

**2<sup>nd</sup> Edition**

Recently updated with the latest 2023 stats.

# The Canadian ecommerce seller's guide

to understanding the new consumer mindset:  
we know because we asked

# INTRODUCTION

## All About Canada

Welcome to Canada, the fastest-growing ecommerce market. (Also, the easiest market for US brands to expand into). But one size doesn't fit all. We believe that the best international strategies are market-specific. That's why we used our proprietary research from BOXpoll™, a weekly consumer survey on current events, culture and ecommerce logistics to compile insights into US and Canadian consumers' ecommerce expectations, including speed, cost and product variety, as a resource for ecommerce sellers developing and honing their intra-Canada, inbound or outbound strategies.

## Contents

<b>INTRODUCTION</b>	<b>1</b>
<b>PART 1: Intra-Canada</b>	<b>3</b>
Speed expectations	4
Weekend delivery	5
Tracking frequency	6
Ecommerce variety	7
Barriers to multicarrier for online retailers	8–9
<b>PART 2: Inbound from the US</b>	<b>10</b>
Frequently faced issues	11
Speed expectations	12
Cost expectations	13
<b>PART 3: CA outbound to US</b>	<b>14</b>
Cart abandonment	15
Perceptions about Canadian products	16–17
Speed and cost expectations	18
<b>PART 4: Cross-border inbound in general</b>	<b>19</b>
Cross-border frequency 2022 vs 2021	20
<b>CONCLUSION</b>	<b>21</b>

# PART 1

## Intra-Canada

Whether you're just starting your journey selling within Canada or already are an ecommerce expert—we've gathered several interesting and relevant data points that every online retailer should consider as they position themselves to make this year their best year yet.

# Intra-Canada: Speed expectations

## How “fast” is fast?

So, what do Canadians expect from their online order experiences?  
Let’s first dig into their sentiments around “fast” delivery times.

To find out, we asked consumers to imagine they made an online purchase from a retailer based in Canada who would ship the product to them. For each product category, they indicated the **maximum** number of days they would consider to be **fast** as a delivery time frame. We ran these surveys in both 2022 and 2023.

We found that consumer expectations remained steady year over year. Retailers can breathe easy knowing that consumers’ generous 2022 expectations were not an anomaly—delivery speed expectations have remained virtually the same.

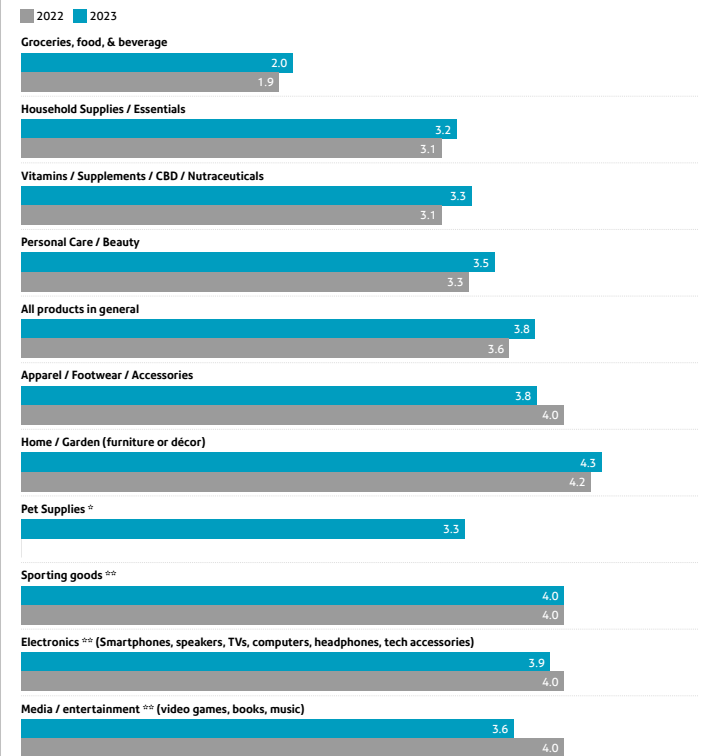
To Canadian shoppers, the average definition of “fast” for all non-grocery online orders remains almost 4 days, double the 2-day standard that certain logistics giants would have you believe.

### Key Takeaway:

Canadian shoppers have generous speed expectations that have remained constant over the last two years.

### The Canadian definition of fast

For each product category, please indicate the maximum number of days you would consider to be fast as a delivery time frame from a retailer based in Canada.



1000 Canada consumers surveyed September 2022 and April 2023.

\* Pet supplies not surveyed in 2022.

\*\* 2022 data combined sporting goods, electronics, and media/entertainment categories.

Source: Pitney Bowes BOXpoll

pitney bowes  BOXpoll

# Intra-Canada: Weekend delivery

## Shipping for the weekends

In the logistics world, measures of speed often prompt the question: "Are we talking calendar or business days?" To find out more, we asked consumers what day they expected their order.

### Key Takeaway:

The majority of Canadian consumers (54%) and almost three-quarters (74%) of Atlantic Canada residents assume business days at checkout, giving retailers more leeway for processing/transit time.

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### Canadian expectations for delivery days

Imagine you have made an online purchase on a Friday with 3-day shipping. What is the **latest** date you expect your order to arrive?

	Monday (7-day week)	Tuesday (6-day week)	Wednesday (5-day week)
All consumers	18%	28%	54%
Western Canada	17%	28%	55%
Central Canada	20%	28%	51%
Atlantic Canada	7%	20%	73%
Community: Urban	19%	26%	55%
Community: Suburban	19%	32%	49%
Community: Rural	15%	24%	61%

1000 Canada consumers surveyed February 2022

Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

For comparison, here is how  
US consumers responded  
to this question:

### The American definition of 3-day shipping

Imagine you have made an online purchase on a Friday with 3-day shipping. What is the latest date you expect your order to arrive?

	Monday (7-day week)	Tuesday (6-day week)	Wednesday (5-day week)
All U.S. consumers	21%	40%	39%

Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

# Intra-Canada: Tracking frequency

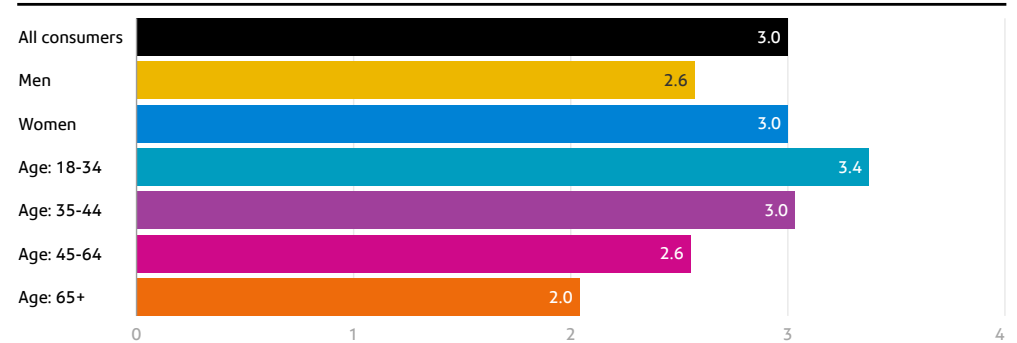
## A waiting game

We all know that feeling when you get a “Track Shipment” notification and click to find only a label had been created. What a bummer.

To learn about tracking frequency preferences, we asked consumers about their habits.

### Tracking frequency

On average, how many times before a package arrives do you check for delivery tracking updates?



1000 Canada consumers surveyed April 2023

Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

### Key Takeaway:

Retailers have an opportunity to reconnect with their consumers using a consistent fully branded end-to-end tracking experience.

# Intra-Canada: Ecommerce variety

## Can't get no satisfaction

While Canadian shoppers are (mostly) satisfied with their online shopping options, no product category is immune to the 'wandering eye,' with less than two-thirds satisfied with domestic product selection.

### Key Takeaway:

Auto parts, jewelry, sporting goods and pet supplies are the categories where consumers are least satisfied, opening opportunities for new and expanding brands to sell to Canadian consumers.

### How much do you agree or disagree that Canada-based online retailers offer enough variety in each of the following product categories?

	Agree	Neutral	Disagree
Apparel (clothing, but not footwear or accessories)	66%	25%	8%
Accessories (bags/purses, belts, hats, etc.)	59%	33%	8%
Footwear (shoes)	63%	30%	7%
Automotive parts (car/motorcycle/boat parts, etc.)	44%	46%	10%
Consumer Electronics (TVs, stereo systems, etc.)	67%	27%	6%
Household Supplies (toilet paper, detergent, etc.)	64%	32%	4%
Home Goods/Decor/Improvement (furniture, decorations, building materials, etc.)	63%	30%	7%
Jewelry (rings, necklaces, etc.)	56%	36%	9%
Office Supplies (print/paper products, writing tools, etc.)	63%	34%	3%
Personal Care/Beauty/Nutraceuticals (soap, dental care, cosmetics, vitamins, supplements, etc.)	65%	29%	6%
Sporting Goods (sports equipment & specialty apparel, not including 'athleisure' casualwear)	57%	38%	6%
Toys/Hobbies/Gifts (games, DIY, crafts, etc.)	62%	32%	6%
Pet supplies (dog/cat food, accessories, etc.)	55%	38%	6%

Source: Pitney Bowes BOXpoll

pitney bowes 

BOXpoll



# Intra-Canada: Barriers to multicarrier for online retailers

## More carriers, more choices

It's difficult to believe but choosing between limited carriers can create a lot of confusion. As shipping costs continue to escalate and requirements change, it is a constant challenge to nail down the best price and services. We wondered, what do online retailers really need for each shipment, and what are their plans for finding these services?

### How far along is your business in adopting multicarrier tracking (single customer experience across all carrier deliveries)?

	Canada	United States
No immediate plans to implement	4%	8%
Plan to have in next 1-2 years	31%	15%
Adopted (NET)	65%	77%
'Implementing now	30%	29%
'Already have, but unsatisfied with capabilities	15%	15%
'Already have, and satisfied with capabilities	20%	33%

Conducted by Pitney Bowes with Cipher Research // 74 online Canadian retailers and 168 US online retailers surveyed February 2022

Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

### Key Takeaway:

A multicarrier strategy doesn't have to be hard. They offer benefits of flexibility in service, dynamic carrier selection to ensure service and the ideal mix of speed and cost.

# Intra-Canada: Barriers to multicarrier for online retailers

## What are the two largest obstacles to further diversifying your carrier base?

	Canada	United States
Technology integrations	45%	42%
Risk of losing volume discounts	49%	39%
Unable to segregate volume by carrier	32%	29%
Bandwidth for internal teams/procurement	23%	32%
Prefer a single point of contact (one throat to choke)	31%	28%
Unable to manage multiple carriers' invoices	20%	30%

Conducted by Pitney Bowes with Cipher Research // 74 online Canadian retailers and 168 US online retailers surveyed February 2022

Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

### Key Takeaway:

The risk of losing volume discounts is a strong concern in Canada. Most retailers budget their shipping costs based on the base rates and discounts. They don't factor in all the surcharges charged by the carriers. Yet, they really add on to the total cost of a shipment.

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## PART 2

# Inbound from the US

It's a great time to be a US retailer courting the Canadian market. In our BOXpoll cross-border survey of 1,000 Canadians, consumers 18+ years old told us that 41% of their total online purchases are from US retailers.

Let's find out what you can do to improve conversions.

# Inbound from the US: Frequently faced issues

## Once burned, twice shy

When delving into the cross-border ecommerce landscape, it's important to be sensitive to consumers' poor past experiences and their potential to hurt conversion at your checkout. Canadian consumers' top three complaints about online orders from the US are slow delivery, expensive shipping options and surprise fees.

### Key Takeaway:

Offering multiple shipping options with clear estimated delivery dates, communicating surcharges at checkout and offering Delivery Duty Paid (DDP) shipping are all helpful ways to convert consumer fears.

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### 71% of Canadian consumers have bought online from the US in the last year.

Here are the most common issues with their orders:

Slow delivery	31%
Expensive shipping options	29%
Surprise fees (for example, duties and taxes)	24%
Lack of package tracking visibility	17%
Inconvenient returns	16%
Returns not available	13%
None of the above	13%

1000 Canada consumers surveyed April 2023

Source: Pitney Bowes BOXpoll

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**BOX**poll

# Inbound from the US: Speed expectations

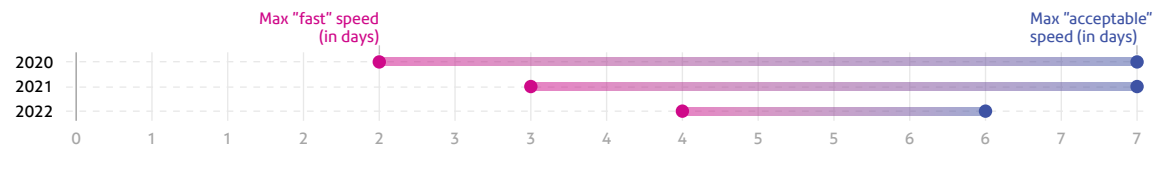
## The need for speed

If you were curious like us, you might have wondered about the top complaint cross-border consumers have about their US orders: slow delivery. Can't catch a break, amiright?

To help sellers avoid this obstacle, we asked Canadian consumers to imagine they've made an online purchase from a retailer based in the US who will ship the product from the US directly to their home. For each of the following delivery times, they indicated if they would consider it to be fast, acceptable or slow.

### Canadian consumers' expectations of cross border delivery speed

We asked Canadian shoppers what they deem "fast" and "acceptable" speed of delivery from the U.S.



Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

### Key Takeaway:

Cross-border consumer expectations about delivery speeds have changed. As a retailer, you can use this knowledge to better quote and price your shipping options to maximize conversions.

# Inbound from the US: Cost expectations

## The price is right

If you're looking to convert consumers at the best possible shipping cost/pricing, our survey data may help you find that sweet spot.

### How much Canadian shoppers are willing to pay for shipping from the United States

Imagine you made an online purchase worth \$100 USD from a retailer based in the United States. How much would you be willing to pay for shipping at the following speeds?

	CAD	Percentage of order value
1-3 days	\$8.15	6%
4-6 days	\$5.52	4%
7-10 days	\$4.03	3%

1000 Canada consumers surveyed February 2022. Currency conversions as of February 2022.

Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

### Key Takeaway:

- When we asked consumers in six other countries the same question as part of our BOXpoll research, we found that international consumers innately understand how geography impacts the cost of shipping.
- As the closest country to the US surveyed, Canadian consumers were willing to pay the lowest percentage of the order value for shipping from the US.
- The bottom line: While Canadian online shoppers are used to paying (and waiting) for cross-border shipping, don't expect them to be willing to pay the same premiums that Transatlantic consumers might.

## PART 3

# CA outbound to US

As we've learned, consumers are ready and open to increasing their cross-border purchases. A great way to begin or further establish your global marketplace sales is by selling to friendly neighbors directly across the border.

Let's reveal some international buying behaviors that every Canadian to US online retailer should consider.

# CA outbound to US: Cart abandonment

## Reasons U.S. shoppers say they abandoned online orders from Canada

When shopping online with Canadian brands (to have a product shipped from Canada to you), how often have you abandoned your purchase on a website due to the following reasons?

	Frequently
I can find plenty of products domestically	29%
Shipping costs were too high	21%
Product price was too high	20%
Shipping takes too long	18%
Did not want to pay the cost associated with returning items	18%
There is not a large enough selection of international products that I want to buy	16%
Taxes and/or duties are too expensive	15%
Supply chain disruptions are an obstacle	12%
Do not want to risk paying for import duties at package pick-up	12%
The prices of products were not in my local currency	12%
The site did not clearly explain whether the retailer shipped to my country	12%
Checkout page did not list a delivery carrier I recognized	11%
My country's limits on imports are an obstacle	10%
The duties and taxes weren't calculated or seemed inaccurate	10%

Source: Pitney Bowes BOXpoll

pitney bowes  



# CA outbound to US:

## Perceptions about Canadian products

### U.S. consumers are (mostly) neutral about Canadian products

Thinking about buying online from Canada-based brands and having the product shipped to your home, how much do you agree or disagree with the following?

	Agree	Neutral	Disagree
Products from Canada-based brands cost more than products from U.S.-based brands	25%	62%	14%
Canadian brands aren't as socially or environmentally conscious as they claim to be	14%	69%	18%
Canadian product quality is better than U.S.-based brands	15%	65%	20%
Delivery from Canada is just as fast as domestic delivery	19%	59%	22%
It's easy to return items I've purchased from Canadian brands	13%	68%	19%

Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

# CA outbound to US: Perceptions about Canadian products

## Products U.S. consumers would consider buying online from Canada

Which of the following product categories, if any, would you be interested in purchasing online from a Canadian-based brand and having shipped across the U.S.-Canada border to your home?

Apparel	36%
Footwear	30%
Personal Care/Beauty/Nutraceuticals	29%
Accessories	28%
Home Goods/Decor/Improvement	28%
Toys/Hobbies/Gifts	27%
Jewelry	23%
Sporting Goods	21%
Consumer Electronics	20%
Office Supplies	20%
Food/Beverage	18%
Automotive parts	17%
Pet supplies	16%
I would not buy any product from a Canadian-based brand	32%

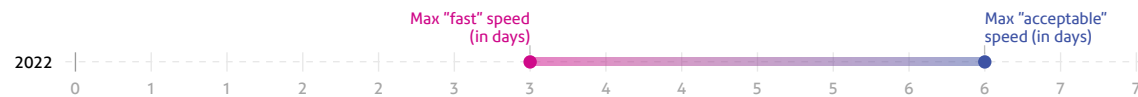
Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

# CA outbound to US: Speed and cost expectations

## U.S. consumers' expectations of speed from Canada

We asked U.S. shoppers what they deem "fast" and "acceptable" speed of delivery from Canada



Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

## How much U.S. shoppers are willing to pay for shipping from Canada?

How much would you be willing to pay for shipping at the following speeds for an online purchase worth \$100 USD from a retailer in Canada?



Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

## PART 4

# Cross-border inbound in general

The world is your oyster—and potential customer base. There's no denying cross-border ecommerce is a major growth strategy and opportunity. But it has its challenges. From language barriers to logistics to calculating landed costs, cross-border trade comes with its own set of rules, vocabulary and best practices you should familiarize yourself with before entering a new global market.

We've got the stats on everything you need to know to make your ecommerce logistics easier.

# Cross-border: Cross-border frequency 2022 vs 2021

## Going global

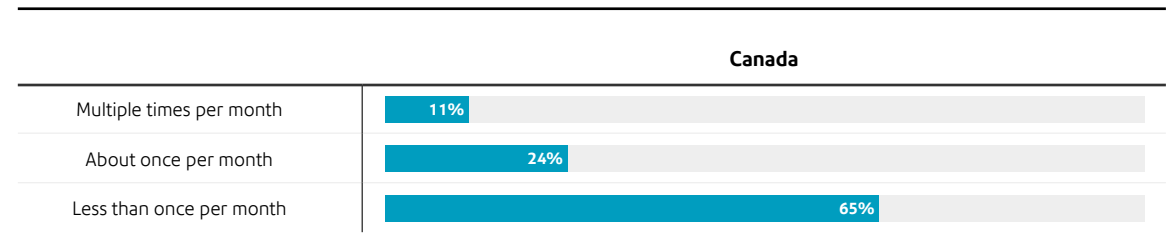
One of the strongest opportunities for brands expanding into Canada is Canadian consumers' comfort and familiarity with shopping across borders. More than one-third (35%) buying cross-border at least once a month and more than a quarter (29%) reported buying more often year-over-year.

We wanted specifics about consumers' monthly habits so dug a bit deeper.

### Key Takeaway:

Overall, Canadian behavior towards cross-border consumption has grown between 2021 into 2022. This is a positive sign for retailers looking to expand their global reach.

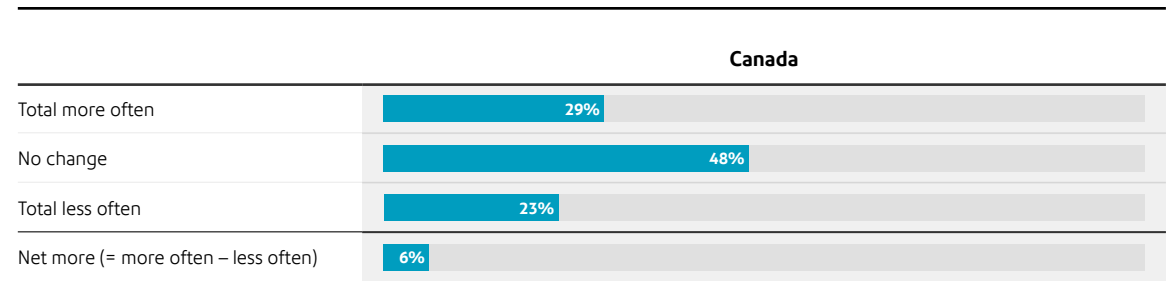
### How often do you buy products online from another country and have the product shipped to your home?



Source: Pitney Bowes

pitney bowes  **BOX**poll

### Compared to last year, how often are you buying products online from another country and having the product shipped to your home?



Source: Pitney Bowes BOXpoll

pitney bowes  **BOX**poll

# CONCLUSION

## Learn more

Selecting the right partner in a country where you have limited experience can be a challenge. That's why, in addition to our Designed Cross-Border delivery solution, we recently launched the Designed Delivery service in Canada, which offers a multicarrier delivery solution with the ease of a single-carrier experience.



**For more information, visit us online:**  
[pitneybowes.com/ca/en/shipping-mailing-canada](https://pitneybowes.com/ca/en/shipping-mailing-canada)

**For more information, visit us online: [pitneybowes.com](https://pitneybowes.com)**

BOXpoll is a weekly consumer survey on current events, culture and ecommerce logistics. Morning Consult conducts weekly polls on behalf of Pitney Bowes among a national sample of more than 2,000 online shoppers. The surveys were conducted online, and the data were weighted to approximate a target sample of adults based on age, educational attainment, gender, race and region. Results have a margin of error of +/- 2 percentage points.