

Russia's Top Online Retailer Targets U.S. Market

Wildberries launches on Amazon's home turf in latest international expansion.

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Wildberries has operations in 14 countries. Wildberries

Wildberries, Russia's largest e-commerce site, has launched in the U.S. — the latest international market it hopes to break into after <u>opening</u> online stores for customers across western Europe earlier this year.

The company has launched a dedicated <u>U.S. website</u> and app — available in English and Russian — and says around 5.5 million items will be available from 40,000 brands.

The U.S. is the world's largest online market and is Wildberries' most ambitious international expansion to date. The company, which specializes in selling clothes and was a trailblazer for Russia's e-commerce industry, says it almost doubled international sales last year to 23.7 billion rubles (\$310 million). That compares to 437 billion rubles (\$5.4 billion) of domestic

sales in Russia — more than twice the volume of Russia's second-largest online retailer, Ozon.

Entry into the U.S. will put Wildberries in even closer competition with Amazon, following launches in France, Germany and Italy in the last 12 months. Jeff Bezos' online retail giant accounts for around <u>one in every \$3</u> spent online in the U.S., although its grip on the market has dipped since the start of the coronavirus pandemic as more shoppers and retailers have moved online.

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Wildberries founder Tatyana Bakalchuk is Russia's richest woman, with an estimated net worth of \$13 billion, according to Forbes magazine.

Wildberries in the U.S. will offer free delivery on orders over \$50, though packages will take 8-12 working days to arrive, according to the company's website. Faster delivery of 3-5 working days is available for \$20 through logistics firm DHL.

Vyacheslav Ivashchenko, Wildberries' Development Director said the site would welcome U.S. sellers onto the platform, alongside current retailers based in Russia and Europe. The U.S. is the company's 14th market of operations.

Russia's online retail space, which for years had lagged the U.S. and Europe, exploded during the pandemic, with record numbers of online purchases and corporate activity, including a U.S. <u>stock market launch</u> for Ozon and heavy investments from the likes of <u>Yandex</u>, <u>Sberbank</u>, Mail.Ru and others.

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