

# Cross-border e-commerce to surpass \$2.1tn in 2023, new research reveals

The value of cross-border e-commerce will exceed \$2.1tn in 2023, up from \$1.9tn in 2022, accounting for 38% of all e-commerce transactions globally by value, according to a new study from Juniper Research.



Source: Getty

This growth of over 13% in a single year reflects the increasing success of marketplaces that offer goods across borders, as well as the rising viability of cross-border sales as an e-commerce model.

The new research, *Cross-border eCommerce: Emerging Opportunities, Future Challenges & Market Forecasts 2022-2026*, found that as e-commerce models diversify, including models such as 'buy now pay later' and 'click and collect', cross-border options must also keep pace, by agreeing to local distribution and payment partnerships.

The research recommends that cross-border e-commerce vendors offer localised e-commerce models, or they will lose out to options that better serve consumer appetites.

## Marketplace model critical for growth

The research found that the marketplace model, where large vendors, such as Amazon or Wish.com, sell goods to users on behalf of cross-border vendors, will be critical to growth. This model represents an easy way to access a large audience, while ensuring that accepting payments and other logistical issues are seamlessly handled.

Research co-author Nick Maynard elaborated: "The marketplace model within e-commerce takes the complexity away, meaning that cross-border merchants can provide a localised service. As such, marketplaces are an excellent way to gain immediate access to an existing user base, albeit one that can be restrictive compared with having a direct-to-consumer relationship."



### Outlook: E-commerce and the race for rapid delivery

Lauren Hartzenberg 21 Feb 2022



## **Physical goods dominating cross-border e-commerce spend**

The research found that physical goods will account for over 97% of cross-border e-commerce spend in 2023, with digital goods making up the remainder. It identified the maturity of cross-border export of physical goods as a business model as a major factor in this difference, as well as increasingly cost-conscious end users.

The research recommends that payments vendors support a wide range of local payment methods, in order to capitalise on this sizeable opportunity.

For more, visit: <https://www.bizcommunity.com>