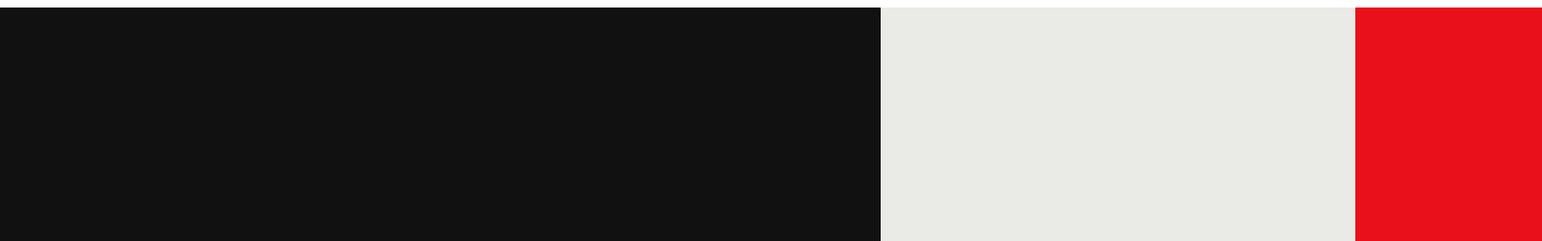


Shopify and China's JD.com team up to broaden sellers' reach

Article



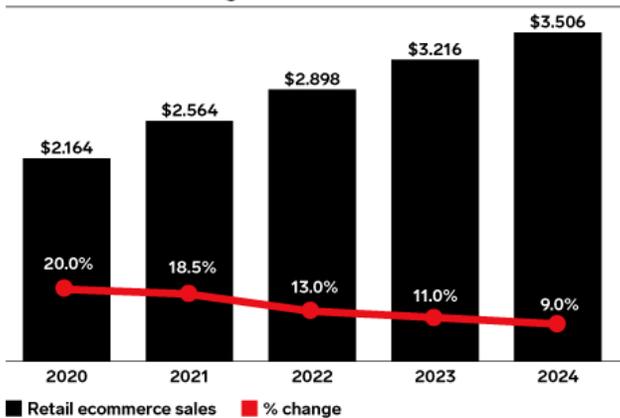
The news: Shopify has teamed up with Chinese ecommerce giant **JD.com** to make it easier for merchants on its platform to sell online in the world's largest ecommerce market.

On Tuesday, Shopify added the JD Marketplace channel to its platform. The company says the move will enable merchants to set up shop in China in as little as three weeks, rather than the 12 months it normally takes foreign brands to begin selling in the country.

The agreement aims to simplify the process by:

- Leveraging JD.com’s logistics infrastructure, which includes its US warehouses, China-US cargo flights, and the company’s more than **1,300 Chinese warehouses** and **200,000 delivery personnel**.
- Converting prices to local currency based on foreign exchange rates, typical category pricing, as well as the value-added (VAT) and consumption tax.
- Offering “intelligent translation” of product names and descriptions.

Retail Ecommerce Sales in China*, 2020-2024
trillions and % change



Note: includes products or services ordered using the internet via any device, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice good sales; *excludes Hong Kong
Source: eMarketer, May 2021

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How we got here: Shopify is focused on removing many of the hurdles faced by merchants that seek to sell across borders—such as local regulations, taxes, and language issues—by developing a number of [cross-border commerce features](#) and functions. For example, it rolled out **Shopify Markets**, a global ecommerce hub for merchants, last September.

“The future of commerce is commerce everywhere—and that starts by removing barriers to entry to one of the most important ecommerce markets in the world,” said **Aaron Brown**, vice president of Shopify, in a [statement](#).

The agreement also comes amid a push by JD.com to broaden its international presence through relationships, such as the Shopify deal and strategic investments. For example, the

company opened its first [brick-and-mortar retail stores](#) in Europe last week, which are manned by robots that prepare and deliver packages.

The takeaway: The agreement amounts to a win-win by helping Shopify merchants and JD.com expand their reach. While Shopify began allowing merchants to accept payments via Alipay—the digital wallet run by Alibaba affiliate Ant Group—in 2020, this deal represents a marked push into China by giving sellers access to JD.com’s **550 million active customers** there. At the same time, the agreement will help JD.com differentiate from rival Alibaba by bringing more foreign brands and products onto its platform.