



Manifest



Global Ecommerce

What It Takes to Win in a Noisy and Volatile (More Tariffs!) Global Market



Agenda

01

WHY GLOBAL TRADE MATTERS

Exploring the impact of global trade on economic growth, innovation, and interconnected markets

02

GLOBAL ECOMMERCE MARKET SIZE & GROWTH

Overview of market size, growth trends, and key drivers in global eCommerce

03

MACRO MARKET, ECONOMIC AND GEO-POLITICAL TRADEWINDS

Examining global market forces, economic trends, and geopolitical factors shaping trade

01



WHY GLOBAL TRADE MATTERS

Exploring the impact of global trade on economic growth, innovation, and interconnected markets.



Hop in the time machine...

Welcome to the Age of Discovery (15th – 17th centuries)





The Age of Discovery

≡ Globalization born with new tech and state-sponsored investment

- New extra-large ship-building techniques plus invention of the compass made exploring the far reaches of the globe possible
- Previously isolated parts of the world became connected and laid the groundwork for globalization





≡ Columbian Exchange Born!

Old World (Europe, Asia, and Africa) meets New World (the Americas and Australia)

- 📍 Venice
- 📍 Genoa
- 📍 Alexandria
- 📍 Antwerp
- 📍 Lisbon
- 📍 Seville
- 📍 Malacca
- 📍 Guangzhou (Canton)

Source1

Source2





Fast Forward → The Age of Today

≡ GDP calculation:

personal consumption + gross private domestic investment + government consumption and investment + and net exports

23 %

TOTAL % OF US GDP
from Global Trade

63 %

Ave % of Everyone Else' GDP
from Global Trade

Most world economic powers
scored considerably higher:

DE Germany at 100%

FR France at 73%

GB U.K. at 70%

IN India at 49%

CN China at 38%

02

GLOBAL ECOMMERCE MARKET SIZE & GROWTH

Overview of market size, growth trends,
and key drivers in global eCommerce.

Cross-Border DTC/Parcel market

≡ **\$1T GMV**
market by 2030

Growing faster than domestic eCommerce

≡ **~14%+**

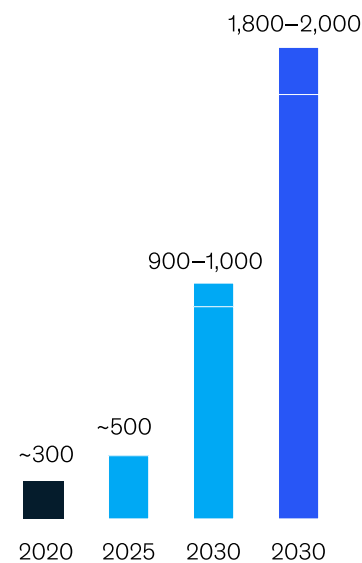
% of Shopify merchant GMV that is cross border

Cross-border e-commerce will grow to a \$1 trillion–2 trillion market by 2030, depending on scenario.

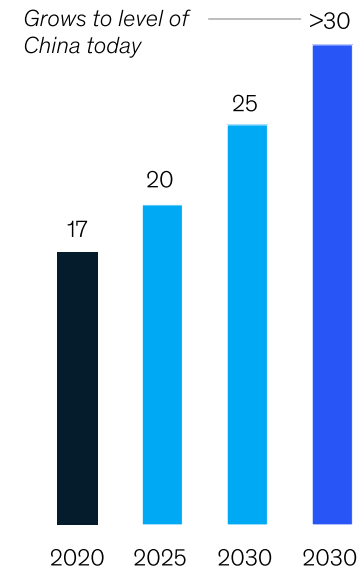
Cross-border e-commerce growth, by scenario

■ Base-case scenario ■ Bold scenario

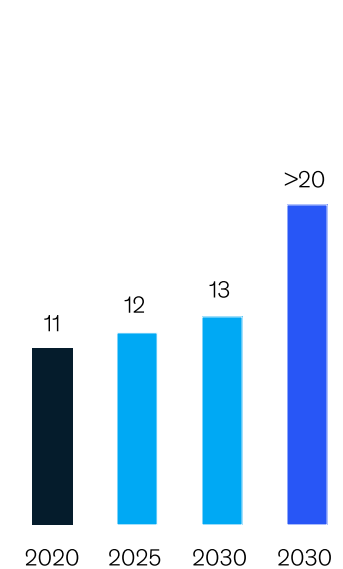
Cross-border e-commerce, \$ billion (gross merchandise value)



E-commerce penetration, %



Cross-border e-commerce penetration, %



Source: Euromonitor

McKinsey & Company

Source

Source



B2B cross-border market

≡ **\$8T + Today**
\$36T by 2032

≡ **36x**
The size of DTC

B2B E-commerce Market Size

The global b2b e-commerce market size was valued at USD 7,432.12 billion in 2022 and is projected to reach USD 36,107.63 billion by 2031, registering a CAGR of 19.2% from 2023 to 2031.



Source: Straits Research

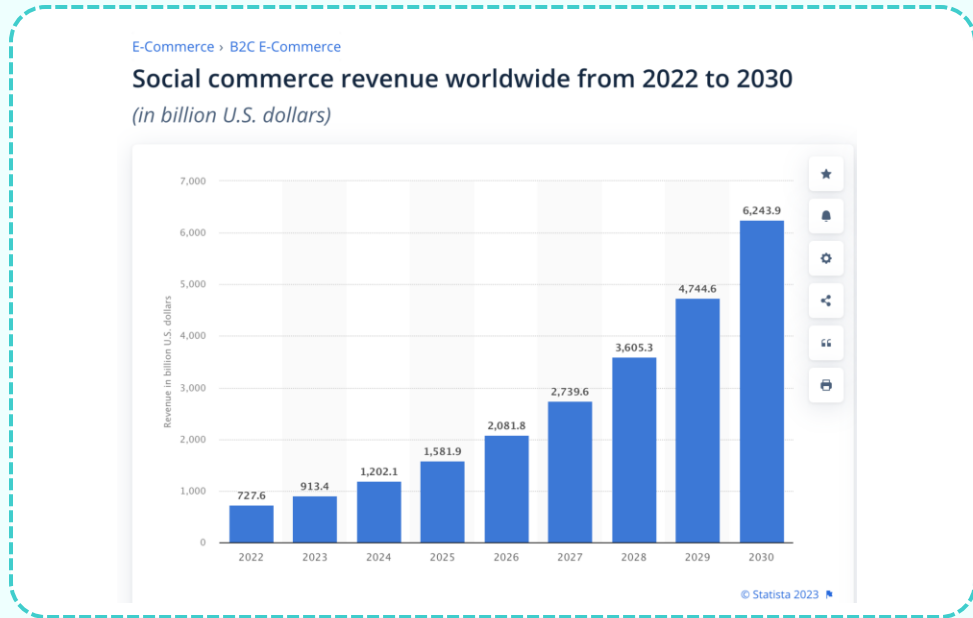
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Big eCommerce Growth Driver = Social Commerce

≡ \$6-8T by 2030! ~20% of total eCommerce growth!



Source – (Includes B2B + Services)



Source

03

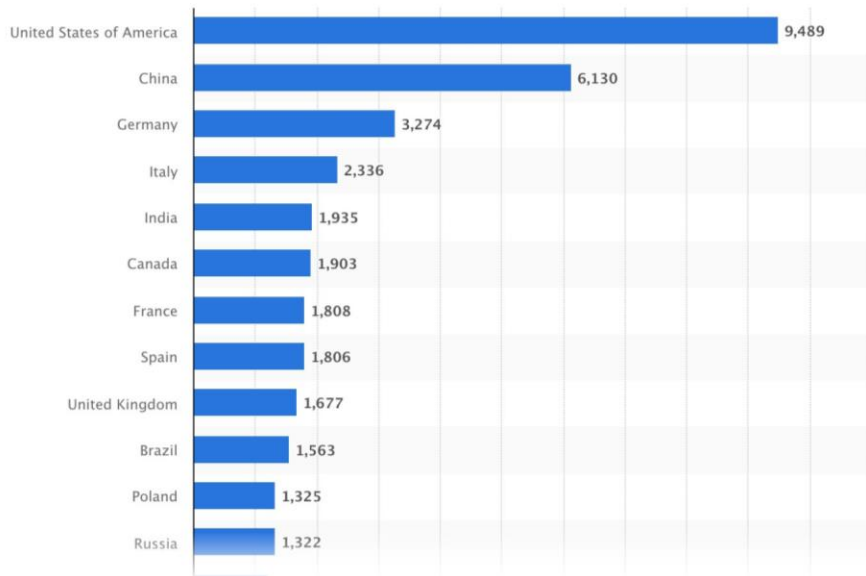
GLOBAL TRADEWINDS

Examining global market forces, economic trends, and geopolitical factors shaping trade.



Regulations are increasing

Countries with the highest number of protectionist trade intervention policy measures implemented between 2009 and September 2023



Increased Protectionism Goals:

- Increase revenue restrict/regulate trade to protect domestic industries
- Address National security and consumer safety concerns

Recent Drivers:

Regime change:
France, Germany, South Korea, Canada, US

[Source](#)



Example:

De minimis, Tariffs and regulations are changing around the globe

Governments around the world consider reforming the de minimis regulation and some already changed it

North America

US:

Actions intended to reduce de minimis

- Exclude certain goods from the rule
- Exception will cover Section 301 products; these cover 40% of imports and 70% of all China textiles & apparel imports

Actions to protect US consumers, workers, and businesses

MX:

- **New apparel tariffs of 15-35%.** Imports that qualify for **IMMEX duty/tax free program are being limited**

EU & UK

EU:

- **Removed 150 EUR VAT de minimis** July 2021
- **Enforced IOSS compliance changes for stricter enforcement of tariff** rules, increasing customs duties on imports

UK:

- **HMRC removed 135 GBP tax de minimis in 2020** with Brexit and introduced more stringent import controls and enforcement.

RoW

Brazil:

End of tax exemption: End of USD \$50 tax exemption for international e-commerce orders, now taxed at 60%, which “targets unfair competition from global e-commerce giants, boosting local retail”

Turkey:

Cutting de minimis value; exemption reduced from EUR 150 to EUR 30, increasing import duties

Singapore:

2023 saw import GST de minimis go away (going from \$400 SGD to \$0 SGD), which means GST is owed on all goods, regardless of value.

South Africa:

July 2024, **the duty de minimis of R500 was removed** for apparel items resulting in 20% duty.



Example: MX December 2024 news

≡ Increased Apparel Tariffs + Changes to IMMEX program

- New apparel **tariffs of 15-35%**
- Imports that qualify for **IMMEX** duty/tax free **program are being limited**



[Source](#)

[Source](#)



Example: 2025 CBP proposed changes

≡ Increased tariffs, changes to 321 program

- **New tariffs 12-30%** on leading eCommerce HS codes
- Make **merchandise that is subject to specified trade or national security actions ineligible** for the 321 duty-fee administrative exemption



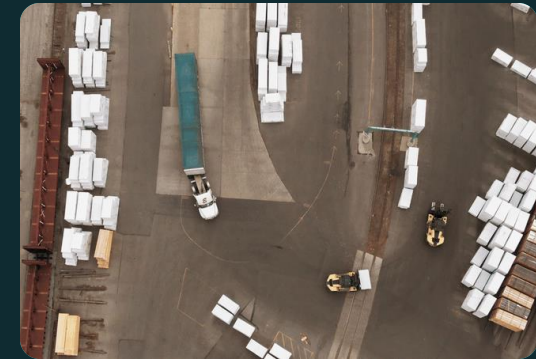
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Trump's Megaphone

More Tariffs!





The Buzz

Trump says he'll create **'External Revenue Service'** to collect tariffs, foreign revenue

Trump vows new Canada, Mexico, China tariffs that **threaten global trade**



Returns = same risk, in reverse

≡ \$11T

2031 spend on reverse logistics

≡ ~20-30%+

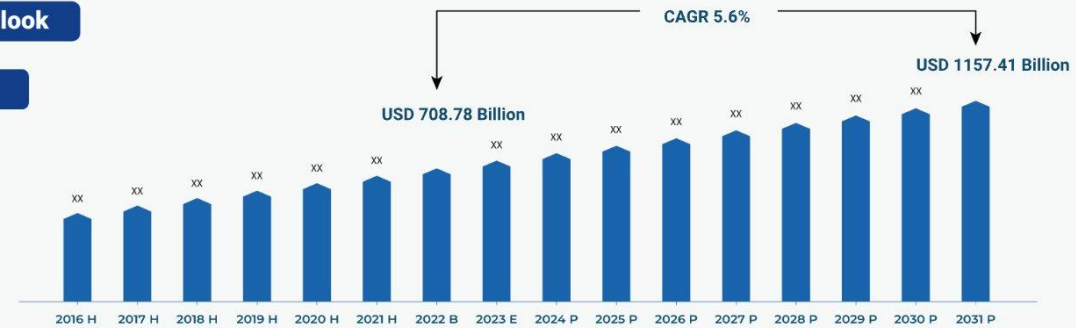
will be cross border



Reverse Logistics Market

Market Outlook

2023-2031



Global Market Size Forecast and Y-o-Y Growth 2023 to 2031 Infographic Data

Key Players

- Figure represents the **global market size** and forecast from **2023-2031**
- Year 2016 to 2021 are historic years, 2022 is the base/actual year and forecast is provided from **2023-2031**

Source: Growth Market Reports Analysis

Phone: +1 909 414 1393

E-mail: sales@growthmarketreports.com

Source

Source



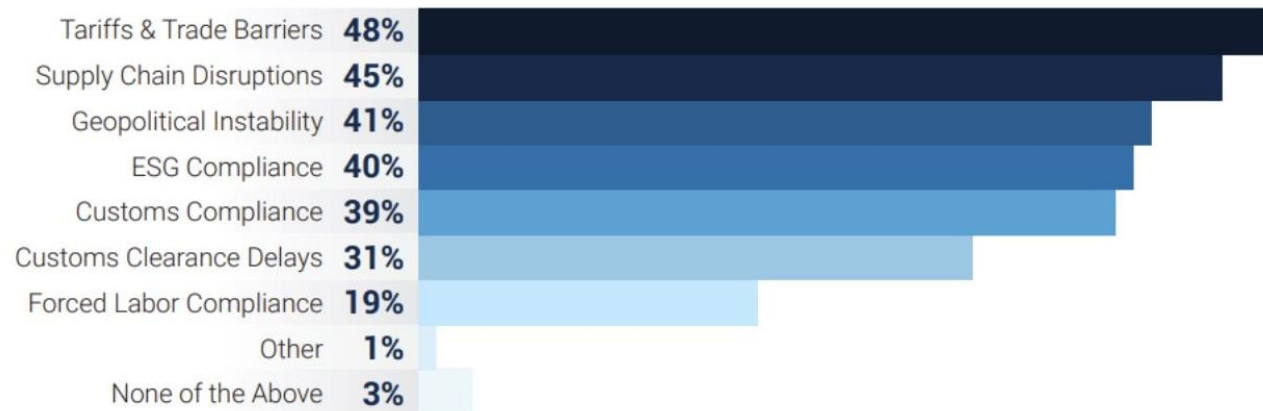
Massive Headaches for Trade Operators!!!!

≡ Drivers = Tariffs + Trade Barriers

≡ Geopolitical Instability

Figure 1:

Survey respondent's top challenges in international trade operations.



Note: Respondents were asked to select all challenges their organization face.

Source: Descartes / SAPIO Research

Source

Source



Consumers' POV





Big Time Inflation!

≡ **+8.63%**
2024 v 2023

≡ **+4.6%**
2023 v 2022

Global inflation rate from 2000 to 2022, with forecasts until 2029
(percent change from previous year)

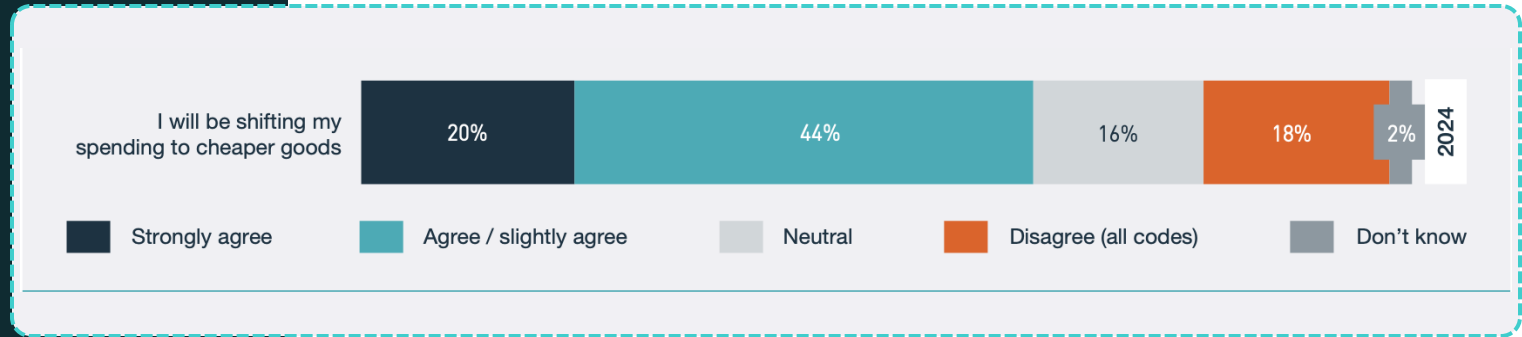
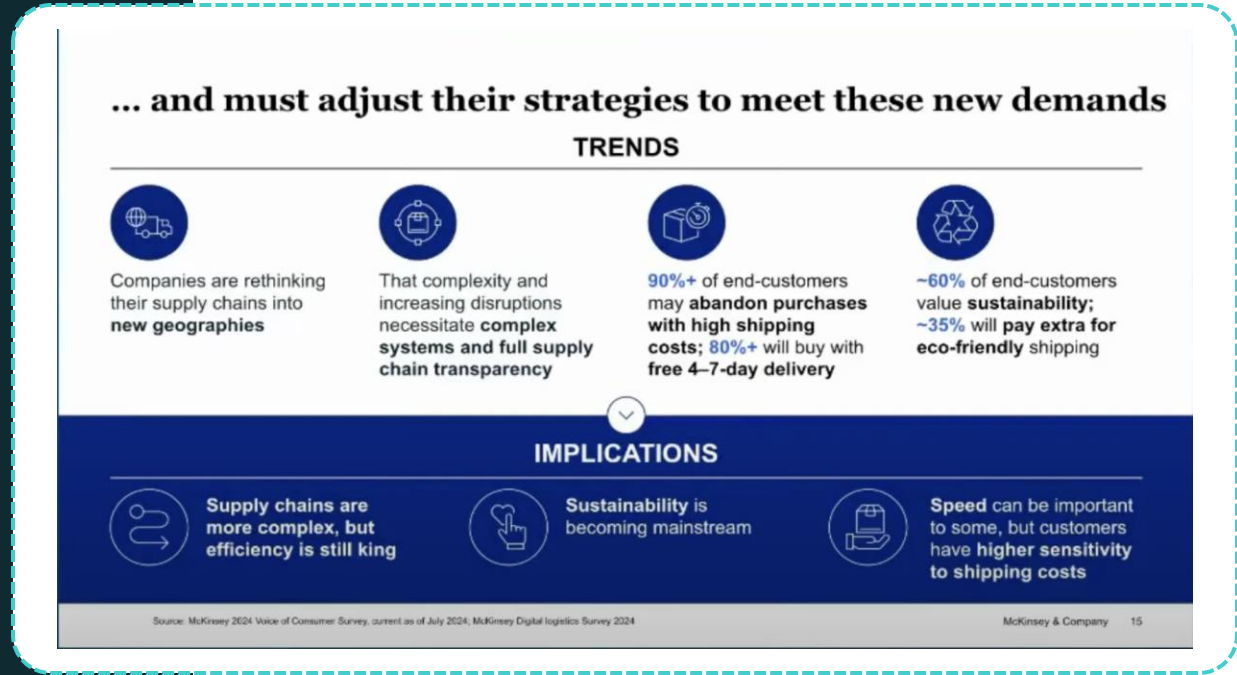




Optimizing for low-cost everything

≡ Consumers trading speed for cheaper shipping

≡ Consumers trading product quality for cheaper product costs





3 second commercial for FlavorCloud





We power Anywhere to Anywhere, Guaranteed, DTC and B2B commerce across 220+ countries...

SELL

CLASSIFY & GUARANTEE DDP

- Automated & dynamic HS code classification from store data
- Guaranteed DDP Duties, Taxes and Fees with calculation upfront (99% accuracy)

LOCALIZED MARKET PRICING

Market-specific SKU pricing optimized for conversion. Pricing strategies based on deep understanding of local markets/consumer

DELIVERY PROMISE

Transit time date ranges are in checkout with a 99% SLA for all DDP services.





...and have white-glove global eCommerce growth experts to help. Hands on.

SHIP

AUTOMATED COMPLIANCE

Automated logic ensuring SKU can go to destination; comply and provide all appropriate customs documentation

IN-REGION FULFILLMENT

We optimize supply chains around the world as brands scale regionally and in-country for DDP services including customs, tax and trade compliance.

REVERSE LOGISTICS

Anywhere to anywhere for easy returns from all 220 countries around the world

CUSTOMS CLEARANCE & LIABILITY

Automated customs clearance as FlavorCloud is Importer/Exporter of Record in 220+ countries. We carry full liability on all clearance

COUNTRY SPECIFIC TAX MANAGEMENT

Pay and process all in-country tax filings for VAT/Sales Tax. Use FC entities for markets where distance selling threshold-based remittance apply

MULTI-CARRIER DYNAMIC NETWORK

Redundancy and resilience through 300+ multi-carrier network. Dynamic routing intelligence picks best carrier and service for each country and commodity. Always-on network



FLAVORcloud

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