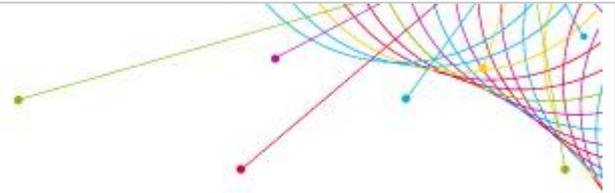




AN UNCOMMON SENSE
OF THE CONSUMER™



Nielsen Survey: China's Cross-Border Online Shoppers are Increasingly Mature

Cross-border E-commerce enjoys diversified channels and booming demands in tier-2 cities

Thanks to policy incentives, a huge number of fund investments and great consumer demand since 2014, cross-border e-commerce has witnessed rapid growth, an improving ecological environment of the cross-border online shopping and an expanding customer base for overseas merchandise. China's E-commerce Industry Development and Hangzhou Index White Paper recently issued by Nielsen, suggests that affluent and well-educated young people make up the majority of cross-border online shoppers and the cross-border online shopping features at low frequency and higher spending per order compared to domestic online shopping.

According to the white paper, young men aged 26-35 and young women aged 26-40 prefer cross-border online shopping, compared to their older counterparts. In contrast to domestic online shoppers, these consumers generally work in private enterprises, joint ventures or foreign companies, have a higher education background and a monthly household income of over RMB11,000.

Based on Nielsen's study, about one third cross-border online shoppers make 3-5 purchases in the past year or 76% of their domestic online shopping. However, the spending per order of cross-border online shopping is much higher, about 176% of the domestic one. About 1/4 respondents spent RMB1000-3000 per cross-border online purchase and 11% for over RMB5,000.

Co-Existence and Development of Cross-Border Online Shopping Platforms and Personal Purchasing Agencies

Since cross-border online shopping platforms embraced explosive growth, major online retailers have been scrambling for the cross-border online shopping market and various customized professional cross-border online shopping websites have sprung up to seize the rising trend. Nielsen's Report of(?) 2015 Online Shoppers Trend found that even if more consumers prefer to purchase by professional/Personal cross-border online shopping websites, the personal purchasing agents still remains a clear favorite.

Nielsen's research reveals that among all consumers who made cross-border online purchases in the past year, one third still choose overseas purchasing agents on Tmall while those who purchase from overseas websites and from professional cross-border online shopping websites account for 29%, slightly lower.

Steven Li, Vice President of Nielsen China said, "Even though e-commerce platforms are very competitive in quality and after-sale guarantee, better product supply and logistics system, consumers still have strong intention to support purchasing agents because they take the advantages of differentiation, flexibility and timeliness to meet customers' special demand."

Strong consumption power and huge potential for cross-border purchase in Tier-2 cities

The penetration rate of cross-border online shopping channels is lower in tier-2 cities compared to tier-1,

(38% vs. 27%) for direct purchase from overseas websites and from overseas purchasing agents (38% vs. 27%).

As of frequency and spending, online shoppers from tier 1 and tier-2 cities are almost on par. Just like customers in tier-1 cities, those in tier-2 cities, almost nine out of ten respondents (88%) will certainly or plan to try cross-border online shopping in the coming year, suggesting huge purchase potential. "Offline channels to buy overseas goods in tier-2 cities are relatively limited," said Li Xin. "Consumers are more likely to go cross-border shopping online for overseas commodities. Moreover, tier-2 cities have more middle-income consumers than tier-1 cities. We expect consumers from tier-2 cities to demonstrate huge consumption power in cross-border online shopping."

Increasingly Mature Consumers and Geographic Presence of Different Merchandises

Mature consumers focus on almost the same categories in cross-border online merchandises and mainstream online ones as younger consumers. In the coming year, they will focus on clothes/accessories/shoes and hats/bags (44%), cosmetics/personal care products (40%), infant and mom products (26%) and home appliances/mobile phone/IT digitals (22%). Notably, infant and mom products are more attractive to freshmen of cross-border online shopping, which become the most appealing overseas products now.

As consumers are more sophisticated about cross-border online shopping and overseas commodities, the correlation between product categories and their origin tends to be more important. In terms of origins, consumers are more likely to buy beauty and skincare products from France and South Korea, clothes from Hong Kong and Italy, shoes and bags from Italy, health care products from Australia, and infant & mom products from New Zealand.

With consumers' increasing demand on product options and further segmentation, Nielsen expects to see more diversified product categories.

Cross-Border E-Commerce Apps are Gaining Popularity

Nielsen's research suggests that personal computers (PC) are still the most common device for consumers to conduct cross-border purchases (85% usage rate) while mobile accounts for 71% and the 56% respondents claim to use both PC and mobile.

PCs are more frequently used by consumers for cross-border online shopping than for domestic online shopping. It may be because of consumers' stronger demands and higher requirement on searching functions. In general, consumers doing cross border shopping are more on purpose.

Meanwhile, mobile platforms like social cross-border online shopping APPs have become new favorites due to better social communication and timeliness. With the diversity of cross-border online shopping forms, mobile platforms are expected to further develop.

Li Xin added, "According to the Nielsen research, quality, logistics, price and product options are key considerations when consumers are selecting their cross-border online shopping platforms. Authenticity is the consumers' top of mind concern. And consumers are not satisfied with the current shipping and delivery time due to the complex procedure of overseas purchase. Given that consumers who cross-border online shop have clear demands and purposes, the depth of category of items selectable is always more important than its width. For those retailers or brands that want to enter this market, it would be good to start with categories of high penetration and acceptance level such as clothes and skin care products; and mom and baby products are the most attractive category in regards of recruiting new users.

CONTACT:

Terisa Wang +8623269200 Haoyi.Wang@nielsen.com

About Nielsen

Nielsen N.V. (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers Watch and Buy. Nielsen's Watch segment provides media and advertising clients with Total Audience measurement services across all devices where content — video, audio and text — is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry's only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen provides its clients with both world-class measurement as well as analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries that cover more than 90 percent of the world's population. For more information, visit www.nielsen.com.

了解最新市场洞察，请关注：



尼尔森官方微博账号：[尼尔森市场研究](#)



尼尔森官方微信平台：

