



The 2015 Pitney Bowes Global Online Shopping Study

One size does not fit all.

Local buyer preferences are crucial to cross-border ecommerce success.



The Internet offers retailers a world of potential. In every corner of the globe, consumers are becoming more comfortable with the concept of cross-border online shopping. This is creating untapped opportunities for merchants who are willing and able to sell and ship products internationally.

While logistical challenges may be top of mind as a barrier to entry, cross-border retailers must also address the unique regional and cultural differences that influence consumer shopping preferences in each country.

Our second annual Global Online Shopping Study surveyed 12,000 global consumers from 12 countries. The most exciting revelation within the study is growing worldwide awareness of cross-border ecommerce options. Around the world 33 percent of shoppers have purchased products online from retailers in other countries. This powerful data point that suggests if you are not on the global bandwagon, you may be missing a considerably large untapped revenue channel.

Fast moving markets: China and India.

The knowledge gap is shrinking most rapidly in markets that are typically favored by retailers considering global expansion. Buyers in China and India are quickly recognizing their options to buy products from retailers around the world. In fact, only 15 percent of Chinese consumers and eight percent of Indian consumers believe they are limited to staying in-country to shop online.

While shoppers most often buy or would choose to buy online from retailers outside of their country because of better pricing (61 percent of respondents), quality and product authenticity were important factors for consumers in China and India. More than half of Chinese (52 percent) and Indian (55 percent) respondents stated that quality was a motivator to buy online from other countries. Of those same respondents, 30 percent of Chinese shoppers and 36 percent of Indian shoppers agreed that product authenticity was a factor as well.

Though these figures might reveal clues to success for merchants who are considering expanding their cross-border reach, that doesn't mean retailers have the all-clear to sell to every international consumer in the same manner. What works in one market may not work in another.

Chinese consumers are open to buying goods on mobile devices, but consumers in countries like Japan and Russia far prefer to shop on laptops or desktop computers. Poor merchant localization including failure to serve up local language sites, pricing and payment options can also deter online shoppers in certain markets.

To find global ecommerce success, merchants will need to understand how buyers in their target market react and respond to all of these issues. Our study revealed important context that can help retailers better refine their strategy, including the top digital channels consumers use to search for and buy products, perspective on the growing influence of mobile technology and insight into the ideal international buyer experience.

The digital shop window: Where do global consumers search for products?

In today's world, window shopping has taken on a whole new meaning. Global consumers browse for products on a number of platforms including search engines, social media, retailer websites and even email. Preferences vary by country but the results show that search engines are the preferred browsing channel for most global consumers, with social media becoming a rising player in key emerging markets. Here's the breakdown by channel:

Search engines

The majority of worldwide consumers—62 percent—say they rely on search engines, such as Google, Yahoo, Bing, Yandex and Baidu, to find products to buy. This was especially true in Japan and the United Kingdom, where 70 percent of respondents expressed a preference for search engine shopping.

Consumers in Germany were most likely to consider buying products online found on search engines (46 percent) followed closely by Japan (40 percent) and India (39 percent). Merchants thinking about these markets need to put extra thought into their global search strategy (i.e.: will your Japanese customers be able to find your products in search?).

Retailer websites

44 percent of global shoppers said they typically visit a retailer's website directly to find products they are shopping for online. This is an especially popular channel in the United States (52 percent), Canada and India (both 51 percent). However, consumers in South Korea (28 percent) and Japan (25 percent) are far less likely to browse a merchant's website directly. This demonstrates how important off-website purchasing destinations should be for some merchants.

Social media

Our study also suggests that socially savvy retailers stand to benefit from a significant portion (16 percent) of global consumers who browse for items on popular social media networks. These include Facebook, Instagram, Line, Pinterest, Twitter, Weibo, and Wechat. Searching for products on social media was highest in India (38 percent), Brazil (21 percent) and China (20 percent), confirming this channel's viability in crucial emerging markets. Among all countries, consumers in India were the most likely to consider purchasing products they found on social media (27 percent). Social media was also a relevant purchasing channel for Chinese (16 percent) and Brazilian (15 percent) shoppers.

Email and online media

Consumers are also still finding products to buy on email—16 percent globally, and as high as 30 percent in India, the leading market for this channel. Email was also popular in Australia (20 percent) and Canada (19 percent). At 33 percent, India led all countries for consumers who browse for products on online media, such as blogs or e-magazines. Consumers in South Korea (19 percent), Brazil and China (both at 17 percent) were also more inclined than consumers in other countries to find products on online media.

How and where do consumers purchase online?

Digitalization has empowered global consumers to buy products anywhere at any time. Many are taking advantage of purchasing on-the-go.

According to our study, 24 percent of worldwide consumers most often use some type of mobile device to purchase goods online. This is especially true of Millennials—consumers aged 18 to 34—33 percent of whom are either shopping on devices other than a desktop computer or are using a mix of technology to make their purchase.

China and India have traditionally been popular targets for retailers eyeing international expansion, and our study makes clear that any entry into these markets would require a sound mobile strategy. Though buyers in the United Kingdom had the highest rates of mobile or mixed device purchasing at 37 percent. China (34 percent) and India (36 percent) were close behind.

Interestingly, online shoppers in Japan (87 percent), France (85 percent) and Russia (83 percent) were far more likely to make product purchases through a laptop or desktop computer. This suggests that retailers will want to broach a mobile strategy on a country-by-country basis. While it may be perfectly fine to sell products to France exclusively through an existing desktop website, a mobile-friendly version may be required for markets like China and India.

Whether on mobile or desktop, the majority of consumers (66 percent) said they would consider buying products from online marketplaces like eBay, Amazon and Alibaba, which was slightly more than those who would consider buying direct from retailer's websites (62 percent). Marketplace sites were especially popular in Russia (78 percent), China and the U.S. (76 percent), but least relevant to buyers in Japan (44 percent) and South Korea (49 percent). This speaks again to the importance of selling across multiple channels and approaching each venue uniquely, depending upon the target market.

Global means local: Tapping into international shopper preferences

Not surprisingly, traditional barriers to cross-border shopping remain a problem for merchants: 64 percent of consumers said that high shipping costs are a deterrent to buying cross-border, while 48 percent said they would be discouraged by additional fees, including duties and taxes (which if not using a DDP solution will be owed at the time of delivery).

But the biggest challenge for online merchants looking to go cross-border comes back to poor localization. According to our study, 29 percent of respondents said they would be discouraged from buying from a merchant if they could not read a product's description in their native language. It's important to note that localization challenges involve more than just language barriers—global consumers also have varied preferences when it comes to payment types and currency.

To consumers in Australia (41 percent), the U.S. (35 percent), Canada and Germany (both 34 percent), it is a deterrent if a merchant does not accept their preferred form of payment. Similarly, around 25 percent of global consumers—particularly in India (40 percent), the U.S. (38 percent) and Canada (30 percent)—said they would be discouraged from completing a purchase with a retailer that fails to provide pricing information in their preferred currency.

The bottom line? The customer experience starts even before a consumer heads online. Merchants need to think about the buying experience they offer to international customers from the moment they start their search to the moment their goods are delivered. It's not just about setting up shipping capabilities in a new country or rolling out the exact same version of an English-language website in a new locale. Depending on your target market, you may also need to consider translating web content and find a way to offer localized customer support or work with payment providers so that your website can support new or alternative forms of payment.

Global success calls for a personalized approach.

When it comes to retail, certain desires are universal. Every shopper wants affordable pricing, simple ways to explore and understand your catalog, dependable shipping, good customer service and an enjoyable, consistent, transparent shopping experience. Important distinctions in these areas can make or break your retail strategy.

Some customers in certain countries may not care about your great mobile-friendly website because they'd rather buy on a desktop anyway. To other shoppers, your promise of speedy shipping and an easy return policy may be totally irrelevant if they can't find your shop on their preferred online marketplace.

Succeeding in this increasingly nuanced world of global ecommerce will be a matter of understanding these case-by-case distinctions and capitalizing on them as appropriate. Creating the most profitable global ecommerce strategy starts with recognizing that a one-size-fits-all approach won't work in every country. From there, retailers need to find the right technology and solution partners that can help them build a strategy and meet every customer where ever they are.

United States

3001 Summer Street
Stamford, CT 06926-0700

For more information,
visit us online: pitneybowes.com/us/global-ecommerce.html