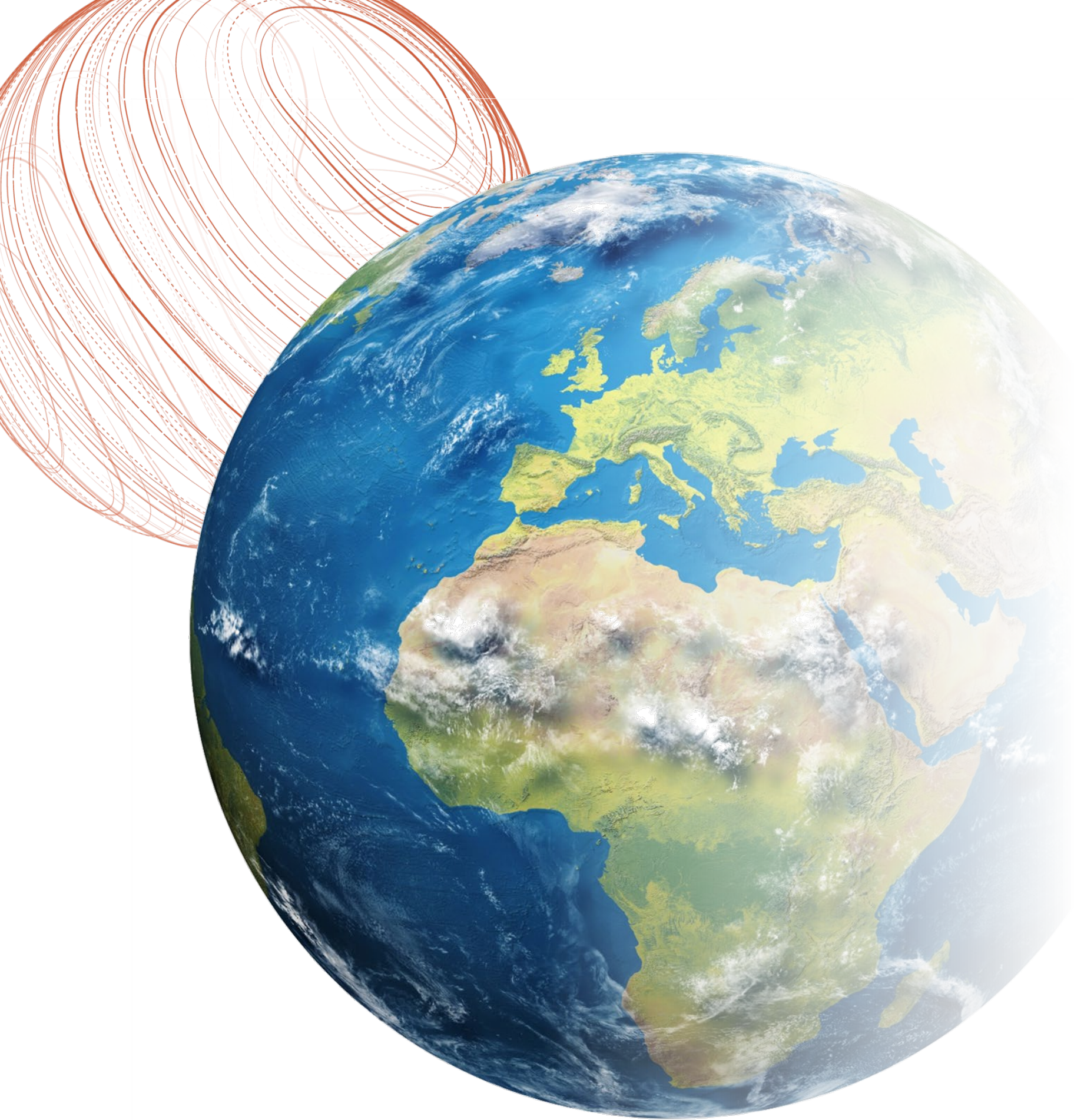




THE CROSS-BORDER ECOMMERCE SHOPPER SURVEY

A Dive Into Consumer Behavior and Preferences



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INTRODUCTION

The rise of social media is driving new opportunities for brands and retailers to reach and engage with consumers worldwide. From Europe to Asia, the Middle East to North America, billions of consumers are communicating in an online landscape without borders, where trends spread instantly across the globe. This monumental shift is fueling the cross-border ecommerce market, which is growing twice as fast as the domestic market¹, estimated to reach 2.25 trillion U.S. dollars by 2026².

Brands all over the world have come to realize the huge potential in selling directly to consumers, not just domestically but also to their global followers. However, when they attempt to expand their international footprint and capitalize on the growing opportunity, they are confronted with the many complexities of cross-border online trading.

The first step to achieving international online success is to realize that the cross-border ecommerce market is not one global market. It is comprised of hundreds of individual markets, each with different characteristics, that evolve and change according to global and local dynamics. From language and currency, to import regulations and preferred payment and delivery options – consumers worldwide differ in their shopping behavior and considerations. Understanding local requirements and consumer preferences and providing online shoppers with a streamlined localized experience is the key to converting global online traffic into sales.

As the chosen partner of hundreds of brands and retailers, Global-e generates local market knowledge and insights through the millions of transactions made via our platform in over 200 markets worldwide. These unique big-data-based best practices enable our retail clients to continually optimize their proposition and stay current with the buying considerations of online shoppers in each market.

To put together a comprehensive profile of the cross-border ecommerce shopper, we reached out directly to consumers to learn more about their preferences. On behalf of Global-e, I am very happy to present our findings on the current trends in cross-border ecommerce consumer behavior.



Nir Debbi

President
Global-e

A stylized, handwritten signature in blue ink, likely belonging to Nir Debbi.

¹ Accenture: [Cross-border the disruptive frontier](#), Accenture Post and Parcel Industry Research, 2019

² Statista, [Cross-border e-commerce market value worldwide in 2019 and 2026](#), October 2021

Executive summary

Gaining visibility into the cross-border ecommerce shopper

Billions of people worldwide buy online³, shopping for the same items and following the same brands. In our cross-border ecommerce survey, we examined the behaviors and preferences of cross-border online shoppers across different markets around the world and how they connect with the brands they are buying from.

Cost, variety, and quality are the main reasons that online shoppers buy cross-border

While price is the leading reason for shoppers to purchase from a website outside their market, they are also driven by the desire to find a wider variety and better quality of products. Among younger shoppers, variety is a strong motivation almost as much as price. In fact, 40% of consumers aged 16-24 and 25-34 stated that variety was the reason for making ecommerce purchases from a non-domestic seller.

Cross-border shoppers discover brands through social media

75% of respondents who have social media, reported that they made a purchase from a brand because they engaged with it via social media. Among young consumers, social media is the main channel to engage with international brands; over half of respondents aged 16-24 and 25-34 (55% and 54%, respectively) have made a purchase from a website outside their market after coming across it on social media.

Instagram is the leading social media platform; over 60% of respondents who reported making a purchase because they engaged with a brand on social media, said they did so via this platform. TikTok is the second leading platform among Gen Z shoppers. Interestingly, it's also a popular platform among older consumers; 35% of respondents aged 35-44 reported making a purchase after engaging with a brand directly on TikTok.

Cross-border ecommerce shoppers prefer to purchase directly from the brand

Consumers around the world do not just follow and engage with brands on social media; they also want to purchase from them directly. 58% of respondents prefer to buy from a brand's website rather than an online marketplace or a local reseller, underscoring the importance of optimizing the international direct-to-consumer ecommerce experience. This trend is especially noteworthy among younger consumers; 66% of cross-border online shoppers aged 16-34 prefer to purchase directly from the brand.

³ 2.65 billion digital buyers worldwide in 2022, according to eMarketer. <https://www.insiderintelligence.com/content/worldwide-ecommerce-forecast-update-2022>

Executive summary

Retention and abandonment

Online shoppers worldwide expect a similar experience when buying cross-border as when they buy domestically. Delivery cost and time are the main reasons for cart abandonment when buying from an international website; 50% of cross-border online shoppers will abandon their cart if the shipping cost is too high and 42% if the delivery time is too lengthy.

Other leading reasons for cart abandonment emphasize that consumers expect the online shopping experience from outside their country to be seamless and transparent. Consumers don't want to be hit with unexpected fees upon deliver; they wish to browse and buy in their local currency and want to be able to pay with their preferred payment option, like they do when buying domestically. In short, cross-border shoppers want to purchase directly from the brand and expect their online experience to simulate their domestic buying journey.

A seamless experience is also driving cross-border ecommerce shoppers' retention. Besides obvious product satisfaction, online shoppers return to an international website because it offers them a streamlined buying journey that matches their expectations. This includes timely delivery, a clear final cost, efficient service, and an overall easy and convenient experience.

In this report, we explore:

Why do online shoppers buy cross-border?

Factors influencing conversions, abandonment, and return rates.

The impact of social media on cross-border online shoppers.

How shoppers use social media to discover brands and which platforms are most popular with cross-border shoppers.

Cross-border ecommerce shoppers' preferences.

What products are popular with shoppers, where do they buy them, and how do they prefer to purchase.



Why Do Online Shoppers Buy Cross-Border?

Factors influencing conversion
and retention rates



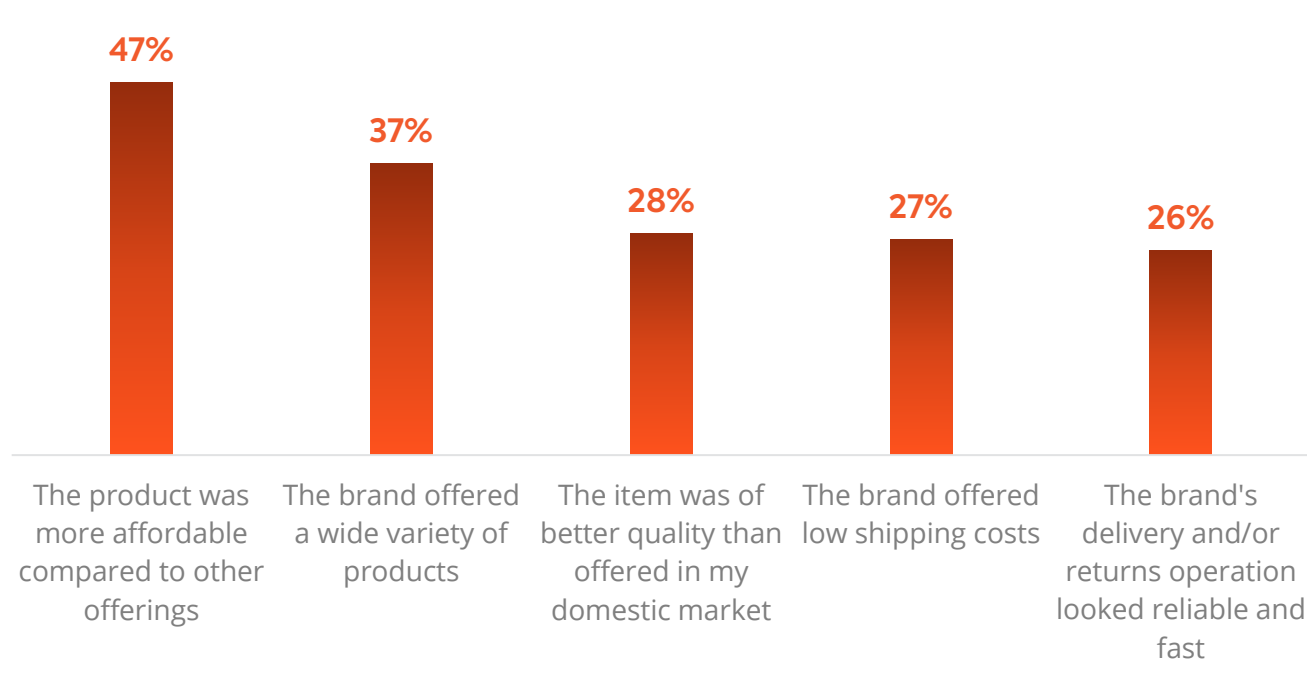
Why do online shoppers buy cross-border?

Cost, variety and quality are the main reasons for buying online from an international brand.

Product price is the leading reason for cross-border shopping; **47%** of cross-border online shoppers purchased from a brand outside their market because the product was more affordable

Figure 1: The top 5 reasons for buying online from a seller outside the domestic market

% of respondents who made an online purchase from a cross-border seller because one or more of these factors

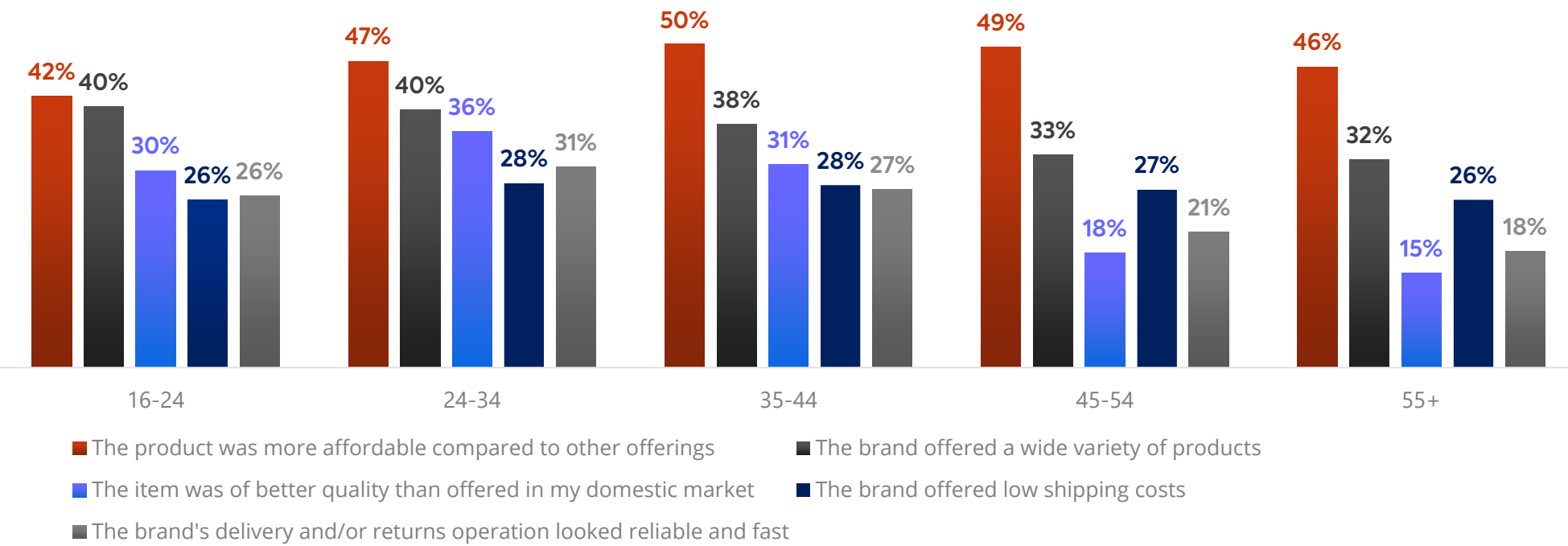


Q: You made an online purchase from a seller outside of your domestic market because... (Select up to 3). N=9000

While product price is the main reason for buying online internationally across all age groups, younger consumers are strongly motivated by variety. This is especially noticeable among shoppers aged 16-24, with 40% of respondents in this age group saying variety was the reason for buying online from a seller outside of their domestic market compared to 42% who mentioned cost.

Figure 2: The top 5 reasons respondents made an online purchase from a seller outside of their domestic market, by age

% of respondents who made an online purchase from a cross-border seller because one or more of these factors



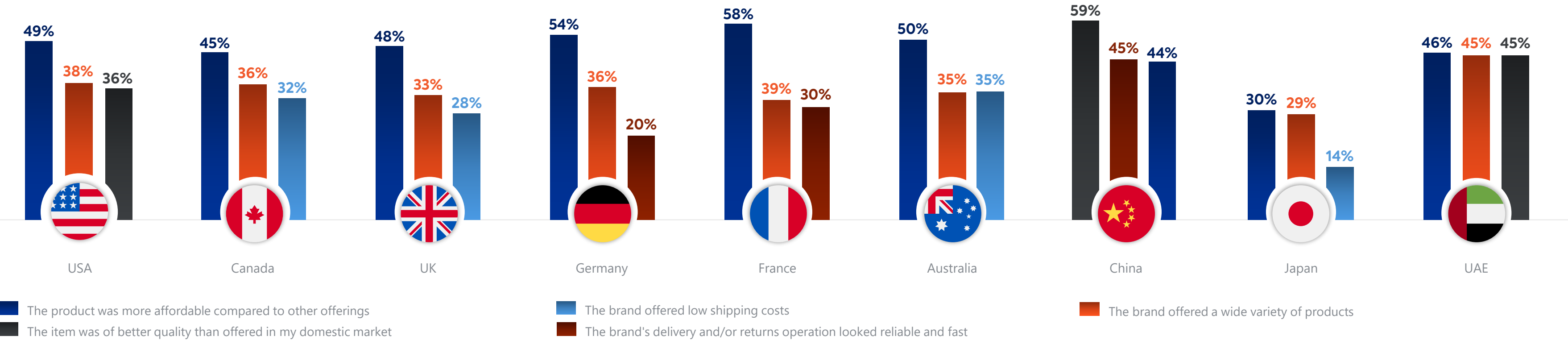
Q: You made an online purchase from a seller outside of your domestic market because... (Select up to 3). N=9000

A wider variety and better quality of products than what is available in their domestic markets are the next two leading drivers for buying online cross-border

Price and variety are the main reasons for shopping cross-border across different markets. Better quality is the leading reason among Chinese consumers, and one of the main motivations for cross-border shopping among both USA and UAE consumers.

Figure 3: The top 3 reasons respondents made an online purchase from a seller outside of their domestic market, by country

% of respondents who made an online purchase from a cross-border seller because one or more of these factors



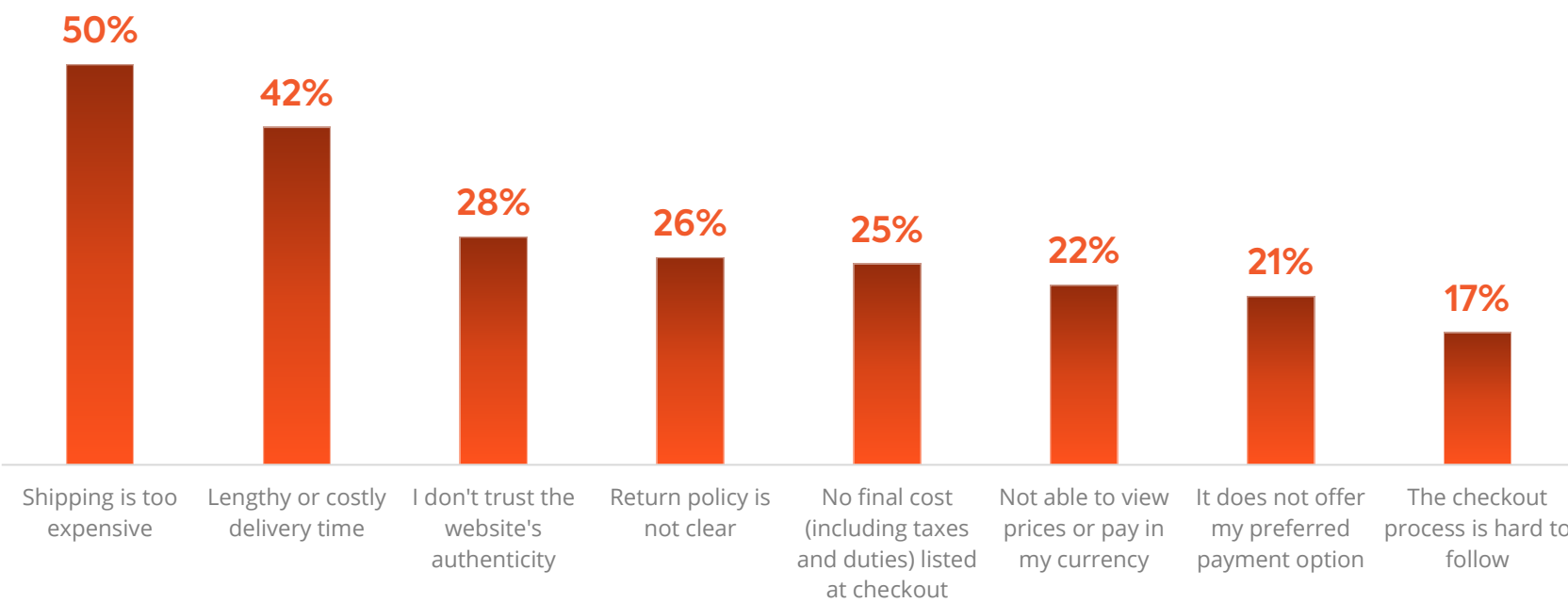
Q: You made an online purchase from a seller outside of your domestic market because... (Select up to 3). N=9000

What causes cross-border ecommerce shoppers to abandon their cart?

Besides the concerns regarding the cost of their purchase, the main reasons stated by cross-border ecommerce shoppers for abandoning their cart are all related to unclarity or inability to shop in the way they are accustomed to, including currency, payment options, and the checkout flow.

Figure 4: The top reasons for cart abandonment when shopping online internationally

% of respondents who would not place an order because of one or more of these factors



Q: When shopping online internationally, what, if anything, would make you most likely to abandon the cart and not go through with a purchase? (Select up to 3). N=9000

Delivery is the main reason for cart abandonment; **50%** of cross-border online shoppers will abandon their cart if the shipping cost is too high, **42%** if the delivery time is too lengthy, and **26%** will not complete their purchase if the return policy is not clear or relevant

25% of cross-border online shoppers will not place an order if they are not provided with the final cost of their purchase

While delivery cost and time are the main factors for cart abandonment across all markets surveyed, consumers globally differ in the impact of other factors on their buying decision. Website authenticity is the next main reason quoted among cross-border ecommerce shoppers in the UK (33%), USA (28%), Japan (30%), France (30%), and Australia (34%), while unclear return policy is among the three leading factors preventing consumers from buying in China (32%), Germany (33%) and the UAE (35%).

Canadian consumers are more sensitive to hidden costs, with no final cost (including taxes and duties) provided being the third reason for not completing a purchase (30% of respondents). Unclearity regarding tax and duty fees is a main factor deterring consumers from buying cross-border also in the UK (29%), Germany (29%), China (29%), and the UAE (34%).

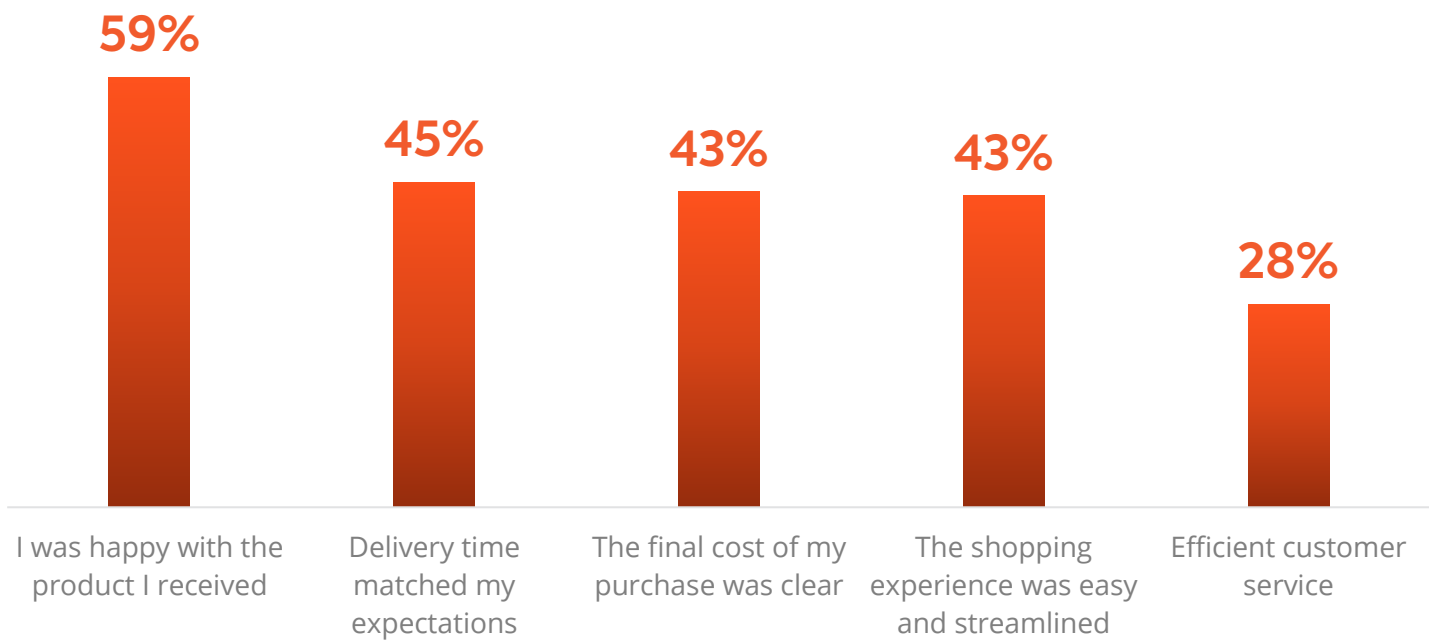
In Australia and China, 3 out of 10 consumers stated that not being able to browse and pay in their currency will prevent them from placing an order, while in Germany, inability to pay in their preferred payment method would cause 32% of cross-border ecommerce consumers to abandon their cart.

What makes cross-border ecommerce shoppers return to buy again from the brand?

While high satisfaction with the product they had purchased is the main factor driving consumer retention, cross-border ecommerce shoppers also said they would return if the shopping experience met their expectations. This includes delivery time, clear final cost of their purchase, and the overall seamless buying experience.

Figure 5: The top factors that motivate consumer retention

% of respondents that would shop again from an international website they already made a purchase from, because of one or more of these factors



Q: What factors, if any, would motivate you to shop again from an international website you already made a purchase from? (Select up to 3). N=9000

The Impact of Social Media on the Cross-Border Online Shopper



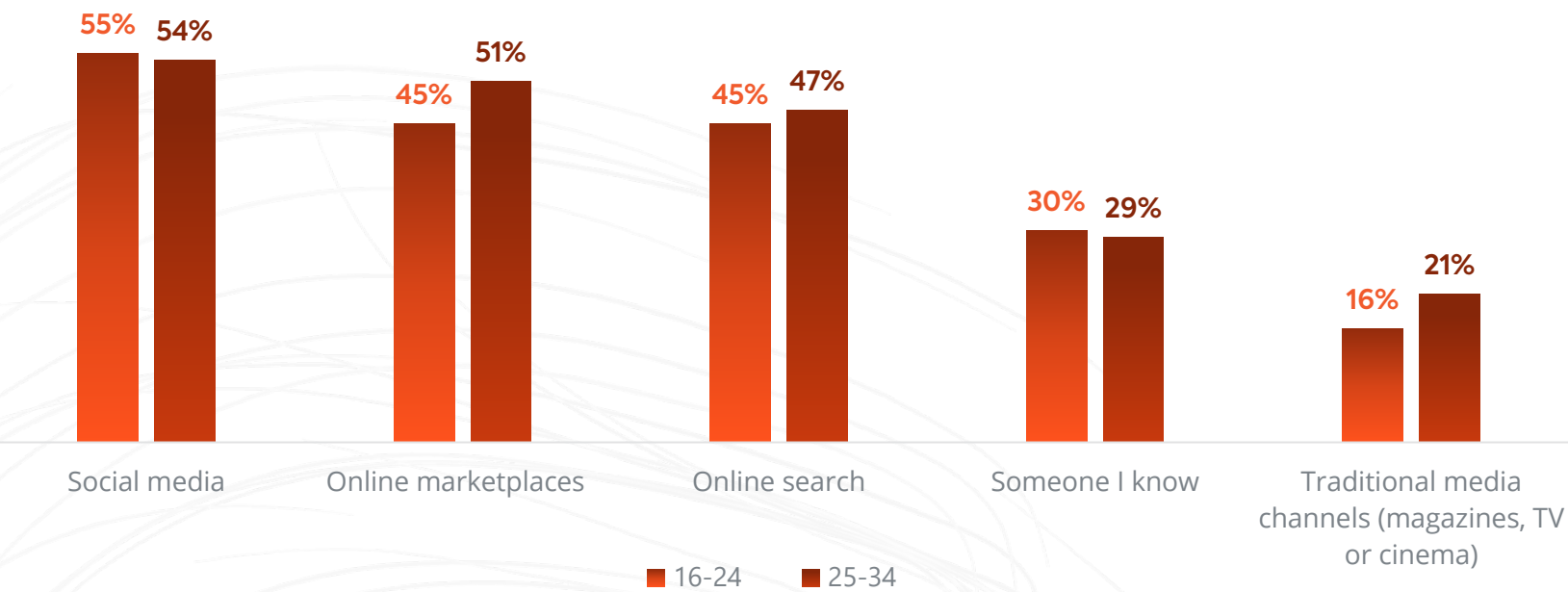
Using social media to discover international brands

Social media is the main channel for younger consumers to discover brands outside their market.

Over 50% of consumers aged 16-34 made a purchase from an international brand after coming across it on social media.

Figure 6: The top 5 places among Gen Z and Millennials for engaging with the brand before making a purchase

% of respondents who purchased an item from an international brand/retailer after hearing about/came across it from one of these channels



Q: I purchased an item from an international brand/retailer after hearing/coming across it from... (Select up to 3).
N=9000

⁴ Among respondents who have social media across all markets (N=8093)

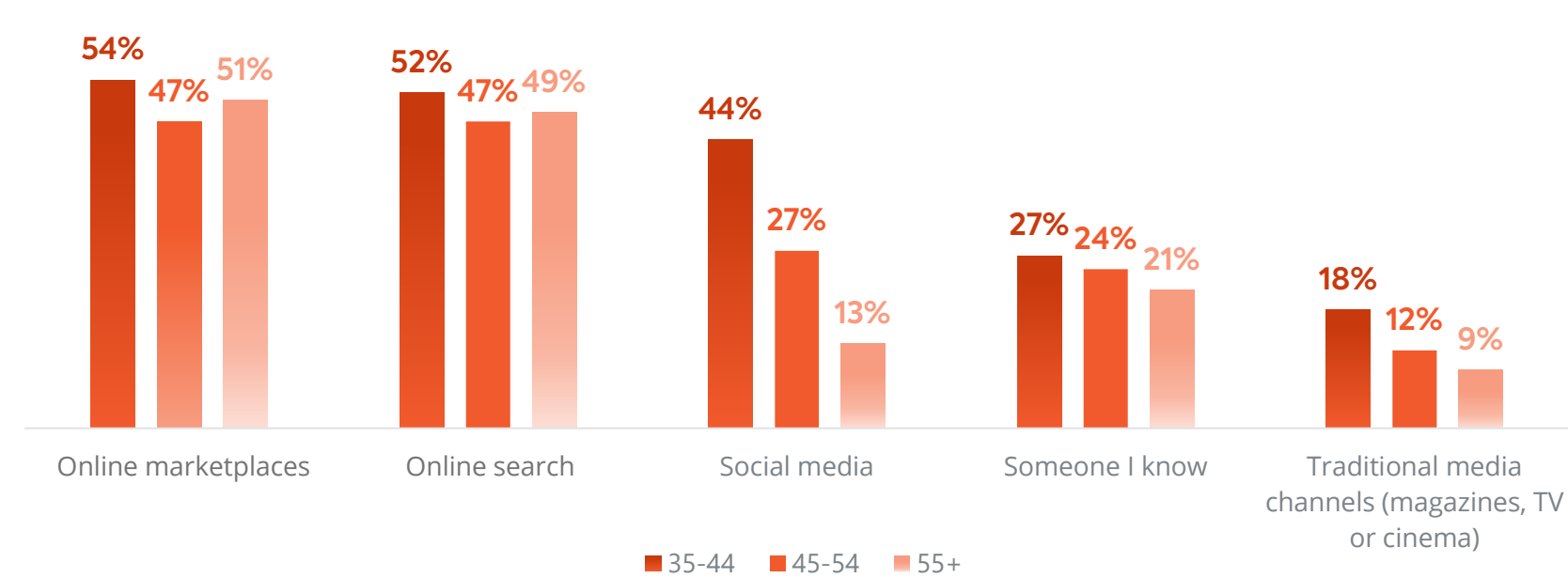


of the respondents have purchased from a brand because they engaged with it on social media.⁴

Consumers aged 35 and above are more likely to discover international brands or retailers via online marketplaces and online search.

Figure 7: The top 5 places among Gen X and Boomers for engaging with the brand before making a purchase

% of respondents who purchased an item from an international brand/retailer after hearing about/came across it from one of these channels



Q: I purchased an item from an international brand/retailer after hearing/coming across it from... (Select up to 3).
N=9000



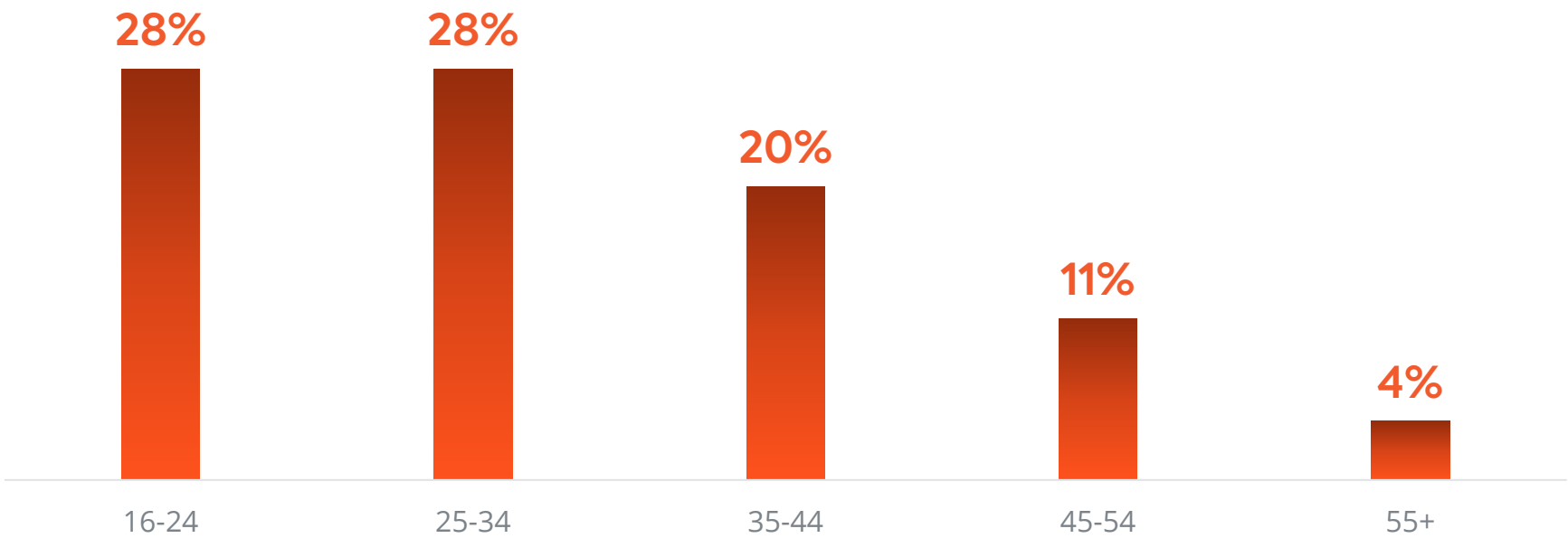
Social media’s impact on cross-border shopping

Young consumers are more likely to buy from an international brand they follow on social media.

1 in 5 of all respondents (20%) made a cross-border online purchase because they follow the brand on social media. The impact of social media is more prominent among younger consumers, with almost 1 in 3 (28%) respondents aged 16-34 saying social media lead them to buy from a seller outside their domestic market.

Figure 8: Social media is one of the top reasons for buying online cross-border

% of respondents who made an online purchase from a seller outside their domestic market because they follow the brand on social media



Q: You made an online purchase from a seller outside of your domestic market because... (Select up to 3). N=9000

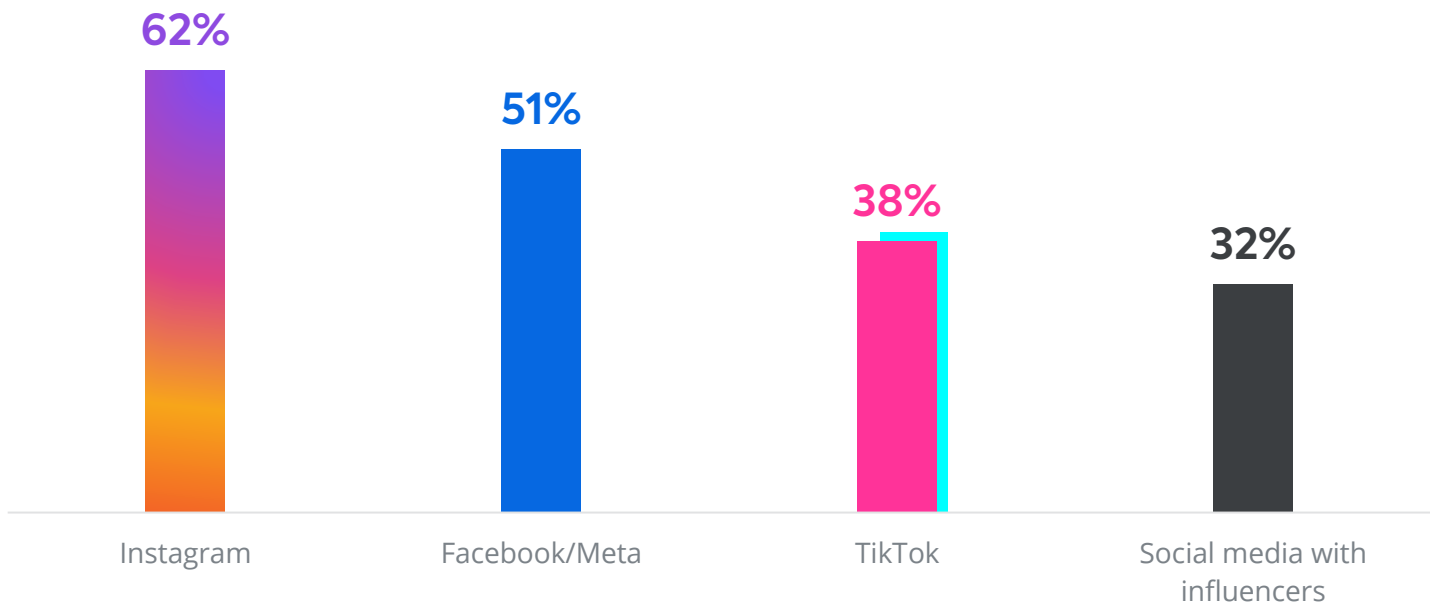
The leading social media platforms among cross-border ecommerce shoppers

Instagram leads.
TikTok very popular among younger consumers.

Over 60% of respondents who reported making a purchase because they engaged with a brand on social media, said they did so via Instagram.⁵

Figure 9: Top social media channels for engaging with brands

% of respondents who recently made a purchase because they engaged with the brand via this social media platform



Q: I recently made a purchase because I engaged with the brand via social media on... (Select all that apply).
N=5107

⁵ Among respondents across all markets (excluding China) who have social media and reported they made a purchase after engaging with the brand on social media (N=5107)

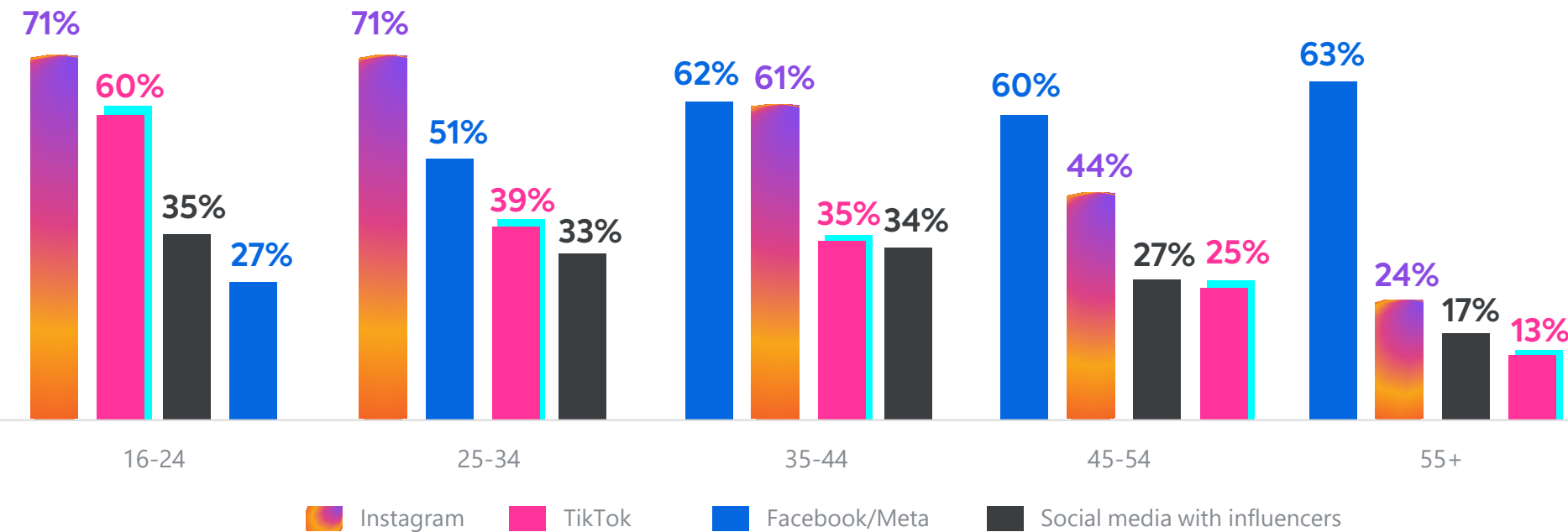
Most cross-border online shoppers engage with brands on Instagram; TikTok is the second leading place among younger shoppers

While younger consumers (16-24, 25-34) mentioned Instagram as the leading platform in driving their purchases, among older consumers (45-54, 55+), Facebook is leading. Among Gen X (34-44), both platforms are the top channels in driving purchases.

TikTok is very prominent among millennials (16-24), with 60% of the respondents reporting they purchased from a brand after engaging with it on this platform. However, it's also a popular platform even among older consumers; 35% of respondents aged 35-44 reported making a purchase after engaging with a brand directly on TikTok.

Figure 10: Top social media channels for engaging with brands, by age

% of respondents who recently made a purchase because they engaged with the brand via social media



Q: I recently made a purchase because I engaged with the brand via social media on... (Select all that apply).
N=5107

Cross-border Ecommerce Shoppers' Preferences



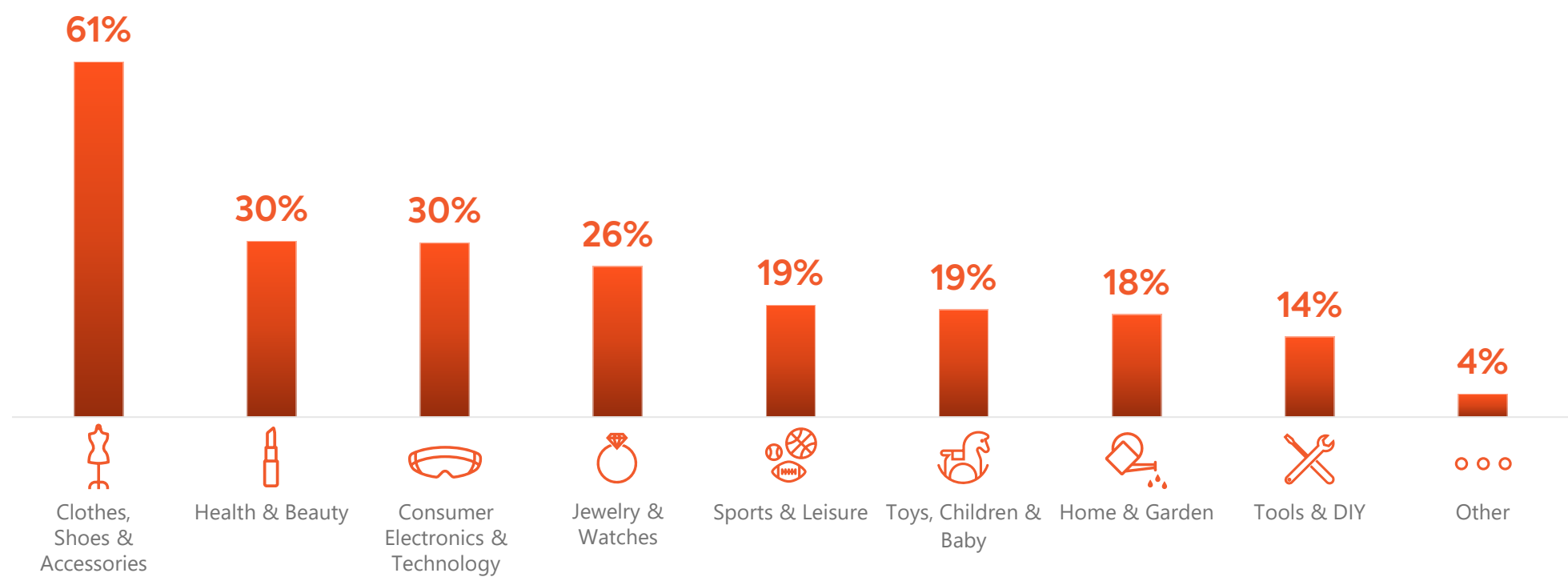
What products do online shoppers buy cross-border?

Over 60% of online shoppers would buy clothes, shoes, and accessories cross-border

Apparel and footwear is the leading category when it comes to buying online cross-border, across all age groups

Figure 11: The top products consumers would buy cross-border

% of respondents who would buy these products outside of their domestic market



Q: Which products would you consider buying the most outside of your domestic market? (Select up to 3). N=9000



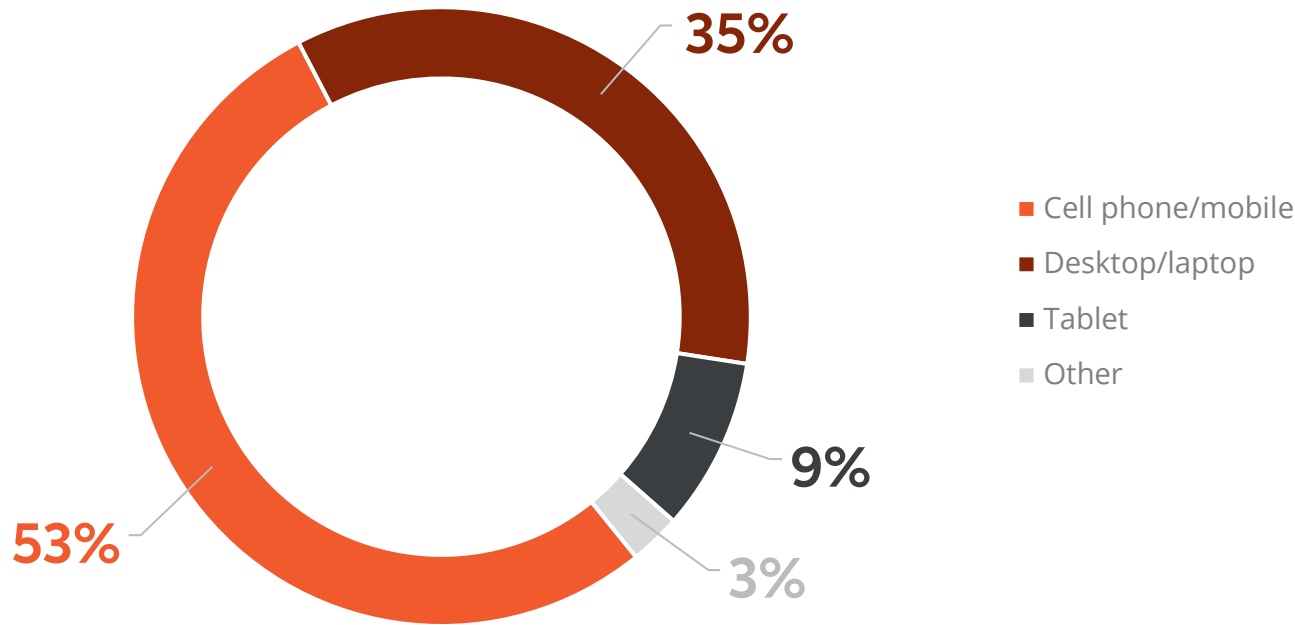


How do cross-border online shoppers prefer to buy?

Over half of consumers made their most recent purchase from a mobile device

Mobile is the leading device for cross-border ecommerce purchases.

Figure 12: The leading devices for cross-border online purchase
% of respondents who used this device for shopping online internationally

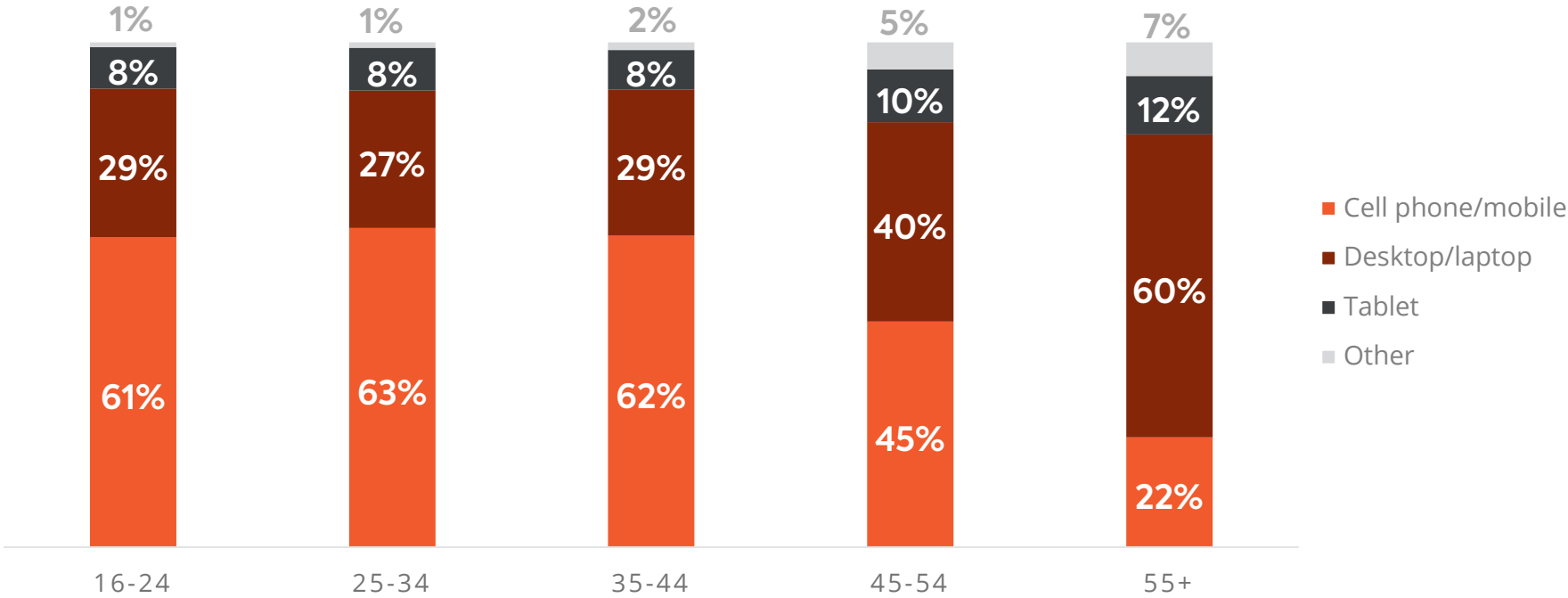


Q: When shopping online internationally, how did you make your most recent purchase? N=9000

Women buy more on mobile devices than men, with 60% of female respondents reporting they had made their latest purchase via mobile, compared with 42% of male respondents who said the same.

Mobile phones are the leading device for cross-border ecommerce purchases of all age groups, excluding age 55+.

Figure 13: The leading devices for cross-border online purchase, by age
% of respondents who used this device for shopping online internationally



Q: When shopping online internationally, how did you make your most recent purchase? N=9000

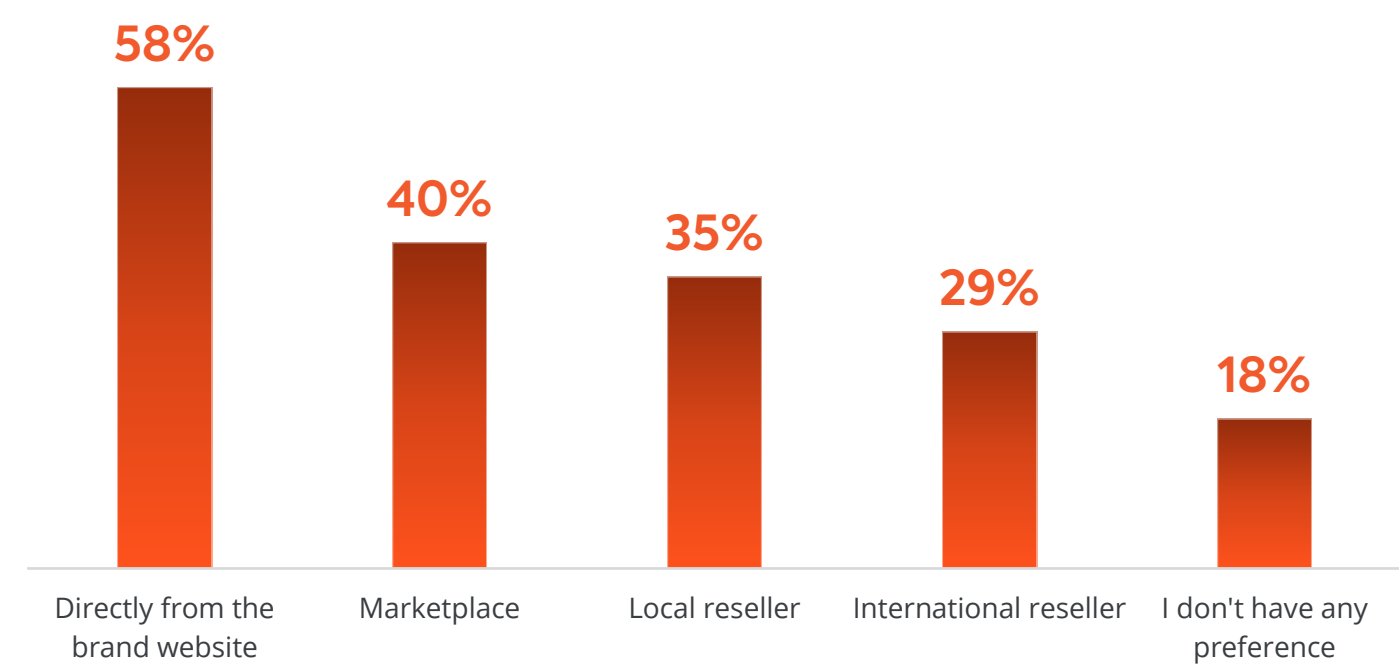
Where do cross-border online shoppers prefer to buy?

58% of cross-border online shoppers prefer to buy directly from brands

Consumers around the world are not only engaging with brands on social media, they also want to buy from them directly. More consumers are interested in buying directly from the brand's website than an online marketplace or local reseller. A trend which is even more pronounced among younger consumers.

Figure 14: The preferred platform for buying a branded product among cross-border online shoppers

% of respondents who prefer to buy via this platform



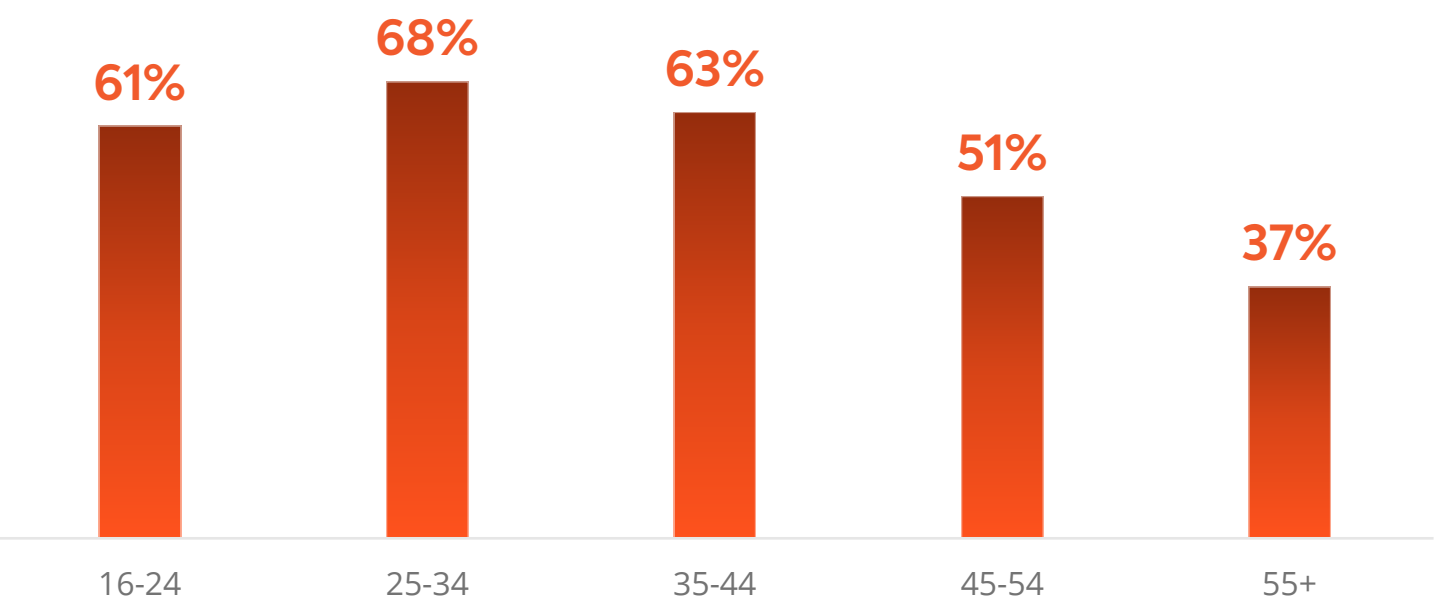
Q: When looking to buy a specific branded product, where, if anywhere in particular, do you prefer to make a purchase through? (Select up to 3) N=9000



Buying directly from the brand is the preferred option across all age groups. However, it is far more prominent among younger consumers. There is a slight difference between women (61%) and men (55%) when it comes to buying directly from brand's websites.

Figure 15: Directly from the brand is the preferred way to buy branded products among cross-border online shoppers, by age

% of respondents who chose direct from the brand's website as their preferred option for buying a branded product

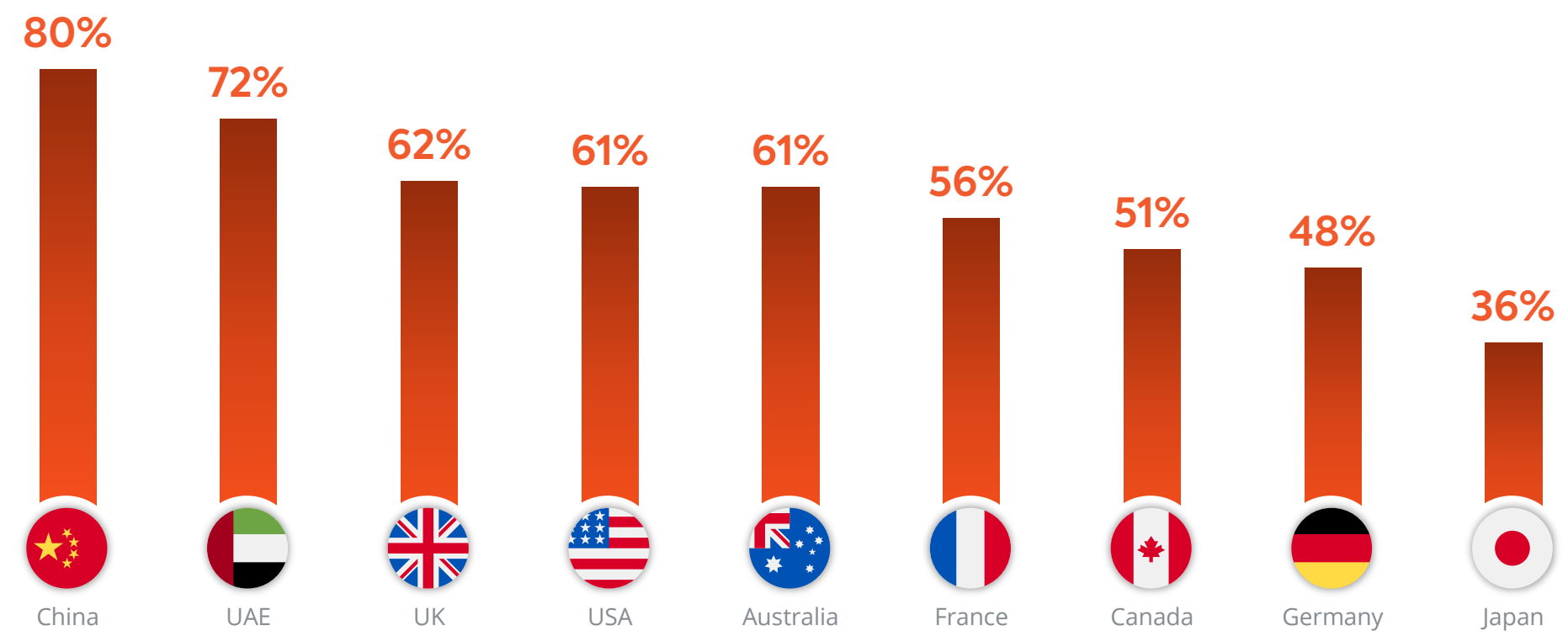


Q: When looking to buy a specific branded product, where, if anywhere in particular, do you prefer to make a purchase through? (Select up to 3) N=9000

Buying directly from the brand website is the preferred option among online shoppers in most markets surveyed. In Germany, buying directly from marketplaces was the preferred option. Whereas in Japan, the leading answer was not having a preference.

Figure 16: Directly from the brand is the preferred way to buy branded products among cross-border online shoppers, by country

% of respondents who chose direct from the brand's website as their preferred option for buying a branded product



Q: When looking to buy a specific branded product, where, if anywhere in particular, do you prefer to make a purchase through? (Select up to 3) N=9000

Conclusion

In an age where social media is driving a digital landscape without borders, savvy brands are taking a global online approach by default and are looking to leverage the cross-border ecommerce market opportunity to expand their global reach and diversify revenue streams.

Our survey provides an up-to-date overview of the cross-border ecommerce shopper across worldwide markets. The findings offer insights into the steps brands can implement to accommodate consumer expectations and accelerate their global online growth.

Consumers prefer to buy directly from the brand's website and expect it to provide them with a simple and transparent shopping experience, regardless of where it's based. When buying cross-border, shoppers want to purchase the same way they buy from a domestic website.

To turn global followers into customers, brands need to provide online shoppers with an end-to-end seamless experience that is tailored to their local preferences, from browsing through checkout to delivery and return:

- Present prices and accept payments in local currencies
- Enable shoppers to pay with their preferred payment methods
- Offer attractive delivery options in terms of price and method
- Provide consumers with a guaranteed final cost of their purchase, including all tax and duty fees
- Streamlined checkout process
- Present a transparent returns policy

Providing international consumers with a seamless experience that is localized to their market and adjusted to their preferences requires advanced technology, extensive capabilities, and vast local market know-how. In a dynamic economic, social, and political climate, brands also need to ensure they can swiftly respond to changes in consumer sentiment, market trends, and new regulations.

A robust international strategy is crucial for brands to better position themselves to compete and thrive in the global ecommerce market in the short and long term. Setting the optimal proposition for each market is key to increasing conversions, maximizing profit margins, and capitalizing on the growing cross-border opportunity.

About Global-e

Global-e (Nasdaq: GLBE) is the world's leading platform enabling and accelerating global, direct-to-consumer cross-border e-commerce. The chosen partner of hundreds of brands and retailers across the United States, Europe and Asia, Global-e makes selling internationally as simple as selling domestically. The company enables merchants to increase the conversion of international traffic into sales by offering online shoppers in over 200 destinations worldwide a seamless, localized shopping experience. Global-e's end-to-end e-commerce solutions combine best-in-class localization

capabilities, big-data best-practice business intelligence models, streamlined international logistics and vast cross-border experience, enabling international shoppers to buy seamlessly online and retailers to sell to, and from, anywhere in the world.

For more information: www.global-e.com

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Methodology

The cross-border ecommerce shopper survey polled 9000 online shoppers across nine global markets - 1000 respondents per market - who have shopped online in the last year and bought from a brand or retailer who is based outside of their country.

The survey was conducted online in July 2022 by Censuswide Market Research Consultancy.

Markets surveyed

