

US Digital Buyers Stick Close to Home

Only around a third make cross-border ecommerce purchases

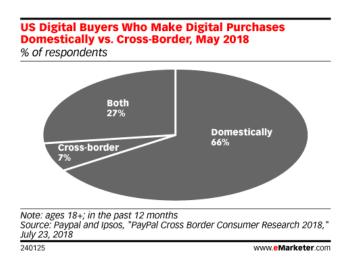
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hanks to digital commerce, a shopper anywhere in the world can buy light fixtures from Scandinavia, cosmetics from South Korea or clothing from Brazil without leaving their house. But compared with other countries, relatively few US online buyers engage in cross-border ecommerce.

According to a May 2018 PayPal and Ipsos survey, roughly one-third of US online buyers had made a cross-border purchase digitally in the past 12 months. The majority (66%) find all the retailers they need on their home turf. The US tied with India for third place, ranked by countries that shop online domestically. Only Germany (68%) and Japan (94%) had higher levels.





"The eMarketer Ecommerce Insights Survey," conducted in July 2018 by Bizrate Insights, showed that just 10.8% of US internet users had bought from a foreign site in the past 30 days. This figure is lower than PayPal's because it covers a shorter timeframe and includes all internet users, not just digital buyers. There wasn't wild variance with age. The most active age the 30-to-39 age group (14.4%), the lowest incidence occurred with those 60 and older (9.6%).

Half of these sales occur on a desktop computer, according to PayPal, while 32% were via smartphones, which was a much higher rate than neighboring Canada (15%) and higher than all of the 16 countries in Europe included in the survey.

Roughly three-fourths of digital buyers in the US prefer to make purchases on sites in their own language and buy from big global retailers like Amazon and eBay, which isn't surprising. The US is a large country and home to many of the major retailers worldwide, so many online shoppers can find what they need without searching abroad. The US is where 21% of cross-border buyers worldwide make purchases, second only to China (26%).

It takes a bargain to lure US shoppers out of their comfort zone. According to an April 2018 UPS and comScore Inc. study, the leading reason that drove US digital buyers to make a cross-border purchase was finding a lower price from a foreign retailer on a regional marketplace, cited by 43% of respondents.

