establish and grow their presence in the US market. With decades of experience and a global network, we ensure your business has the tools, resources and support needed to thrive in one of the world's most lucrative retail markets.





# READY TO TAKE THE NEXT STEP?

<u>Contact Staci Americas today</u> to schedule a free consultation and explore how we can support your growth.

#### **ABOUT STACI AMERICAS**

<u>Staci Americas</u> is the US arm of the <u>Staci</u> global fulfillment network. We give growing omni-channel brands the order fulfillment know-how and infrastructure to grow without limits. Staci Americas operates warehouses, coast to coast, for 1-2 day delivery to 95% of the U.S.

