

# WHERE TO PLAY

## Cross-border eCommerce

### CBEC LANDSCAPE OVERVIEW



### GOVERNMENT POLICY

Free Trade Zones and Pilot CBEC Cities have been further expanded to Western and Northern China in July 2018 as an encouraging signal

Pilot Cross-Border eCommerce Cities (2016)

2016  
Total 15 cities



Pilot Cross-Border eCommerce Cities (2018)

2018  
Total 37 cities



### SHOPPER TYPE

Shopping Motivation differs across CBEC Shoppers

This group of CBEC shopper may **cannibalize** foreign brands' local eCommerce business in China

**16%**

**Deal Hunter:**  
With lower price

**31%**

**Quality Believer:**  
With higher quality and willing to pay more

This group of CBEC shopper could offer foreign brands **incremental contribution** to their CBEC business

**23%**

**International Version Admirer:**  
Buy international version and willing to pay more

**30%**

**Variety Seeker:**  
Buy products aren't available in China

### MARKETING

Improving shopping experience by connecting consumers to offline science and brand education

Some brands on CBEC channel **doesn't have any offline store**, which makes product **inaccessible in person**

agree or strongly agree **79%**

Wide **variety of choices** available via CBEC but **without concrete brand education**, I am hesitant to make decision

agree or strongly agree **74%**