

PayPal 2nd Annual Global Report Shows More Than 1/3 of Chinese Online Shoppers Now Buying Cross-Border

New global research from PayPal reveals US and Japanese consumers least likely to shop from non-domestic merchants, while Ireland, Austria and Israel most likely

SAN JOSE, Calif.--Today PayPal and Ipsos* [released](#) their second global cross-border commerce report. The research, which investigated the online and cross-border shopping habits of more than 23,200 consumers in 29 countries, reveals new opportunities for merchants to expand their international sales.

China Sees Big Jump in Global Buying

Amidst a year of market-moving news coming out of China, no shortage of attention has been paid to its growing consumer class' buying power as more enter the global online ecommerce market. This year's findings support the growth trend: 35 percent of online shoppers claim to have shopped cross-border in 2015, vs. 26 percent in 2014.

China's overall online shopping population saw modest growth (81 percent of online adults report having shopped online in the last 12 months in 2015, vs. 80 percent in 2014)

The US is Hot on Exports, Cool on Imports

As with [last year's findings](#), "made in the USA" continues to carry sway around the world. A full 25 percent of online shoppers surveyed across 29 countries¹ report purchasing from US-based websites in the last 12 months. The next most popular countries are China (19 percent of online shoppers have purchased from Chinese sites) and the UK (14 percent).

However, American shoppers infrequently shop beyond their own borders. While among all respondents surveyed around the world, 50 percent of online shoppers report making purchases from a website in another country in the last 12 months, only 22 percent of American online shoppers have done so. Of the 29 countries surveyed only Japan has a lower volume of cross-border shoppers, at 12 percent.

Ireland, Austria and Israel are the most active cross-border shoppers with 86 percent, 85 percent and 79 percent respectively of online shoppers having made a cross-border purchase in the past 12 months.

Nigeria, China and UAE are Mobile-Savvy

Among all consumers surveyed around the world, 16 percent of their online spend was made via smartphone. Nigerians nearly triple this: on average, those online shoppers estimate that 37.8 percent of their online spend in the last 12 months was conducted via smartphone, followed by China (34 percent) and UAE (31 percent).

The opportunity for mobile spending growth is highest in France, The Netherlands and Argentina: on average, those online shoppers respectively estimate that 7 percent, 7 percent and 9 percent of their online spend is made via smartphone.

"By identifying the purchasing habits of global consumers, our research allows businesses to harness new trade opportunities around the world," said Melissa O'Malley, director, global merchant and cross-border trade initiatives at PayPal. "In addition to business insights, we are also actively providing our merchants with free tools and resources such as our comprehensive eBooks, '[How to Sell Internationally](#)' and '[Selling Into China](#)' as well as [PayPal PassPort](#) to help them gain more business overseas."

Smart SMBs Invest in SEO

When it comes to sourcing international products, SEO has a big influence. When asked how they find international websites, cross-border shoppers cited the following methods:

- I go directly to websites I have used in the past (58 percent of all surveyed cross-border shoppers)
- I go directly to websites I know the web address for (40 percent)

- When I search for particular brands or products on a search engine, sometimes this leads me to foreign sites (38 percent)
- I go to sites recommended by friends/family (36 percent)
- I follow links from shopping comparison sites (25 percent)

Cross-border Shoppers Consider Cost

The cost of international goods is a consideration that both motivates and deters global purchases in 2015.

Nearly three quarters (73 percent) of all cross-border shoppers surveyed cite better prices as the reason to make purchases cross-border rather than domestically, followed by notions of access to items not available in their own country (selected by 67 percent of cross-border shoppers) and discovering new and interesting products (58 percent).

As with last year, shipping cost is of paramount importance to cross-border shoppers. Almost half (47 percent) of online shoppers say that delivery costs deter them from making international purchases (or making them more often). At the same time half of all online shoppers say that free shipping would make them more likely to buy from a website in another country.

Shipping cost is the top reason for abandoning an online purchase from a website in another country, cited by 43 percent of online shoppers who have abandoned a cross-border purchase.

Forty percent of cross-border shoppers surveyed reported using a forwarding address (getting purchases delivered to a friend's or family member's address in the country of purchase) or freight forwarding (getting purchases delivered to a freight forwarding company in the country of purchase, who then ship items to the buyer) when making cross-border purchases. When asked why, 45 percent of those who used freight forwarding or forwarding addresses say they do this because it's cheaper than the store's international delivery.

Putting this Information into Practice

In addition to these global findings, more focused data is available for all 29 countries included in the research. This data can help local merchants understand their best opportunities for international sales.

"Advancements in technology are helping to give merchants the right tools to open up commerce opportunities across borders, anytime and via any device," continued O'Malley. "With Western holidays approaching, now is the time to access new markets and sales opportunities."

On behalf of PayPal, Ipsos interviewed a representative quota sample** of c.800 (23,354 in total) adults (aged 18 or over) who own and/or use an internet enabled device* in each of 29 countries (UK, Ireland, France, Germany, Austria, Switzerland, Italy, Spain, Netherlands, Sweden, Poland, Turkey, Russia, Israel, UAE, USA, Canada, Brazil, Mexico, Argentina, India, China, Japan, South Korea, Singapore, Australia, South Africa, Nigeria, Egypt). Interviews were conducted online between 17th September and 28th October 2015.

Data was weighted to known incidence of online shoppers in all countries, and to demographic profile of internet users in 4 countries (SK, SG, EG & UAE).

*Desktop computer/Laptop/ notebook computer/Tablet/Smartphone/Some other type of mobile phone/Electronic organizer/PDA with wireless voice and data features/Games console with Internet connectivity (e.g. Wii).

**Age, gender and region representative of online population (Age and gender representative in Switzerland). Quotas were not set for Nigeria, as online profile not available in this country.

Ipsos is a member of the MRS, and research was carried out according to MRS code of conduct.

About PayPal

At PayPal (Nasdaq:PYPL), we put people at the center of everything we do. Founded in 1998, we continue to be at the forefront of the digital payments revolution. Last year we processed 4 billion payments, of which 1 billion were made on mobile devices. PayPal gives people better ways to connect to their money and to each other, helping them safely access and move their money and offering a choice of how they would like to pay or be paid. With our 173 million active customer accounts, we have created an open and secure payments ecosystem that people and businesses choose to securely transact with each other online, in stores and on mobile devices. PayPal is a truly global payments platform that is available to people in 203 markets, allowing customers to get paid in more than 100 currencies, withdraw funds to their bank accounts in 57 currencies and hold balances in their PayPal accounts in 26 currencies. For more information on PayPal, visit <https://about.paypal-corp.com>. For PYPL financial information visit <https://investor.paypal-corp.com>.

About Ipsos

Ipsos is a global independent market research company ranking third worldwide among research firms.

We specialize in six areas: [advertising research](#); [marketing research](#); [media, content and technology research](#); [loyalty, quality and customer relationship management research](#); [opinion polls and social research](#); and [survey management, data collection and delivery](#). Our industry specialization model means we have an intimate understanding of our clients' brands, consumers and markets.

1 Combined data for all respondents surveyed, not weighted for population size

<https://newsroom.paypal-corp.com/2015-11-17-PayPal-2nd-Annual-Global-Report-Shows-More-Than-1-3-of-Chinese-Online-Shoppers-Now-Buying-Cross-Border>