

# E-COMMERCE IN JAPAN “HOW IT WORKS” GUIDELINES

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Albane VIRAZIE and Risako TABATA





This report has been produced by Risako TABATA (University of Konstanz) and Albane VIRAIZE (University Toulouse 1 Capitole) , and proofread by Alejandro GAMARRA (IE University).

## Contents

Abbreviations and Acronyms .....	5
<b>1. Introduction .....</b>	<b>6</b>
<b>2. Amazon Japan .....</b>	<b>7</b>
2.1 General Information .....	7
2.2 Information and Requirements .....	7
2.3 Onboarding Process .....	12
2.4 Logistics .....	13
<b>3. Rakuten Ichiba .....</b>	<b>15</b>
3.1 General Information .....	15
3.2 Information and Requirements .....	15
3.3 Onboarding Process .....	19
3.4 Logistics .....	20
<b>4. Shopify .....</b>	<b>23</b>
4.1 General Information .....	23
4.2 Information and Requirements .....	23
4.3 Onboarding Process .....	27
4.4 Logistics .....	30
<b>5. Comparison Between the Different Platforms .....</b>	<b>32</b>
5.1 Fees / Costs .....	32
5.2 Requirements to do Business on the Platforms .....	34
5.3 Getting / Doing Business on the Platforms .....	37
5.4 Logistics .....	38

## Abbreviations and Acronyms

- General

EAN: International Article Number

EU-Japan EPA: The EU and Japan Economic Partnership Agreement

ISBN: International Standard Book Number

JAN : Japanese Article Numbering

JPY : Japanese Yen

UPC: Universal Product Code

USD: United States Dollar

- Rakuten Ichiba

DDP : Delivered Duty Paid

DUNS : Data Universal Numbering System

RMS : Rakuten Merchant Server

- Amazon Japan

ACCS: Amazon Currency Converter for Sellers

ACP: Attorney for Customs Procedures

FBA: Fulfilment by Amazon

GTIN: Global Trade Item Number

IOR: Importer of Record

SIV: Seller Identity Verification

SKU: Stock Keeping Unit

- Shopify

AUP : Acceptable Use Policy

DAP: Delivered At Place

DDP : Delivered Duty Paid

## 1. Introduction

Japan is the 4th largest e-commerce market globally with a vast number of its population being internet users. In 2020, the e-commerce market was 192 million JPY, with the merchandising sector having a large expansion due to the Covid-19 pandemic, and 24% of businesses sold online in Japan. In addition, Internet penetration is estimated at 92% of the population, creating a significant market opportunity for e-commerce operators. Therefore, there are opportunities for foreign companies to enter the Japanese market through e-commerce.

[EU-Japan Centre, Covid-19 and E-commerce: Market Trends, Challenges, and Opportunities in Japan \(A View from Rakuten\), 2020](#)

[Ministry of Economy, Trade and Industry, Results of FY2020 E-Commerce Market Survey Compiled, 2021](#)  
[Government of Canada, Sector Trend Analysis – E-commerce market trends in Japan, 2022](#)

Japanese consumers have been using online shopping more frequently in their daily lives, due to the Covid-19 pandemic; the restrictions and lack of access to in person retail shop, and the development and expansion of new technologies, making it easier to rely on e-commerce. When shopping online, Japanese customers mainly shop in the categories of “food & groceries”, “personal hygiene products”, “household cleaning products” and “clothing apparel & fashion accessories”. E-commerce is also a solution for customers all around the globe to have access to products from anywhere in the world. It is important to know that Japanese consumers like foreign products but particularly ones that cater to Japanese customers' expectations.

[EU-Japan Centre, Covid-19 and E-commerce: Market Trends, Challenges, and Opportunities in Japan \(A View from Rakuten\), 2020](#)

The EU and Japan Economic Partnership Agreement (EU-Japan EPA) helped trade between European countries and Japan, however, it is still important to make sure that the business will be viable and successful. There is information that is specific to the type of trade or structure that a company wants to use to do business in Japan, but there is also general information that can be researched such as import procedures, duties, and taxes specific to Japan, specific marketing strategy to Japan, etc.

This report will focus on the main platforms of e-commerce in Japan which are Amazon Japan, Rakuten Ichiba and Shopify. It presents the information necessary to do business on those platforms, the procedure, and the logistics.

[Amazon Japan](#)

[Rakuten Ichiba](#)

[Shopify Japan](#)

## 2. Amazon Japan

### 2.1 General Information

Amazon operates worldwide, of which Japan is the second-largest foreign market in the world. Amazon Japan is a comprehensive online store that offers over 200 million products including Japanese and foreign books, CDs and DVDs, PC software, games, electronics, stationery and office supplies, home and kitchen, toys and hobbies, sports, health and beauty, cosmetics, watches, baby and maternity, apparel and shoes, jewellery, and food and beverage, and launched its services in 2000. In 2019, Amazon.co.jp had an average of 89 million unique monthly visitors, up +14% from the previous year. According to government of Canada, Amazon remains the leading brand with a 15% value share in 2020. Furthermore, Amazon's strength is that it supports both its own directly operated e-commerce business and third-party merchant platforms. According to Amazon, more than 150,000 SMEs operate through its third-party merchant platform. In addition, Amazon Japan is already preparing for business expansion by hiring 100,000 employees for its distribution centres and delivery network to meet surging demand.

[Amazon Japan](#)

[Amazon, Launch Your Business on Amazon Japan, 2020](#)

[Government of Canada, Sector Trend Analysis – E-commerce market trends in Japan, 2022](#)

It features a product-centric shopping format, which allows merchants with an Amazon Seller Account to conduct almost the same transactions anywhere in the world that Amazon operates. In addition, funds generated in Japan can be transferred very easily to the merchant's nominated bank account, after deducting costs. Another advantage of Amazon Japan is its ability to process customer orders quickly, seamlessly, at low cost, and to provide basic customer services. The registration fee is 4,900 JPY per month. Thus, many overseas merchants start with Amazon. However, one of the disadvantages is that client support is limited to e-mail, making turnaround time and difficulty in contacting the client problematic. Another aspect is that consumers have limited information for product selection.

[EU-Japan Centre, Market entry to Japan via E-Commerce, 2018](#)

### 2.2 Information and Requirements

Before getting started, it is important to learn about Amazon Japan, what kind of items are allowed to sell, and how items can be listed. First, Amazon Japan offers two selling plans: the Professional Selling Plan and the Individual Selling Plan.

**Table 1:** Comparison between Professional Selling Plan and Individual Selling Plan

	Professional Selling Plan	Individual Selling Plan
<b>Monthly Subscription Fee</b>	4,900 JPY (when having active listings)	No
<b>Per-Item Fees</b>	No	100 JPY for each item sold

As shown in Table 1, the Professional Selling Plan costs 4,900 JPY per month no matter how many items you sell, while the Individual Selling Plan costs 100 JPY per item, with a maximum of 49 items each month. Therefore, one decision will be whether to sell more than 50 items per month. In addition, both plans charge a referral fee for each sale. Another interesting feature is that accounts can be merged in different countries or regions. If a seller has an account in Europe and wishes to expand business to Japan, this service might be interesting, as it will also reduce the monthly subscription fee. For more information, click [here](#).

[Amazon, Let's talk about numbers](#)

[Amazon, Selling on Amazon fee schedule](#)

Next, it is important to know what products are allowed to sell in Japan, understand what categories are restricted and require authorization. Products that are not restricted in the EU may be restricted in Japan. Therefore, careful preparation should be necessary. When selling on Amazon Japan, there are the following five main things to be aware of:

- [Condition Guidelines](#)
- [Style guides](#)
- [Restricted products](#)
- [Categories that require approval](#)
- Required product identifiers

Regarding the product identifiers, a Global Trade Item Number (GTIN), such as a UPC, EAN or JAN is necessary in most categories.

[Amazon, Review category requirements](#)

Sellers need to check the regulations carefully because there are various restrictions for each category. This section will introduce a few examples, which might be of interest for EU companies.



Table 2: Restriction examples

Category	Restriction examples
Dietary Supplements	<ul style="list-style-type: none"> <li>● Products that require a prescription or a medical professional's supervision or direction for their purchase or use.</li> </ul> <p>→ <a href="#">More information about Dietary Supplements</a></p>
Drugs	<ul style="list-style-type: none"> <li>● Prescription drugs that are manufactured and sold abroad.</li> <li>● COVID-19 Antigen/Antibody Test Kit that falls under an in vitro diagnostic.</li> <li>● Illegal and dangerous drugs, such as, Marijuana, Narcotics, Psychotropics and other specified products by the MHLW</li> </ul> <p>→ <a href="#">More information about Drugs</a></p>
Quasi Drugs & Cosmetics	<ul style="list-style-type: none"> <li>● Beauty store products that Amazon.co.jp prohibits.</li> <li>● Products for which part or all of the labelling required by law is missing. For example, a product whose required serial number on the manufacturer's original packaging is blacked out and unreadable. A product for foreign markets that doesn't have all of the labelling in Japanese required by law.</li> </ul> <p>→ <a href="#">More information about Quasi Drugs &amp; Cosmetics</a></p>
Alcohol	<ul style="list-style-type: none"> <li>● Listing of alcoholic beverages and mocktails in categories other than the Wine Category.</li> <li>● Sales of liquor products sold by sellers who do not have the licence for the sale of alcoholic beverages.</li> </ul> <p>→ <a href="#">More information about Alcohol</a></p>
Plant and Seed Products	<ul style="list-style-type: none"> <li>● Seeds, seedlings, tree scions and bulbs for cultivation that are imported from abroad or sold by out-of-country sellers.</li> </ul> <p>→ <a href="#">More information about Plant and Seed Products</a></p>

[Amazon, Restricted Products](#)

In addition, sellers are required to obtain approval for certain products, brands, categories and sub-categories before selling. More information on requiring pre-application can be found [here](#). In the approval process, document requests, performance checks, and other qualifications might be requested.

[Amazon, Products requiring approval](#)

One of the categories that are of interest for EU sellers is “Made in Italy”. This is a dedicated store and was opened to spread the style and tradition of "Made in Italy" throughout the world. There are advantages to listing for sale in this store, such as making products known to many people and receiving a good support system. However, selling at “Made in Italy” requires approval from Amazon. This is to meet customers' expectations regarding product quality and country of origin. For example, the entire production of the goods should take place in Italy or that the final steps that can be determined to be substantively and economically justified should take place in Italy.

[Amazon, Made in Italy](#)

[Amazon, Are you a seller? Learn more about Made in Italy at Amazon Start selling your products on Made in Italy](#)

The registration process depends on whether the person in charge of the account already has an account, the so-called Amazon Seller Account in another country or region. If the person already has an account in the EU region and wants to expand its business into Japan, merging of accounts is possible. If not, the following documents are needed for the registration.

**Table 3:** Documents that need to be provided when making an Amazon Seller Account

Photo ID issued by a government agency (such as a passport or driver's licence)
Statement issued within the last 180 days (such as a bill for gas, electricity, or water)
Business email address or existing Amazon customer account
Phone number
Chargeable credit card
A bank account where Amazon can send you proceeds from your sales

The required information differs depending on the business category, either corporation or sole proprietor. For corporations, information on their company such as the Corporate Number and the Corporate Name will be required. It should be noted that some parts of the registration process may only accept Japanese language. However, Amazon Japan offers services in a variety of languages, so it is not a problem if no access to Japanese is possible. In addition, Amazon Japan is offering a free official LINE Open Chat, which supports account registration and sales initiation. Furthermore, it is not necessary for sellers to have their legal entity registered in Japan or a Japanese bank account.

[Amazon, Registering an Amazon Seller Account](#)

[Amazon, HOW TO START SELLING ON AMAZON IN JAPAN](#)

[Rising Sun Commerce, How to Sell on Amazon Japan in 2021, 2021](#)

[Amazon, How to start selling on Amazon](#)

However, there are a few things to keep in mind when sending goods from overseas. An Importer of Record (IOR) is necessary when shipping to Japan. This indicates someone who will assume responsibility for exported goods once they arrive in Japan. As Amazon Japan cannot be an IOR, sellers need to find someone or some entity that can be their IOR. Alternatively, sellers can act as a non-resident importer by appointing an Attorney for the Customs Procedures (ACP) who takes care of duties and taxes on the behalf of sellers. It's mandatory for all sellers who don't have IOR to appoint a service provider as their ACP. Once an ACP is granted, it is valid forever unless the attorney is released. However, they are only responsible for duties and taxes. It is the responsibility of the seller to ensure that the goods comply with local laws and regulations.

## [ACP JAPAN](#)

[Amazon, FBA Pre-shipment Preparation Guide \(Manual\)](#)

[Amazon, Frequently Asked Questions from Overseas Sellers](#)

Moving on to what other costs are involved. In addition to the registration fee, there are Referral fees and Fulfilment fees. These fees occur regardless of the plan. There may be additional fees such as advertising or premium account services. First, the referral fee is the fee that sellers pay on each item sold, and it costs differently among categories. In most cases, referral fees range from 8% to 15%, however, there is an exception such as Amazon device accessories which charge 45%. Also, the referral fee varies depending on the price of the product in the same category, such as 8% for products with a total sales price per item up to 1,500 JPY, or 10% for products with a total sales price per item over 1,500 JPY. Moreover, some categories have a per-item minimum referral fee, which ranges from N/A to 30 JPY. Sellers pay either the referral fee or the per-item minimum referral fee, whichever is higher. In addition, some categories have different referral fees for different brands.

## [Amazon, Selling on Amazon fee schedule](#)

Next, there are two plans for shipping fees or so-called Fulfilment fees. Sellers can choose either company-operated shipping or the Fulfilment by Amazon (FBA) shipping service. As for the former plan, shipping fees vary depending on the plan. Sellers with a professional plan can set their own shipping rates except for books, music, videos, and DVDs. For sellers with an individual plan, the shipping fee set by Amazon is applied to all products. It is therefore important to set the selling price taking into account the ability to secure a profit. The latter is Amazon's unique service in which Amazon stores products in Amazon's fulfilment centers on behalf of sellers, and upon receiving an order from a customer, Amazon takes care of everything from picking, packing, and shipping to customer service. With this service, the price ranges from 288 JPY to 5,625 JPY for small to very large items. FBA is an optional plan and will be introduced more in detail in the following section.

## [Amazon, Fulfilment fees](#)

[Amazon, 2022 Fulfilment by Amazon and referral fee changes summary \(Amazon.co.jp\)](#)

[Amazon, Let Amazon pick, pack and ship your orders](#)

Finally, some other costs that must be considered, plus optional plans will be introduced in this section. Amazon Japan applies a high-volume listing fee to all sellers. If a seller has a large number of active non-media listings that have not sold in 12 months, a monthly fee of 0.05 JPY per eligible listing is charged. It's free up to 2 million listings. The refund process should also be noted. When refunding a customer order, Amazon will refund the amount of the referral fee paid by the seller. In this case, Amazon will apply either 500 JPY or 10% of the referral fee, whichever amount is less, as a refund processing fee and deduct it from the referral fee.

Moreover, when sellers live in the EU but do not have an EU VAT registration number, Amazon will collect EU VAT on Selling on Amazon fees in terms of sales made by sellers on Amazon Japan.

[Amazon, Other costs](#)

[Amazon, Japan Tax and Regulatory Considerations](#)

In addition, Amazon offers three optional plans. First, Fulfilment by Amazon program (FBA) is that Amazon provides a variety of services including picking, packing, shipping, and customer services. Sellers simply deliver their products to the Amazon fulfilment center. With FBA, sellers can expand their business by making their products eligible for Amazon Prime, by having Amazon handle a wide range of customer service on their behalf, including the return process, and by using all of FBA's programs. To sign up, simply add FBA if a seller has an Amazon Seller Account. There are no minimum requirements, setup fees, or subscription fees. Sellers pay a fee for the services they use. Regarding advertising, Amazon provides a cost-per-click, auction-based advertising system. Sellers are supposed to set the maximum budget that they pay each time a customer clicks on their ads. More information on Amazon Advertising is available [here](#). The last optional service is Marketplace Consulting Service where sellers can get advice from experts regarding their business. To join this program, sellers need to pay 160,000 JPY per month plus 0.3% of the previous month's total sales (excluding tax). The maximum monthly fee is 1 million JPY.

[Amazon, Get started with Fulfillment by Amazon \(FBA\)](#)

[Amazon, HOW TO START SELLING ON AMAZON IN JAPAN](#)

[Amazon, Let's talk about numbers](#)

[Amazon, Marketplace Consulting Service](#)

## 2.3 Onboarding Process

The first step in starting a business with Amazon Japan is to understand the legal regulations required in Japan and ask third-party service providers for assistance if necessary. After that, there are three main steps (registration, listing, and shipping) in order to start business on Amazon.

### 1. Register for an Amazon Seller Account

The first step is to register for an Amazon Seller Account. Once the account registration is completed, Amazon will verify the identity of the seller with Seller Identity Verification (SIV). The results will be sent in about three business days. In addition, Two-Step Verification is required to keep an account secure.

### 2. Product listing

After being done with SIV, sellers can start creating a product listing. The listing should include a product identifier (such as GTIN, UPC, ISBN, EAN), a SKU, listing details (price, item condition, number of listings, shipping options, etc.), and product details (product name, brand, category, description, images). Keywords to help buyers find the item easily should also be included. If another seller has already listed the same item, the existing listing information can be used.

### 3. Shipping

Once everything is in place, shipping will take place as soon as the customer purchases the item. With regard to payment of sales proceeds to sellers, sellers need to set up their bank account in order to receive funds. Credit cards or online payment systems such as PayPal are not supported. Alternatively, Amazon Currency Converter for Sellers (ACCS) is available which allows sellers to receive funds in a bank account outside of Japan. It may take up to 5 business days from the time Amazon completes payment processing until the funds are deposited into the seller's bank account.

[Amazon, Registering an Amazon Seller Account](#)

[Amazon, Two-Step Verification FAQ](#)

[Amazon, How to start selling on Amazon](#)

[Amazon, Bank account information](#)

[Amazon, Amazon Currency Converter for Sellers \(ACCS\): FAQ](#)

[Amazon, When will I be paid?](#)

## 2.4 Logistics

As a general rule, sellers are supposed to accept returns or exchanges of items within 30 days of receipt of shipment. When using FBA, Amazon will handle the order on the seller's behalf and provide customer service, including processing returns.

[Amazon, About Our Returns Policies](#)

[Amazon, FBA customer returns policy](#)

For those based overseas and wishing to list their goods in Japan, it is important to know Japanese customs laws and regulations, including duty and tax requirements. When goods are imported into Japan from overseas, Import Consumption Tax is charged on all goods imported into Japan. While Amazon takes care of everything from shipping to customer service by using FBA, it is not allowed to import goods in the name of Amazon. Therefore, there are some necessary trade formalities involved in delivering goods to the Amazon fulfilment center in Japan. Sellers must first select a shipping company and a customs broker, which handles customs clearance and then delegate the customs clearance to the customs broker. If the goods are subject to export restrictions, the necessary application procedures must be taken in advance. Also, if sellers do not reside in Japan, it is necessary to select a person or an entity responsible for the goods imported into Japan such as IOR or ACP explained in the previous section. Furthermore, a declaration is necessary when exporting and importing goods, and the documents for the declaration required to prepare are shown in Table 3.

Table 4: Main documents required for export/import declaration

Export declaration	Import declaration
Invoice	Invoice
Packing list	Packing list
Shipping instruction	Bill of Lading (B/L: legal document issued by the shipping company)
Power of attorney	Air Waybill (transport document issued by the airlines as a receipt of goods)
Proof of licences or approvals or both for various legislations and regulations	Power of attorney
	(If an ACP has been appointed) The ACP notification form approved by the Japanese customs office
	Proof of licences or approvals or both for various legislations and regulations
	Other information on the goods and documents that explain that the import declaration price has been calculated correctly

[Amazon, Japan Tax and Regulatory Considerations](#)

[Amazon, Import declaration process and trade procedures that should be conducted by a seller](#)

## 3. Rakuten Ichiba

### 3.1 General Information

Rakuten Ichiba is an online shopping platform founded in 1997. It has the Japanese largest e-commerce marketplace, with 26.8 % of the e-commerce market share of Japan, and is considered to be the 4th largest e-commerce marketplace globally. It gathers more than 120 million members and more than 55,000 shops. Since 2019, the cross-border sales with the USA and Europe have doubled. Rakuten has around 18 million daily active users and Japanese consumers especially like using Rakuten thanks to its loyalty program that gives them the opportunity to gain points for each of their purchases or use of Rakuten's other services. Rakuten provides a very large selection of services and Rakuten Ichiba is only one of them. Outside of platforms for different activities, there are also logistics services such as R-Pay, Rakuten insurances, Rakuten Bank, etc. It also has multiple overseas businesses such as in Europe with Rakuten DX in France, Rakuten TV in Spain and Rakuten Viber in Luxembourg.

It is possible for overseas companies to create an online shop on Rakuten Ichiba. Rakuten Ichiba even provides strong support for overseas companies throughout all steps of the process, from the application to the management of the shop as it will be presented later on, to provide the necessary help.

[Rakuten, Start selling in Japan](#)

[Rakuten, Sell on Japan's 1st online shopping mall](#)

[Rakuten, Start selling in Japan](#)

[Rakuten, Rakuten Group Presentation, 2021](#)

Rakuten Ichiba has a store approach meaning that it works as an equivalent of a shopping mall. This gives the opportunity to companies to create a very customizable digital storefront making it possible to indicate all relevant information rather than use a generic layout that is common to all stores. It can also be updated at any time to provide new important information such as sales, promotion or new product. The same goes for product pages that can have as much information as necessary. This feature ensures that customers have access to all the necessary information, such as characteristics of the products, price but also shipping and return policies, etc.

[Rakuten, Japan's Largest Online Marketplace: Rakuten Explained, 2021](#)

### 3.2 Information and Requirements

To be able to sell on Rakuten Ichiba, a company needs to go through the application process, but before it has to check that it will be able to go through the detailed screening process of Rakuten Ichiba. To do so, it is important to assess the requirements of Rakuten Ichiba.

First, there is the question of the necessity of a Japanese entity to do business. Currently, Rakuten Ichiba provides Direct Shop Plan only to France and Germany, which is a plan where a company can open a shop on Rakuten Ichiba directly with its domestic entity. For other EU members, it is required to sign a contract with service partners approved by Rakuten that will act as a local team to help with the set-up, management and operational support of the store. It is easily possible to contact Rakuten to have further information, for example on additional conditions or learn about the service partners that would be acting as Merchant of Record. The "Get in touch with us" form is accessible [here](#).

Once in contact with the platform, someone can provide more information and resources concerning third party entities that can help provide services to do business on Rakuten Ichiba, like companies that can act as Merchant of Record.

### [Rakuten, How to open a shop on Rakuten Ichiba?](#)

To be able to sell on Rakuten Ichiba, a company needs to be properly incorporated, and it must already have an e-commerce site or sell on a third-party platform. The company also needs to be able to establish reliable logistics so that it is able to fulfil the customers' order. The company is also responsible for foreign exchange risk as products on Rakuten are sold in JPY. The company also needs to have its own brand name, provide a unique manufacturer I.D. and have products with barcodes with an acceptable format such as UPC, EAN, JAN, ISBN. The company also needs to provide a valid D-U-N-S number. When getting into contact with Rakuten, the correspondent can ask questions about the company (company structure, place of incorporation, doing business locally or abroad, logistics of the company, revenue of the previous year, provisional revenue of the current business year and expected revenue with the opening of a shop on Rakuten Ichiba, Japanese proficiency, etc) so these are information that are important to take into account and think about beforehand.

[Rakuten, Japan's Largest Online Marketplace: Rakuten Explained, 2021](#)  
[eCommerceNext, How to sell on Rakuten in 2021 \(Complete Guide\), 2021](#)  
[Rakuten, How to open a shop on Rakuten Ichiba?](#)

Rakuten Ichiba offers a large panel of products on its platform, but it also has a list of products that in general are not allowed. This list is as follows:

- raw foods,
- fresh produce,
- seeds for farming,
- pet foods,
- liquid chemicals or cleaning products,
- weapons

There are also products that are prohibited on the platform. Information can be found [here](#).



**Table 5:** categories and examples of prohibited products on Rakuten Ichiba

Category	Examples
Items whose sale or possession is regulated by law	Guns, swords, illegal drugs, stolen goods, etc
Things that are against morals and public order	Voyeur photos, voyeur videos, voyeur equipment, guidance on criminal methods, etc
Items for which transfer or resale is prohibited due to contracts related to products	Savings and securities accounts, saving passbooks, credit cards, etc
Things that can be abused or forged	Service to create a seal from an imprint, ID card, personal information, etc
Unfavourable for the protection and development of young people	Adult goods, etc
Dangerous items	Explosives and high-pressure gas, poisonous and deleterious substances, etc
Items that may infringe on the rights and interest of others	Counterfeit brand products, replicas, products that infringe copyrights, etc
Others that we deem inappropriate	Religious products, expired products, etc

Concerning overseas merchants in particular, they are not allowed to sell CBD and used products. In any situation, all items sold on Rakuten Ichiba need to comply with Japanese laws and to make sure that the product is authorised the company can ask its Onboarding Consultant.

[Rakuten, Frequently Asked Questions](#)

[Rakuten, How to open a shop on Rakuten Ichiba?](#)

[Rakuten, Precautions regarding store opening examinations and products handled \(Japanese website\)](#)

As a lot of steps of the process are in Japanese, a high proficiency in Japanese is required to do business on Rakuten Ichiba. For example, the shop interface, Rakuten Merchant Server (RMS), is only provided in Japanese. However, Rakuten also provides support in English at all steps of the process, from shop screening to post-shop opening.

A team of Onboarding Consultants answers every question about the contract and application process before the submission of the application. A Shop Open Advisor can guide the company through the necessary procedure to open the shop. Once the shop is opened, an E-Commerce Consultant is assigned to the shop to help the company with any questions regarding sales, promotions or even marketing strategy. Rakuten can also provide a list of recommended service agencies that can act as a bilingual third party.

[Rakuten, How to open a shop on Rakuten Ichiba?](#)

[Rakuten, Sell on Japan's 1st online shopping mall](#)

[Rakuten, Frequently Asked Questions](#)

When it comes to the cost of opening a store on Rakuten Ichiba, there are two main categories of fees that need to be paid. The first one is the registration fee of 60 000 JPY. This fee is common to all companies that want to register on Rakuten, whatever the opening shop plan they decide to sign with Rakuten afterward.

Rakuten Ichiba proposes 3 different monthly opening fees that come at different prices, with different commission percentage (that vary depending on the category of the product) and capacity of products' listing.

The first plan is the Keep it up Plan and it starts at 19,500 JPY per month with a possibility to list 5,000 products. The store opening fee is to be paid once as an annual payment (234,000 JPY). The commission is 3.0 to 6.5 % out of the monthly sales. This plan is recommended for companies that have little experience running an online shop.

The second plan is the Standard Plan, and it costs 50,000 JPY per month and offers a listing capacity of 20,000 products which can be increased upon request. The payment is made in two instalments every six months (300,000 JPY twice a year). The commission percentage is 2.0 to 4.0 % out of monthly sales. This plan is recommended if the monthly sales' target of the company is around 1.4 million JPY.

The last plan is the Mega Shop Plan which is for companies that have a large number of products to propose. It costs 100,000 JPY per month and gives an unlimited capacity of products' listing. As for the Standard Plan, the opening fee is paid every six months (600,000 JPY twice a year). The commission percentage is also 2.0 to 4.0% out of monthly sales.

For a year-long contract, in total, the Keep it up! Plan costs 294,000 JPY, the Standard Plan costs 660,000 JPY and the Mega Shop Plan costs 1.26 million JPY. It is possible to do monthly cost simulations to find the most suitable plan for opening a shop.

**Table 6: Summary of the characteristics of Rakuten’s Opening Plans**

	Keep it up ! Plan	Standard Plan	Mega Shop Plan
<b>Registration</b>	60,000 JPY	60,000 JPY	60,000 JPY
<b>Opening fee</b>	19,500 JPY / month	50,000 JPY /month	100,000 JPY/month
<b>Product listing</b>	5,000 products	20,000 products	unlimited products
<b>Commission fee</b>	3.0 to 6.5 %	2.0 to 4.0 %	2.0 to 4.0 %
<b>Total fee (for a yearly contract)</b>	294,000 JPY	660,000 JPY	1,26 million JPY

[Rakuten, Store opening plan that can be selected according to the management style](#)

[Rakuten, Service / Price details](#)

There are other system fees that need to be taken into account before opening a shop on Rakuten Ichiba. First, the system commission percentage presented above depends on the product category but whatever the category it is increased by 0.5% when the sale is made through a mobile. Second, Rakuten has a system enhancement fee of 0.1% that is used to improve the safety and usability of the platform. Third, there is a payment processing fee of 2.5 to 3.5 %. Third, the commission for sales made through affiliates is 2.6 to 10.4%. There is also an Affiliate Incentive fee that depends on the category of product, but it starts at 2% and can go to 8%. There is also a Rakuten Super Affiliate System commission percentage going from 15% up to 30% of the Affiliate Incentive fee. Finally, Rakuten also has an important loyalty program called the Rakuten Super Points which gives loyalty points to customers for a percentage of their monthly spending. Rakuten Point fee is 1% of sales via Rakuten members and purchase from Rakuten members is the majority of sales made on Rakuten.

[Rakuten, How to open a shop on Rakuten Ichiba?](#)

[Rakuten, Customer Loyalty Program](#)

Note: All prices and percentages presented above do not include taxes.

### 3.3 Onboarding Process

The onboarding process of Rakuten Ichiba takes around one month and a half and is divided into 3 steps:

- account registration
- store set up
- shop opening

### 1. Account Registration

The first step is account registration which takes 2 to 3 weeks. During this step, the company submits its application to open a store on Rakuten Ichiba by filling the contact information form on the website. Afterward, a team of Onboarding Consultant specialised in overseas business will help the company prepare the materials to go through the screening of the company. For the screening, the company needs to provide company details, basic information about the business and fill in the application kit. During the screening, Rakuten verifies the information provided to make sure that it is a legitimate business and that there is no problem with the company.

### 2. Set up of the store

Once the company's screening is completed and no problem is found, then the company is fully registered and gains access to the Rakuten Merchant Server (RMS) and can start the second step of the process which is the setting up of the store. This step usually takes 2 weeks to a month. During this step, the company will design the storefront and register the product listing with the help of a Shop Open Advisor. The listing of the products can be done in 4 different ways: through the RMS web tool, FTP feeds, Open API or a third-party integration. The company also needs to set up its return and shipping policy for the store.

### 3. Shop opening

When everything is prepared, then the last step left is to open the shop and start selling. Once the shop is opened, it is assigned an E-Commerce Consultant that will help the company to reach its target sales, advise ways to increase traffic on the shop and recommend sales strategies to ensure that the shop is a success.

[Rakuten, How to open a shop on Rakuten Ichiba?](#)

[Rakuten, Sell on Japan's first online shopping mall](#)

[Rakuten, Japan's Largest Online Marketplace: Rakuten Explained, 2021](#)

[ECommerceNext, How to sell on Rakuten in 2021 \(Complete Guide\), 2021](#)

## 3.4 Logistics

As mentioned above, during the setting up of the store, the company needs to establish its return and shipping policy. There is no standard return and shipping policy on Rakuten Ichiba, so it depends on shop preferences. It is possible for an overseas company to ship its products directly from its overseas warehouse to Japan. It is recommended to use a Japanese shipping company, but it is not mandatory. What is necessary is for the shipping company to be able to ship to Japan and help with customs clearance in order for products to be able to enter Japanese territory to be delivered. It is also possible for companies to utilise the services of local Japanese warehouses so that, for example, delivery dates can be set to the same day or the day after purchase which is the standard that Japanese customers are used to. Rakuten provides such services with Rakuten Super Logistics which is a service that provides comprehensive logistics and shipment services for merchants on Rakuten Ichiba. The decision between overseas shipping or a Japanese warehouse will depend on the company's prerogatives, the type of products, the cost of shipping, storage price, etc. It is good to know that products purchased on Rakuten are referred as Personal Import for overseas shipping which is considered to be a direct purchase of a foreign good from an overseas entity. They are delivered through Direct Delivery and can take longer than domestic delivery, so this needs to be communicated to the customers via the shop and product page. Any delays need to be notified by the shop to the customer. There are restrictions for Personal Import, meaning that certain products cannot be shipped as such. Therefore, the company needs to be diligent with checking the guideline to be sure that the product can be shipped and will be delivered. There is no refund, no exchange or cancellation policy for international shipping services.

[Rakuten, Sell on Japan's first online shopping mall](#)

[Rakuten, Frequently Asked Questions](#)

[Rakuten, Running Your e-Commerce Store in Japan: Global Shipping vs. Warehousing, 2021](#)

[Rakuten, Rakuten to Establish New Fulfilment Centers for Rakuten Super Logistics, 2019](#)

[Rakuten, International Shipping Information](#)

Concerning Custom Duty, as products are delivered as Personal Import they can be subject to Customs Duty, Consumption Tax and Customs Charges. For the product to be tax-exempt it needs to be at 16,666 JPY maximum (before the use of points or coupons). If it is higher, then all the taxes listed above can be levied and it will be up to the customers to pay them. This needs to be clearly notified to the customer on the Top Page of the store. Therefore, customers are responsible for paying tax and duty at delivery in Japan, however, it is possible for the company to use a shipping company that provides a DDP (Delivered Duty Paid) solution to make the experience of the customer more convenient. If a company decides to stock its products in a Japanese warehouse, then it is responsible for hiring an importer to obtain all the necessary legal paperwork and tax must be paid when inventory arrives in Japan. Also, if the company establishes a Japanese entity to sell its products, then the entity becomes responsible for custom duty. Most companies integrate the cost of custom duties into the price of products. To learn more about the laws and regulations related to imported products there is a list that can be consulted [here](#) and to know about import procedure and import clearance, the information is provided [here](#).

[Rakuten, Sell on Japan's first online shopping mall](#)

[Rakuten, Frequently Asked Questions](#)

[Rakuten, Taxes, Laws and Regulations for e-Commerce Businesses in Japan, 2021](#)

[Rakuten, Why Sell in Japan E-book](#)

On Rakuten Ichiba, the customer support system depends on each company. It is the responsibility of the company to take care of its customer support, however, just like for the rest of the management of the shop, the company has access to a consultant to help handle customer service effectively. The support system is also provided for sellers that can have access to help at any time.

The feedback system of Rakuten Ichiba is a user reviews system where customers that have purchased from a shop can rate the seller and the product that they bought with different factors (item description accuracy, condition of the item, shipping speed and customer service). The rating of the shop can impact the ranking of the shop in the search rankings, so it is important to be diligent about the service provided as negative reviews are not allowed to be removed to ensure transparency and trust on the platform.

[Rakuten, Japan's Largest Online Marketplace: Rakuten Explained, 2021](#)

Payouts are made through PingPong, an authorised cross-border payment service provider. To be able to receive a payout, the company needs to register on PingPong and pass the screening to have an account. The payment transfer is made twice a month, on the 15th and the last business day of the month. (Note: as products are sold in JPY, the company needs to assume foreign exchange risk)

[Rakuten, Frequently Asked Questions](#)

[Rakuten, How to open a shop on Rakuten Ichiba?](#)

Rakuten Ichiba can also help with the marketing and selling strategy of the shop. The E-Commerce Consultant of the shop can give advice to improve the marketing strategy to ensure better results for the shop. Rakuten also provides ways to do promotions, has a strong Loyalty Program, as previously presented, and also has the R-Mail system which

enables companies to send things through emails (email magazines, promote sales, new product launch information, etc) to users that have made purchases in the shop before.

[Rakuten, Japan's Largest Online Marketplace: Rakuten Explained, 2021](#)

## 4. Shopify

### 4.1 General Information

Shopify has millions of businesses over 175 countries around the world and the total revenue for the full year 2021 was \$4,611.9 million, a 57% increase compared to 2020. Regarding Japan, there are 21,640 live Shopify stores. By category, the largest number of shops sell apparel products, accounting for 6.1%. Furthermore, the total value of distribution in Japan increased by 323% in 2020 and the number of new shop openings increased by 228%. Shopify is a platform that allows companies to sell to anyone, ship and process payments from anywhere, making it possible for anyone to create an e-commerce website to do business online, even proposing in shop features. Shopify has given itself the mission to make commerce better for everyone by giving independence to merchants to start, run and grow a business online by reducing the barriers to business ownership and providing the necessary resources. Shopify also provides the possibility to migrate an e-commerce shop from another platform to Shopify. As it is available in many countries it is possible for companies from one country to sell abroad without having to create multiple shops, like having a European e-shop and being able to sell in Japan. However, it means that the platform is not tailored specifically to Japanese customers.

Shopify has a store approach. Indeed, the platform provides the computer interface to create an online shop with themes and products listings features and options that the company then customises to its taste to create the desired e-commerce website. Therefore, Shopify software provides the structure of the shop and it is adaptable to the needs and envies of the merchant. However, it also means that the shops created through Shopify are not accessible from a unique website. Each merchant has its website and is responsible to create and grow its customer base in the geographic regions they want to do business in.

[Shopify website](#)

[Shopify, About us](#)

[Shopify help center, Intro to Shopify](#)

[Store Leads, Shopify Stores in Japan, 2022](#)

[Shopify, Shopify Announces Fourth-Quarter and Full-Year 2021 Financial Results, 2022](#)

[Japan Net Economy Newspaper, "Shopify", total domestic distribution value to increase by 323% in 2020, with new shop openings up 228%, 2021](#)

### 4.2 Information and Requirements

Shopify makes it possible for companies, through tools and features it provides, to sell their product by creating a website. However, before directly starting the creation of the website with Shopify, some information is important to take into account to do business through Shopify and sell in Japan.

The first one is the fact that there is no need for a company to be a Japanese entity or conclude a service contract with a Japanese entity for it to be able to sell its products in Japan. Indeed, as Shopify makes it possible to sell anywhere from anywhere, the destination of the products is under the control of the merchant that selects the desired zone of business and shipping. It is not dependent on the origin area of the merchant itself. However, it is important to take into account the place where the shop operations are going to be done to adapt the shop design and information provided so that it suits the needs of the targeted audience.

The second thing is with regard to the status needed to use Shopify. Shopify merchants can be incorporated, sole proprietorship or any type of business structure because there is no obligation of incorporation to do business through Shopify. It is necessary to provide certain information about the business like its name and address, its time zone and other features that need to be set up for the shop before launch such as the currency, the weight unit, etc.

[Shopify help center, Online Store](#)

[Shopify help center, Adding business settings for your store](#)

[Shopify, Shopify Payments Terms of Service](#)

Shopify has an Acceptable Use Policy (AUP) which prohibits a certain type of activities from being associated or done on Shopify.

These prohibited activities go as follows:

- Child exploitation,
- Harassment, bullying, defamation and threats,
- Hateful content,
- Illegal activities,
- Infringement of intellectual property,
- Malicious and deceptive practices,
- Personal, confidential, and protected health information,
- Restricted items (the list of restricted items is available [here](#)),
- Self-harm,
- Spam,
- Terrorist organization,
- Covid-19 products that are not in compliance with the Rules of Engagement for the Sale of Covid-19 related products (the Rules are available [here](#))

If a merchant takes part in any of those activities, Shopify can suspend or terminate its account or access to Shopify. The determination of such violation of the AUP is final and binding. Merchants must be aware of the fact that the AUP can be modified at any time by Shopify, so it is important to stay informed and check the current version of the AUP, which is available [here](#). It can also be a good idea to check the terms of Service of Shopify that can be found [here](#) and the Supplementary Terms of Service for EU and UK merchants that can be read [here](#). It is important to note that merchants are responsible to set their store policy (legal notice, terms of service and terms of sale), which need to be in compliance with Shopify general policy, and make such information, with any other legal information, available and visible to customers.

[Shopify, Shopify Acceptable Use Policy](#)

[Shopify help center, Display your store policies and other legal information](#)

Shopify is available in a lot of languages, including Japanese. Therefore, merchants can set up their shop in Japanese. However, it is important to note that Shopify does not provide translation services. Therefore, the merchant is responsible for making sure that its store is available with the desired language and the level of proficiency that is expected from customers, especially with regard to customer support.

[Shopify help center, Shopify in multiple languages](#)



Shopify can also be used to migrate a shop from another platform of e-commerce to the Shopify platform. Additionally, it proposes different sales channels that go from online shop to in person retail options. Merchants need to check their eligibility and settings before choosing or adding sales channels. The sales channels available on Shopify are listed [here](#).

Shopify provides 14 days free trials where merchants have access to the Shopify software to experiment with it and create their e-shop. However, during this period the shop cannot be accessible to customers as it is a phase only to give the merchant the possibility to accustom itself with the different features and see if Shopify suits its needs. Once the free trial period is over the merchant can then conclude a contract with Shopify and decide on the subscription plan that allows for the shop to be visible to customers.

Shopify proposes 5 different plans to open a shop with the platform. All of those plans are based on month-to-month contract, but there is also the possibility of concluding an annual or a biennial plan, which also offers a discount of 10% for annual contract and 20% for biennial contract, but the price has to be paid upfront. The 3 main plans share a lot of similar characteristics. Indeed, those features are as follows:

- Online store
- Unlimited products
- 24/7 support
- Sales channels
- Manual order creation
- Discount codes
- Free SSL certificate
- Abandoned cart recovery
- Gift cards
- Customer segmentation
- Marketing automation
- Unlimited contacts
- Shipping labels
- Fraud analysis
- Shopify POS Lite (and access to Shopify POS Pro for 89 USD per month)
- International market management
- Market domains and subfolders
- Language translation
- Currency conversion
- Local payment methods

Table 7: Summary of the characteristics that are different for the 3 main Shopify subscription plan

	Basic Plan	Shopify Plan	Advanced Plan
Price	29 USD / month	79 USD / month	299 USD / month
Staff accounts	2	5	15
Inventory locations	up to 4	up to 5	up to 8
Reports	Basic	Standard	Advanced
Third party calculated shipping rates	Not included	Not included	Included
Shipping discount	Up to 77%	Up to 88%	Up to 88%
Online credit card rates	2.9% + 30 cent USD	2.6% + 30 cent USD	2.4% + 30 cent USD
Online international / Amex credit card rates	3.9% + 30 cent USD	3.6 % + 30 cent USD	3.4% 30 cent USD
In-person credit/debit card rates	2.7%	2.5%	2.4%
3rd party transaction fees if not using Shopify Payments	2.0%	1.0%	0.5%
Duties and import taxes	Not included	Not included	Included
Custom pricing by market	Not included	Not included	Included

The two other Shopify plans are Shopify Lite and Shopify Plus. Shopify Lite is not about building an online store but giving the possibility to merchants to use Shopify POS Lite for in-person sales or add a buy button to their already existing website for only 9 USD per month. To learn more about the Shopify Lite plan, the information is available [here](#). Shopify Plus is adapted for higher volume businesses giving them all the features necessary to handle such volumes for 2000 USD per month. Shopify Plus detailed information is available [here](#).

[Shopify, Set up your store, pick a plan later](#)

Shopify provides support and help in different forms throughout the process. It has a help center website that provides a lot of knowledge on how to use Shopify and its software. It also has a forum for the community for merchants on the platform to interact and help each other and give each other feedback on their shop. It also provides a list of experts that can help merchants with the design of their shop but also with the expertise necessary to sell in a particular place. Concerning Japan, Shopify provides the specific requirements to sell in Japan and potential experts that can help and this can be found [here](#) (note: the service of these experts is not free and the price is not included in the subscription price of Shopify, so it is an investment made by the merchant itself) . Shopify also gives a way to see product price breakdowns, the instructions to do it are provided [here](#).

[Shopify help center](#)

[Shopify help center, Shopify Community](#)

[Shopify, Shopify Community](#)

[Shopify, Shopify Discussion, Store Feedback](#)

Shopify does not provide integrated affiliate or loyalty programs. It is the responsibility of the company to create such programs in its shop or not. However, there are features of Shopify that allow for such programs to be created in store. The software of Shopify gives the possibility to embed apps to the general structure to add features to customise the store. Those apps are available in the Shopify app store. Merchants can also use connectors in Shopify Flow that are apps to create triggers from information that lead to a specific action that uses an app that sends said data to Flow.

[Shopify help center, POS embedded apps](#)

[Shopify app store](#)

[Shopify help center, Connectors in Shopify Flow](#)

## 4.3 Onboarding Process

There are five steps to starting a business on Shopify.

- Preparation
- Registration
- Organising
- Testing
- Launching

### 1. Preparation

Before registering for an account, merchants need to understand what is required to start a business on Shopify. Merchants selling in Japan will need to create their own store policies. Therefore, Shopify recommends getting assistance from local legal experts in advance in posting store policies and other legal information. Instructions on how to display the above information are [here](#). Experts who can help sellers in Japan are listed [here](#). In addition, selecting

online sales channels and carefully considering costs are preparations that can be made before getting started, as previously presented.

[Shopify help center, General checklist for selling in Japan](#)

## 2. Registration

To create an account, a valid email address, a password, and the store name are necessary. Shopify offers a 14-days free trial, during which merchants do not need to choose a plan or enter credit card information. To create a store, the following information will be required, although they do not have to be included right away.

- Store name
- Legal business name and address
- Store time zone
- Default store currency
- Default weight unit
- Password to protect your online store

The store name can be changed at any time, but not the myshopify domain. Also, the store currency can be changed during the trial period, but not after the first sale. In addition, multiple people can work together on Shopify. Merchants can add staff accounts to their Shopify store and other staff can log in as separate users. After the staff member receives an email invitation, creating a staff login should be done within 7 days.

[Shopify help center, Adding business settings for your store](#)

[Shopify help center, Managing staff](#)

Within 21 days of the first sale, a Shopify Payments account setup must be completed, including all business details and banking information. If the account setup is not completed within 21 days, all payments will be automatically refunded to the buyer.

[Shopify help center, Getting paid with Shopify Payments](#)

## 3. Organisation

Merchants organise their store while choosing the best look for their website from several themes and adding products to sell. It is important to allow enough time to add and organise product listings, as this can be the most time-consuming step in setting up a Shopify store. Organising a store involves a variety of steps, including adding products, grouping products, and setting up necessary tax and shipping information. Detailed setup instructions can be found [here](#).

[Shopify help center, General checklist for selling in Japan](#)

## 4. Testing

Once the store setup is complete, placing a test order should be done for any configuration issues before launching. A test order is free and must be done once after setup is complete or whenever changes are made to the payment settings. There are two methods of testing: simulation and real transactions. The former involves using Bogus Gateway, a payment service that allows test orders to be placed in any store. Payment information for the test is available [here](#). The latter is to place a test order using a real payment provider, then immediately cancel the order and process the refund. This method may incur fees. It is also recommended to cancel the order quickly after the test.

[Shopify help center, Placing a test order](#)

5. Launching

Once the store is ready to open, merchants can remove the store’s password so that the store is available for all to view. During the 14-day free trial, the store is automatically password-protected. Regarding payments, Shopify allows various payment methods shown in Table 8.

**Table 8:** Lists of available payment methods (adapted from [Shopify help center, Getting paid](#))

Payment provider	Provider type	How the customer pays	How you get paid
Shopify Payments	Payment gateway	Using Shopify Payments	Through Shopify Payments
Apple Pay	Accelerated checkout	Using Apple Pay	Through Shopify Payments
Amazon Pay	Payment gateway	Using Amazon Pay	By Amazon
Facebook Pay	Accelerated checkout	Using Facebook Pay	Through Shopify Payments
Google Pay	Accelerated checkout	Using Google Pay	Through Shopify Payments
PayPal	Payment gateway	Using PayPal	By PayPal
Shop Pay	Accelerated checkout	Using Shop Pay	Through Shopify Payments
Shop Pay Installments	Payment gateway	Using Shop Pay	By Affirm, through Shop Pay Installments

Merchants can choose a regular payout day on any day from Monday to Friday and can choose to be paid weekly or monthly. The pay period is 5 days plus the number of days remaining until the payout day.

[Shopify help center, Preparing your Shopify store for launch](#)  
[Shopify help center, Getting paid with Shopify Payments](#)

## 4.4 Logistics

Merchants need to organise various things by themselves including shipping policy, privacy policy, refund policy, and terms and conditions. Regarding the shipping policy, merchants are responsible for everything from the type of shipping (overseas, local, pick up, etc) to the set-up of the shipping zone and shipping rate (free, flat or calculated). More information on how to do shipping is available [here](#). Shopify also provides [checklists](#) where merchants can check how to prepare for shipping. However, there are some third-party providers that offer fulfilment services. Shopify recommends the following seven fulfilment services:

- Shopify Fulfilment Network (SFN)
- Rakuten Super Logistics
- Fulfilment by Amazon
- ShipBob
- Red Stag Fulfilment
- ShipHero Fulfilment
- ShipMonk

[Shopify, 7 Best Ecommerce Fulfilment Services \(+ How to Choose One\), 2022](#)

Shopify offers several policy generators for free. To take an example, the refund policy generator is available and was developed by legal experts. While company policies regarding refunds and returns are completely discretionary, many companies provide their customers with these terms and conditions. Shopify provides these documents on behalf of its users free of charge. Those who would like to use this service will access [here](#) and type their email address and company information. Then, an email with a personalised policy will be sent and it should be customised based on the suggestions provided.

[Shopify, Refund policy template for your website](#)

Moving on to taxes, location-based taxes are used in Japan which are taxes charged at the rate defined in the region where products are delivered. Taxes are calculated based on the seller's address and the customer's address. There is no need to enter tax registration numbers, however, tax rates might be set manually. Also, merchants need to use tax-inclusive pricing. For new merchants, product prices include tax by default. In case products are not listed with tax-inclusive prices, merchants need to change the setting in the Shopify admin. Shopify also recommends CustomEdit which changes the price of products by a specific percentage. Importantly, Shopify does not offer any services such as filing or remitting sales taxes for merchants. Therefore, merchants need to register their business with their local or federal tax authority to take care of their sales tax. However, Shopify provides tax reports where merchants get a summary of the sales taxes that were applied to their sales.

[Shopify help center, Taxes in Japan](#)

[Shopify help center, Taxes](#)

[Shopify help center, General set-up steps and tax reports](#)

Another thing that should be considered is import taxes and duties. When shipping products internationally, customers might need to pay additional duties and import taxes when they receive products. To avoid having to pay additional charges, merchants can charge any applicable duties and import taxes to customers in their checkout. After that, merchants can pay those fees directly to carriers. Shopify explains two most frequently used ways to collect

payment for duties and import taxes. As explained above, Delivered Duty Paid (DDP) indicates that sellers are responsible for any import costs such as duties, import taxes, or brokerage/disbursement fees. DDP can charge a total price of products ordered by customers and avoid shipping delays. Delivered At Place (DAP), on the other hand, indicates that sellers are only responsible for shipping products. This implies that customers have to pay any import costs such as duties, import taxes, or brokerage/disbursement fees upon delivery. The minimum order value for both customs duties and import taxes to be applied in Japan is 10,000 JPY.

[Shopify help center, Duties and import taxes](#)

One service that is unique to Shopify is POS. It is an app that merchants can use to sell their products in person. Shopify POS is available widely including brick-and-mortar stores, markets, and pop-up shops. With this app, merchants can track orders and inventory across their retail locations, online store, and other active sales channels. More information on pricing is [here](#).

[Shopify help center, Point of sale](#)  
[Shopify, Meet Shopify POS](#)

As for feedback services, feedback from other Shopify merchants is available on the store in the [Shopify Discussion](#). The site provides access to a community of more than 900,000 Shopify merchants and partners. Moreover, [Shopify Blog](#) offers various information regarding Shopify and e-commerce.

When it comes to customer support, merchants using Shopify are responsible to establish such channels to be able to resolve customer's issues. This is also in relation with setting up store policies which helps customers make decisions with all the information available concerning shipping, returns and any other relevant information, establishing customer support channels to ensure that the consumer will have access to help in case of problem. A guide explaining and presenting different channels that can be used to establish customer support is available [here](#).

[Shopify help center, Providing online customer service](#)

## 5. Comparison Between the Different Platforms

This section compares the three platforms presented above.

### 5.1 Fees / Costs

**Table 9:** Fees to be paid to do business on each platform

	Amazon Japan	Rakuten Ichiba	Shopify
<b>Registration fee</b>	Individual: 100 JPY / product + selling fees  Professional: 4,900 JPY/month + selling fees	60,000 JPY	No registration fees
<b>Opening fee</b>	No opening fee	From 19,500 JPY to 100,000JPY/ month	From 9\$ to 2,000\$/month

Table 9 shows fees that need to be paid when using platforms. Registration fees vary from platform to platform, and even within a platform, prices vary depending on the size of the business and the plan chosen.

[Amazon, Let's talk about numbers](#)

[Rakuten, Store opening plan that can be selected according to the management style \(Japanese website\)](#)

[Shopify, Set up your store, pick a plan later](#)



Table 10: Fee to take into consideration when doing business on each platform

	Amazon Japan	Rakuten Ichiba	Shopify
<b>Commission / referral fee</b>	Mostly 8 to 15% (Amazon devices and accessories: 45%)	From 3.5-6.5 % to 2.0-4.0% (+0.5% via mobile)	No commission fee
<b>Category referral fee</b>	300 JPY to 500 JPY	No category referral fee	No category referral fee
<b>Payment processing fee</b>	Amazon Pay: 3.9 - 4.5%	R-Pay: 2.5-3.5%	Shopify Payment: depends on the nature of the product.  Transaction fee: depend on if use Shopify Payment (none) or third-party system (from 0.5 to 2%).
<b>Affiliate fee</b>	0.00 to 10.0 % depending on the product category (Amazon Associate Program)	Affiliate incentive fee: 2.0 to 8.0% Rakuten Super Affiliate system commission: from 15 to 30%	No affiliate system integrated directly
<b>Other costs</b>	High-volume listing fee, refund administration fee	System enhancement fee	Transaction fees for international selling

Table 10 shows other fees that should be considered when selling products. With regard to commission fees and affiliate fees, Amazon and Rakuten charge different fees for each category, while Shopify does not. Regarding the category referral fee, only Amazon has an additional fee for each product category.

[Amazon, Selling on Amazon fee schedule](#)

[Amazon, Associate Program Referral Rate Schedule Attachment \(in Japanese\)](#)

[Amazon Pay, Amazon Pay Fees \(in Japanese\)](#)

[Amazon, Let's talk about numbers](#)

[Rakuten, Store opening plan that can be selected according to the management style \(Japanese website\)](#)

[Rakuten, How to open a shop on Rakuten Ichiba?](#)

[Shopify, Set up your store, pick a plan later](#)

## 5.2 Requirements to do Business on the Platforms

**Table 11:** General requirements to do business on each platform

	Amazon Japan	Rakuten Ichiba	Shopify
<b>Focus on product or store</b>	Product focus	Store focus	Store focus
<b>Listing capacity</b>	Unlimited	From 5 000 to unlimited	Unlimited
<b>Available products</b>	Some prohibited products and specific treatment of products labelled as "Made in Italy".	Some prohibited products and not allowed products and specific ones for overseas merchants (CBD and used products).	Some prohibited products (weapons) and need to follow the AUP of Shopify.
<b>Required documents</b>	<ul style="list-style-type: none"> <li>● Photo ID issued by a government agency</li> <li>● Statement issued within the last 180 days</li> <li>● Business email address or existing Amazon customer account</li> <li>● Phone number</li> <li>● Chargeable credit card</li> <li>● A bank account where sellers can receive proceeds</li> </ul>	<ul style="list-style-type: none"> <li>● Business name</li> <li>● A manufacturing ID products with barcodes (UPC, EAN, JAN, ISBN are the acceptable barcode formats)</li> <li>● A valid D-U-N-S number</li> </ul>	<ul style="list-style-type: none"> <li>● Store name</li> <li>● Legal business name and address</li> <li>● Store time zone</li> <li>● Default store currency</li> <li>● Default weight unit</li> <li>● Password to protect your online store</li> </ul>

<b>Selling on other e-commerce platform</b>	Can be already selling on Amazon in Europe and expand to Japan or can start selling on the platform in Japan.	Need to already have an e-commerce site or sell on a third-party platform.	Can migrate from another platform to Shopify or start e-commerce with Shopify
<b>Incorporation required</b>	All structures are allowed	Business needs to be incorporated (no sole proprietorship)	All structures are allowed
<b>Help on the platform</b>	Access to Marketplace consulting services (for 160 000JPY /month + 0.3% of the previous month's total sales)	Access to an Onboarding Consultant and an E-Commerce Consultant	Shopify help centre, Shopify Community, support system once registered on Shopify
<b>Loyalty program</b>	Amazon Prime, Amazon Points	Rakuten Customer Loyalty Program, Rakuten Points, Special Promotion	No loyalty program directly integrated but can be added to the POS with an app

Table 11 explains general requirements when starting business on each platform. Basically, Amazon is product-focused while Rakuten and Shopify are store-focused. As for listing capacity, Amazon and Shopify allow sellers to sell from one product while Rakuten starts from 5,000+. The form of business differs from platform to platform. Amazon and Shopify allow individuals to open a store, while Rakuten only allows incorporated companies to open a store. Furthermore, when opening a store on Rakuten, sellers need to have an e-commerce site beforehand or sell on a third-party platform. For Amazon, sellers need to integrate their European seller account or register a new account with Amazon Japan. To open a store on Shopify, sellers can migrate from another platform to Shopify or start e-commerce with Shopify. Products subject to restrictions or requiring approval are generally the same on all platforms. Amazon has special stores that require approval, such as Made in Italy, and thereby makes its products more accessible to customers. In terms of support systems, each platform offers unique services. Amazon and Rakuten offer consulting services, where sellers can get advice about their businesses. Shopify offers a blog and a platform to interact with other Shopify users.

[EU-Japan Centre, Market entry to Japan via E-Commerce, 2018](#)

[Amazon, Restricted Products](#)

[Amazon, Made in Italy](#)

[Amazon, Registering an Amazon Seller Account](#)

[Amazon, How to start selling on Amazon](#)

[Amazon, Marketplace Consulting Service](#)

[Amazon, About Amazon Prime](#)

[Amazon, Amazon Points](#)

[Rakuten, Store opening plan that can be selected according to the management style \(Japanese website\)](#)

- [Rakuten, How to open a shop on Rakuten Ichiba?](#)
- [Rakuten, Precautions regarding store opening examinations and products handled \(Japanese website\)](#)
- [Rakuten, How to open a shop on Rakuten Ichiba?](#)
- [Rakuten, Sell on Japan's 1st online shopping mall](#)
- [Rakuten, Frequently Asked Questions](#)
- [Shopify help center, Online Store](#)
- [Shopify help center, Adding business settings for your store](#)
- [Shopify, Shopify Payments Terms of Service](#)
- [Shopify help center](#)
- [Shopify help center, Shopify Community](#)
- [Shopify, Shopify Community](#)
- [Shopify, Shopify Discussion, Store Feedback](#)
- [Shopify, Shopify Acceptable Use Policy](#)
- [Shopify help center, Display your store policies and other legal information](#)

**Table 12:** Requirements specific to selling in Japan for each platform

	Amazon Japan	Rakuten Ichiba	Shopify
<b>Japanese presence</b>	Not mandatory	Not mandatory	Not mandatory
<b>Japanese entity</b>	No need to have a legal entity registered in Japan	Need a Japanese third party for the set-up and management of the store except for France and Germany	No need for a Japanese third party/entity
<b>Japanese proficiency</b>	Need Japanese language when handling customer support (if choose FBA, Amazon provides 24h customer support in the local language)	Some steps require high Japanese proficiency (RMS is only provided in Japanese)	Japanese skills are required, or translation services should be used (especially concerning customer support)

Another concern when starting business in Japan is the rules and language peculiar to Japan. Table 12 summarises Japan-specific matters for each platform. Overall, Japanese presence is not mandatory for any platform. Sellers can start their business in Japan from abroad. However, Rakuten requires a Japanese third party for the set-up and management of the store except for France and Germany. There is no need to have a legal entity registered in Japan for Amazon and Shopify. As for Japanese language proficiency, it is desirable to be able to use Japanese because sellers

need to communicate with customers. In Rakuten, for example, some steps require high Japanese proficiency. Shopify also recommends using professional translation services to offer attentive customer support. Amazon, on the other hand, offers FBA where Amazon provides 24-hour customer support in Japanese language. By using this service, sellers do not need to take care of customer support.

- [Amazon, HOW TO START SELLING ON AMAZON IN JAPAN](#)
- [Amazon, Frequently Asked Questions from Overseas Sellers](#)
- [Amazon, Get started with Fulfillment by Amazon \(FBA\)](#)
- [Rakuten, How to open a shop on Rakuten Ichiba?](#)
- [Rakuten, Frequently Asked Questions](#)
- [Shopify help center, Shopify in multiple languages](#)

### 5.3 Getting / Doing Business on the Platforms

**Table 13:** Onboarding process and the time it takes for each platform

	Amazon Japan	Rakuten Ichiba	Shopify
<b>Onboarding steps</b>	Three steps [1] Register for an Amazon Seller Account [2] Product listing [3] Shipping	Three steps [1] Registration [2] Store setup [3] Shop opening	Four steps [1] Preparation [2] Organise the store [3] Test the store [4] Launch the online store
<b>Timeframe</b>	Around 3 business days after submitting application to approve the account	About a month and a half from submitting application to opening shop	Has a 14-day free trial that needs to be completed to be able to open shop to the public

Table 13 provides onboarding steps and timeframe. The first thing to do is to understand the Japanese taxes and regulations and contact the necessary third-party service providers. All platforms offer a list of third-party service providers. Experts in Japan introduced by Shopify are available [here](#). Amazon and Rakuten's lists are not open to the public and can only be accessed after having registered for accounts.

- [Amazon, Registering an Amazon Seller Account](#)
- [Amazon, How to start selling on Amazon](#)
- [Amazon, Amazon Identity Verification Procedure](#)
- [Rakuten, Sell on Japan’s 1st online shopping mall](#)
- [Shopify help center, General checklist for selling in Japan](#)

## 5.4 Logistics

**Table 14:** Logistics around selling in Japan for each platform

	Amazon Japan	Rakuten Ichiba	Shopify
<b>Shipping and return policy</b>	<p>Amazon Refund Policy: New, unopened items within 30 days of arrival are eligible for a full refund.</p>	<p>Shipping options established by the company, but all options need to be listed including the price and need to mention if the product is shipped from Japan or overseas (+ mention of any information concerning shipping delay due to custom clearance).</p> <p>No return or refund policy for international business.</p>	<p>Merchants are responsible for the shipping policy from the shipping type to the set-up of the shipping zone and rate.</p>
<b>Taxes and duties</b>	<p>Seller's responsibility to comply with all Japanese customs laws and regulations.</p> <p>As Amazon cannot be an IOR, sellers need to find a person or entity that can be an IOR. Alternatively, sellers can be non-resident importers by appointing an ACP.</p>	<p>Sellers need to follow Japanese laws and regulations. Normally, customers are responsible for paying tax and duty on the point of last mile delivery, but the carrier can provide a DDP solution that helps the company pay tax and duty.</p>	<p>Sellers are responsible for taxes, so need to respect the tax law of their origin and selling countries and are responsible for setting up taxes rates (Shopify provides some default sales tax rates but need to be selected by merchant).</p>

<p><b>Transfer of payment</b></p>	<p>ACH or electronic funds transfer: takes around 5 days (need a valid bank account).</p> <p>Money is transferred twice a month (on the 10th and 25th of the month, one month after sales occur).</p>	<p>Payout from PingPong (need to register an account and pass the screening).</p> <p>Payout is done twice a month (on the 15th and the last business day of the month).</p>	<p>After a payment is processed, the purchased amount will be transferred to the merchant account (for credit card payment handled by payment provider).</p> <p>If the company uses another type of payment provider (PayPal, Amazon Pay, Apple Pay, Google Pay, etc) needs to check with this service to know more about the transfer of money from the customer to the merchant.</p>
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Table 14 provides information on logistics. Shopify and Rakuten allow each store to decide on shipping and returns, while Amazon has a blanket rule regarding returns. As for taxes and duties, sellers are responsible for taking care of everything. However, each platform lists what to watch out for.

[Amazon, About Our Returns Policies](#)

[Amazon, Frequently Asked Questions from Overseas Sellers](#)

[EU-Japan Centre, Market entry to Japan via E-Commerce, 2018](#)

[Amazon, How Amazon transfers payments](#)

[Rakuten, Frequently Asked Questions](#)

[Rakuten, Sell on Japan's 1st online shopping mall](#)

[Rakuten, Running Your e-Commerce Store in Japan: Global Shipping vs. Warehousing, 2021](#)

[Rakuten, Rakuten to Establish New Fulfilment Centers for Rakuten Super Logistics, 2019](#)

[Rakuten, International Shipping Information](#)

[Rakuten, Taxes, Laws and Regulations for e-Commerce Businesses in Japan, 2021](#)

[Rakuten, Why Sell in Japan E-book](#)

[Shopify, 7 Best Ecommerce Fulfilment Services \(+ How to Choose One\), 2022](#)

[Shopify help center, Taxes in Japan](#)

[Shopify help center, Taxes](#)

[Shopify help center, General set-up steps and tax reports](#)

[Shopify help center, Duties and import taxes](#)

[Shopify help center, Getting paid with Shopify Payments](#)

**Table 15:** Logistics with regard to the relation to Business/consumer for each platform

	Amazon	Rakuten Ichiba	Shopify
<b>Feedback system</b>	Ranking lists that show popular products overall and by category.	User reviews based on different factors (can rate sellers and individual products).	Can have feedback from other Shopify merchants on the store in the Shopify discussion.
<b>Customer support</b>	A service called FBA is provided that Amazon handles customer support on the behalf of the seller.	Each company is responsible for customer support but has access to a consultant to help the company.	Merchants are responsible for customer support and to establish all channels they want to be able to deal with customer's issues.

Table 15 introduces the feedback system and customer support for each platform. Amazon has a feedback system that shows the most popular products overall through category rankings. Amazon also offers a service called FBA, where Amazon provides customer support on behalf of sellers. Rakuten allows users to rate sellers and individual products through user reviews based on a variety of factors. Customer support must be provided by each seller, but consulting services are available. Shopify allows feedback on the store from other Shopify merchants. Shopify's Japanese-language customer support is expanding. However, for technical issues, direct support may not be offered as in other markets.

[EU-Japan Centre, Market entry to Japan via E-Commerce, 2018](#)

[Amazon, Get started with Fulfillment by Amazon \(FBA\)](#)

[Rakuten, Japan's Largest Online Marketplace: Rakuten Explained, 2021](#)

[Shopify, Shopify Discussion](#)



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