

PayPal e-Commerce Index

DEEP DIVE: Belgium

Europe

November 2022

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About the research

This research report was produced by PayPal Pty Limited, based on a study conducted by ACA Research with n=1,017 consumers and n=405 businesses. The report contains general observations about trends in e-Commerce, social commerce, Buy Now Pay Later, International Shopping as well as cryptocurrency, NFTs and the metaverse. The study does not take into account the objectives, situation or needs of any specific business or individual.

The consumer research conducted by ACA Research consisted of a 15-minute online survey of n=1,017 Belgian consumers aged 18-75 years, exploring adoption, usage and sentiment towards e-Commerce, social commerce, Buy Now Pay Later, International shopping as well as cryptocurrency, NFTs and the metaverse. In addition, ACA Research conducted a 10-minute online survey of n=405 business decision makers within Belgian B2C retailers and businesses who operate entirely or partially online, exploring their attitudes and behaviours around e-Commerce, social commerce, Buy Now Pay Later, International shopping as well as cryptocurrency, NFTs and the metaverse. Numbers may not add to 100% due to rounding.



CONSUMER SAMPLING:

The consumer research consisted of a sample of n=1,017 Belgians aged 18-75. The sample was weighted by age, gender and location to ensure data was nationally representative. Significance testing was conducted at a 95% confidence interval, with a potential sampling error of 3.1%.



BUSINESS SAMPLING:

The business research consisted of a sample of n=405 decision makers within Belgian businesses. All businesses had to sell partially or wholly to consumers, and partially or wholly online. Quotas were set on turnover and location, and the sample. Significance testing was conducted at a 95% confidence interval, with a potential sampling error of 4.8%.



METHODOLOGY:

Online self-completion survey. Sample was sourced through consumer and business research panels, with participants incentivised for completing the survey.



TIMING:

The research was in field from 15th of June to 22nd of July.



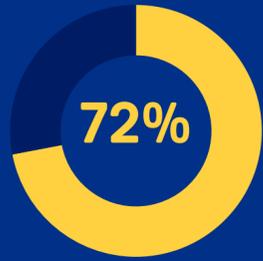
GENERATIONAL AGES:

Generational Ages as of 2022: Gen Z (18-25 years); Gen Y (26-41 years); Gen X (42-57 years); Baby Boomer (58-75 years).



Key Insights: Belgium Consumers

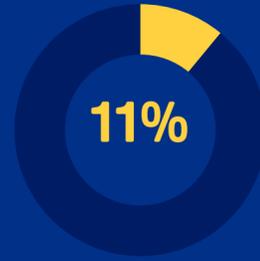
e-Commerce Usage and Buy Now Pay Later



shop online at least weekly



86% uplift for making a purchase on a website that offers PayPal as a payment method, compared to one that does not



have made a Buy Now Pay Later purchase in last 6 months

Cross Border



Consumers tend to feel more secure to shop internationally when PayPal is available (35%)

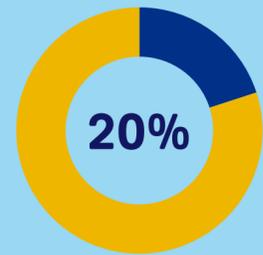


Main benefits to international shopping are better prices (54%) and access to items not available in Belgium (36%)

Social Commerce

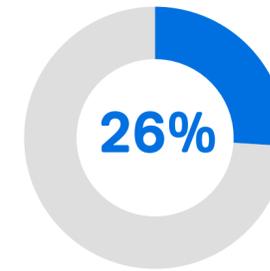


37% have made a purchase via a social or streaming platform in the past 6 months

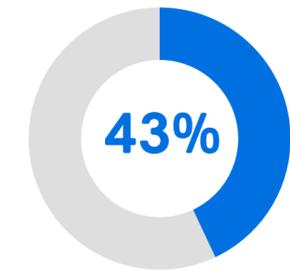


would only buy via a social media platform if PayPal was available

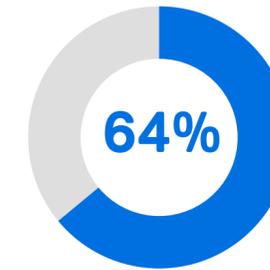
e-Commerce Drivers & Barriers



say PayPal is their most trusted online payment option



make online purchasing decisions based on businesses' ethical considerations

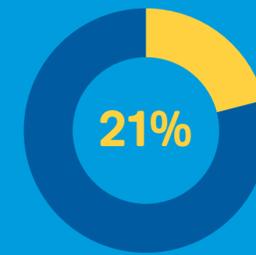


have abandoned an online purchase before payment



43% would be less likely to buy from a site due to security or trust issues at checkout

Tech Trends



have participated in a virtual space / metaverse, led by Gen Z at 40%



More than one in ten (11%) believe that virtual spaces / the metaverse will become important channels for shopping

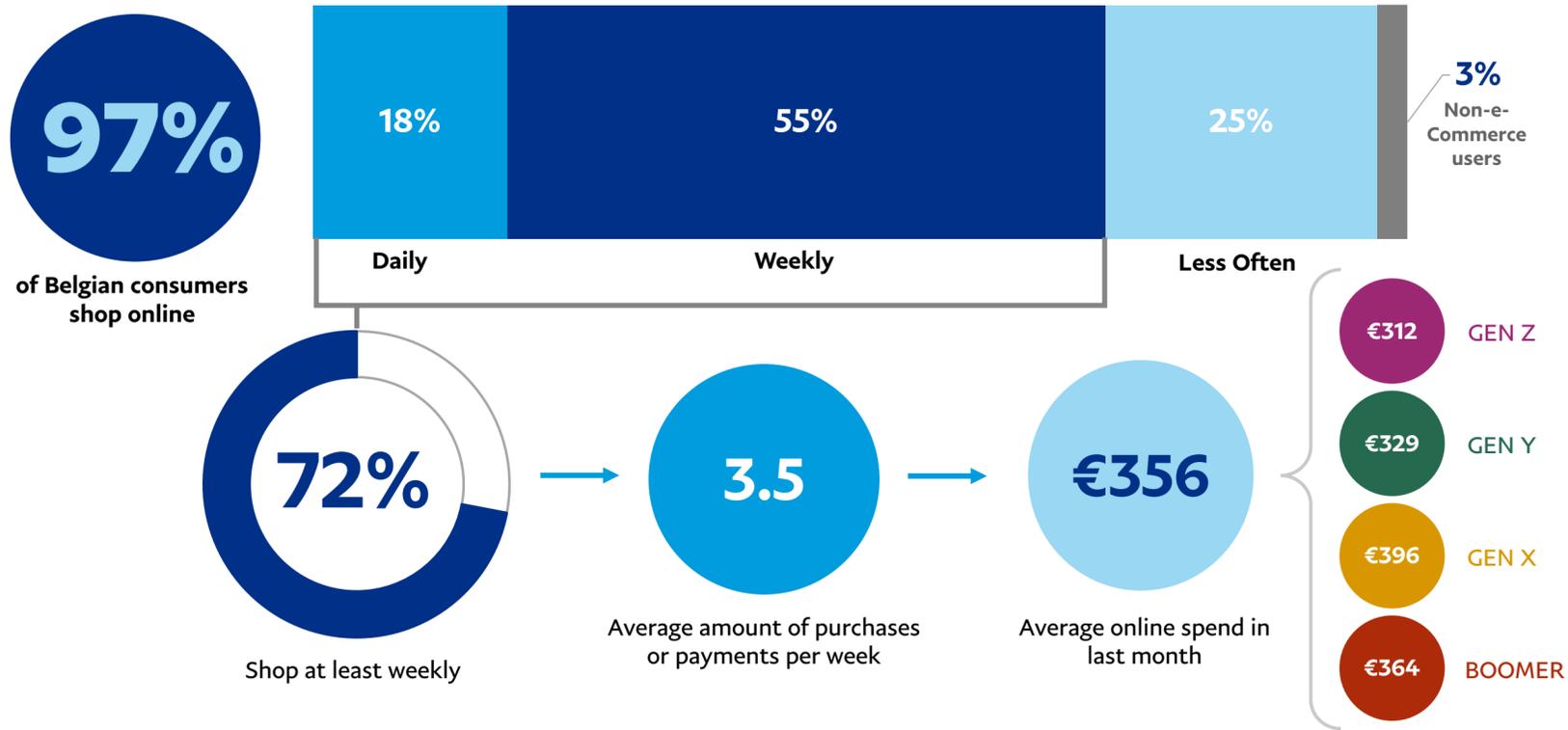


25% had or do own cryptocurrency

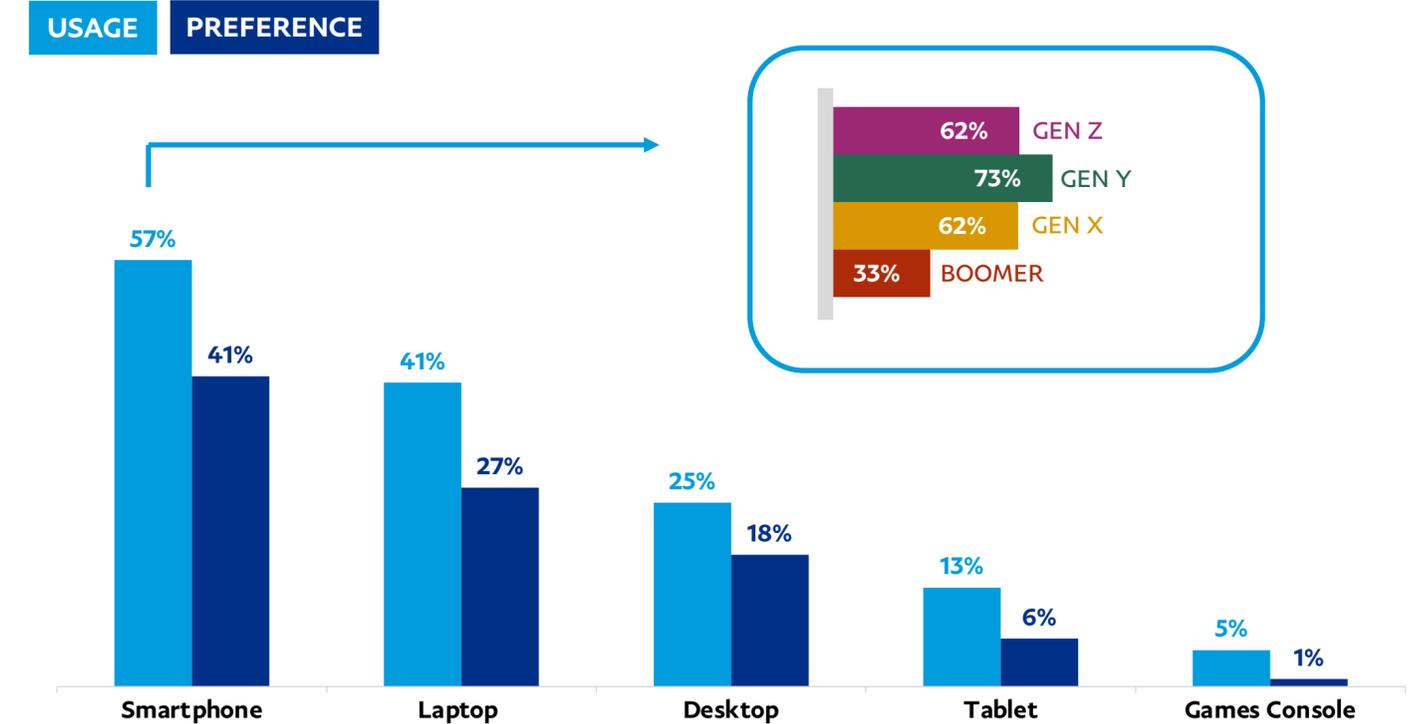
Usage

(All Belgians 18-75)

Online Shopping Frequency

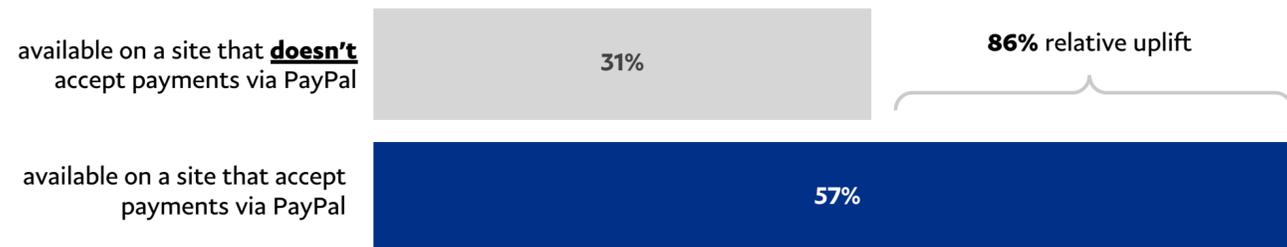


Top Five Devices Used for Online Payments

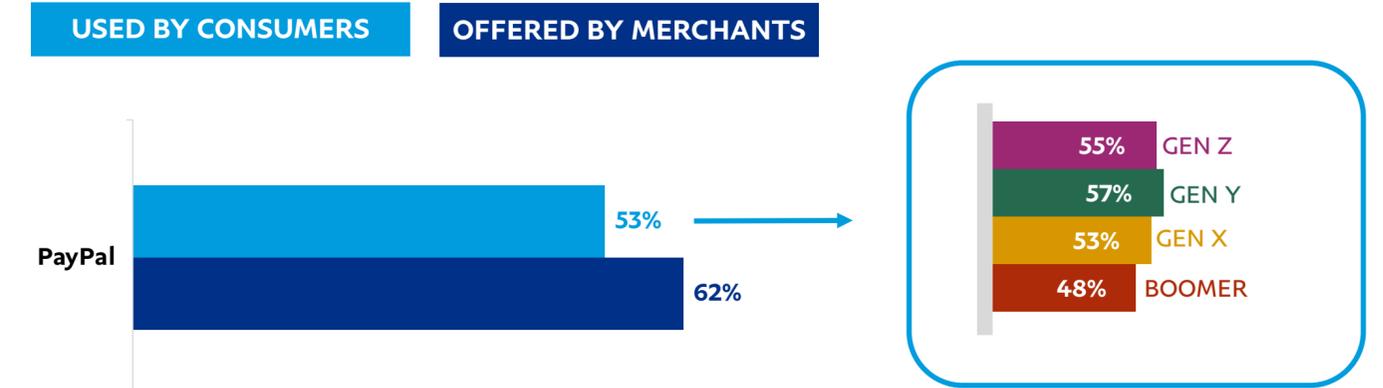


PayPal Increases Purchase Likelihood

If you find a product that you want on two separate sites, both of which are offering it for the same price, how likely would you be to buy the product if it was ...



PayPal Usage for Online Payments

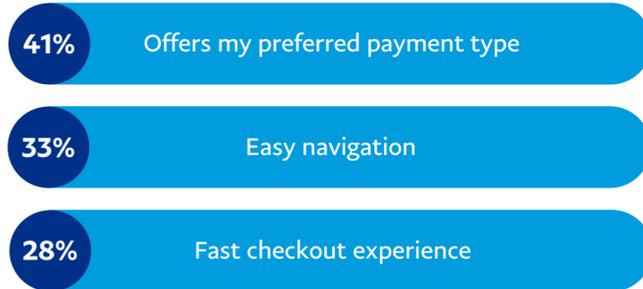


Drivers & Barriers

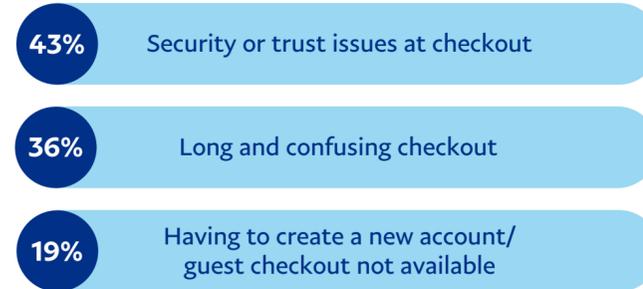
(All Belgians 18-75)

Drivers & Barriers

More likely to buy online if:



Less likely to buy online if:

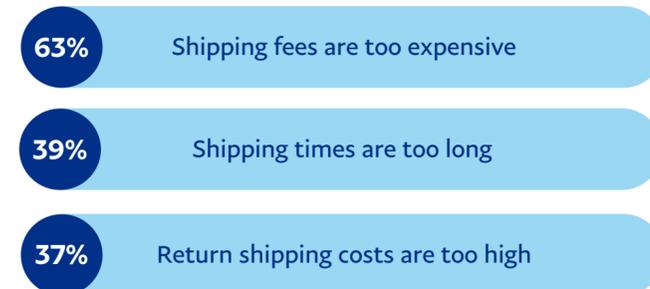


Shipping & Returns

More likely to buy online if:

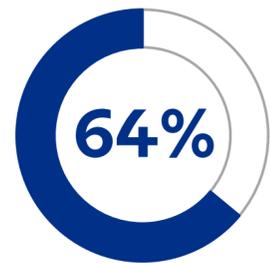


Less likely to buy online if:

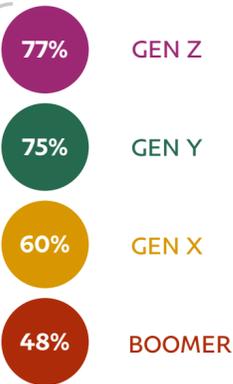


70% BOOMER

Abandonment



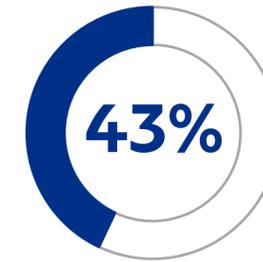
Have abandoned a purchase or payment whilst shopping online



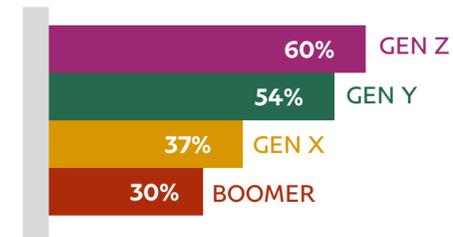
Abandoned a purchase or payment...



Ethics



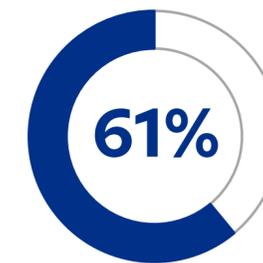
Make online purchasing decisions based on businesses ethical considerations



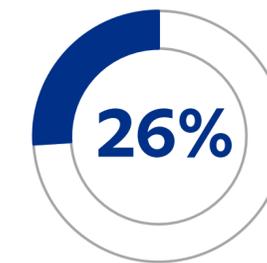
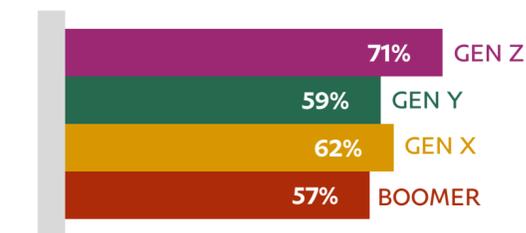
Ethical considerations in e-Commerce:



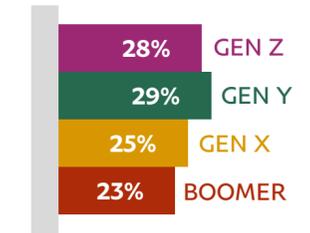
Trust



Trust PayPal to keep their payment secure



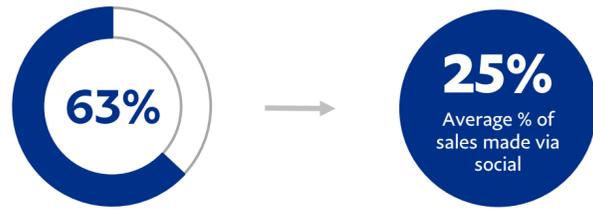
Say PayPal is their **most trusted option** when purchasing or transacting online



Social Commerce

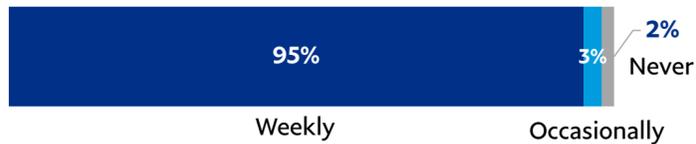
(All Belgians 18-75)

Businesses (that sell online)



of Belgian businesses currently sell through social media platforms

Frequency of Social Promotion



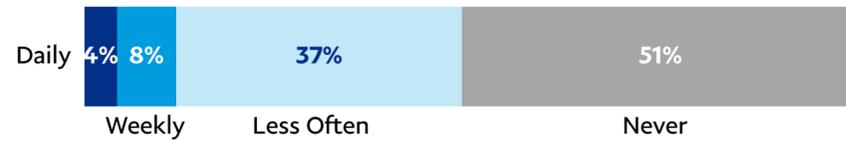
Consumer (All Belgians 18-75)

(All Belgians 18-75)



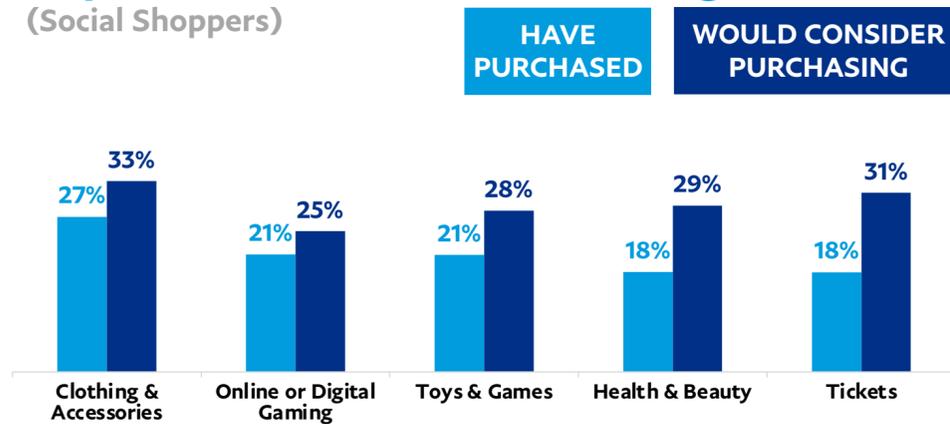
of Belgian consumers have made a purchase through social media or streaming platforms in the past 6 months

Frequency of Social Shopping



Top Five Social Purchase Categories

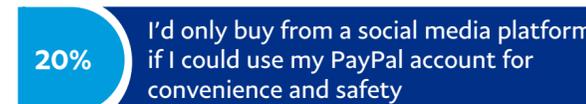
(Social Shoppers)



Purchasing Motivations

(All Belgians 18-75)

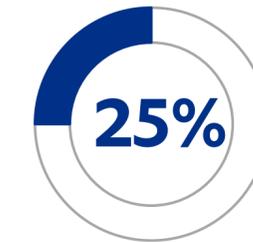
Belgians agree...



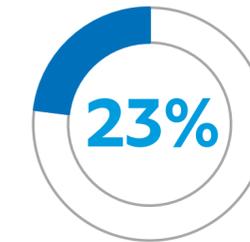
Tech Trends

(All Belgians 18-75)

Cryptocurrency



Have owned cryptocurrency at some point



I'm concerned about the safety and security of trading cryptocurrencies

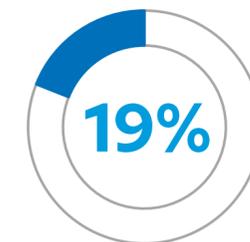


I'd feel comfortable using PayPal as a platform to buy, sell, and hold cryptocurrencies

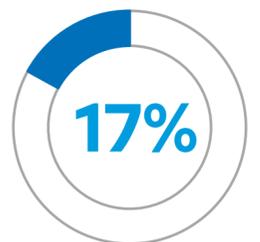
NFTs



Have owned NFTs at some point

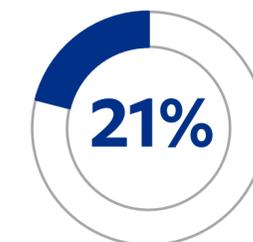


I'm concerned about the safety and security of trading NFTs

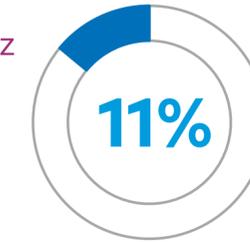
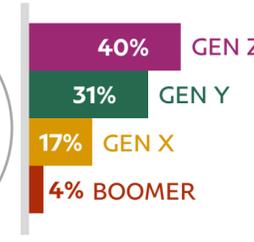


I think NFTs are a fad

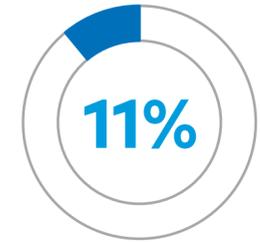
Metaverse/Virtual Space



Have participated in a virtual space/metaverse at some point



Believe they will engage with more people in virtual spaces/metaverse than in real life in the future

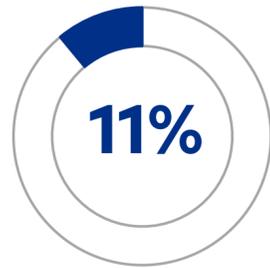


Believe virtual spaces/the metaverse will become important channels for shopping in the future

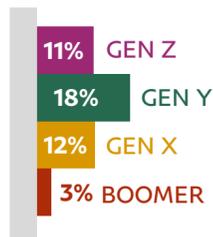
Total Buy Now Pay Later Services Landscape (All Market Providers)

Cross Border

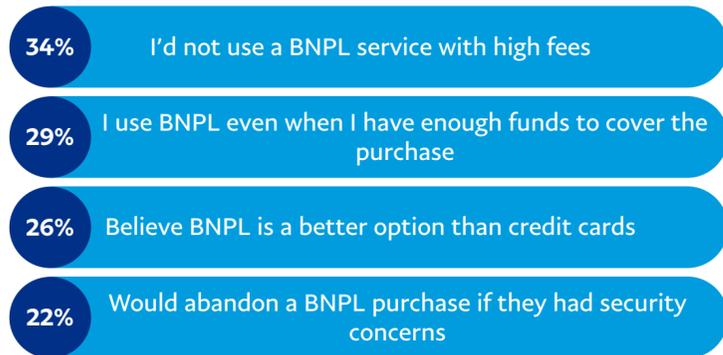
BNPL Last Month Spend & Transactions (BNPL Users)



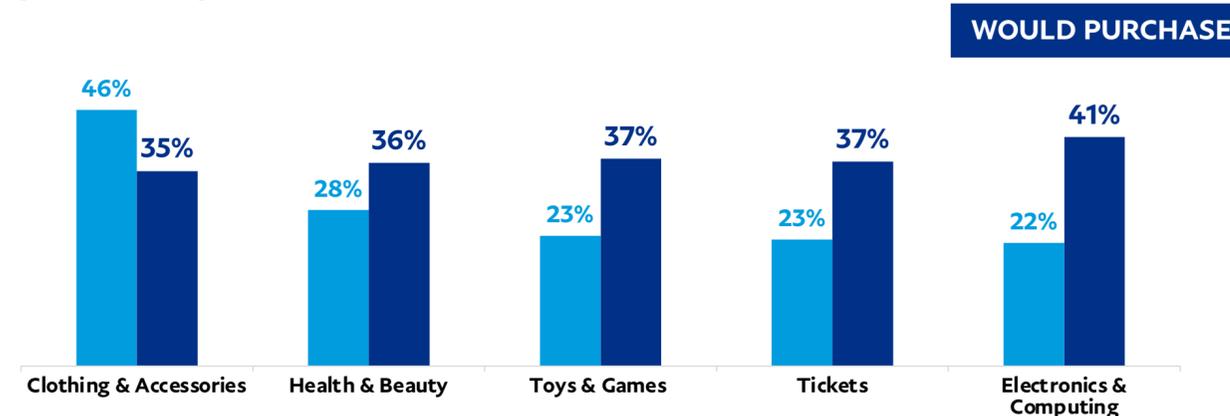
of Belgian consumers have used a BNPL service in the past 6 months



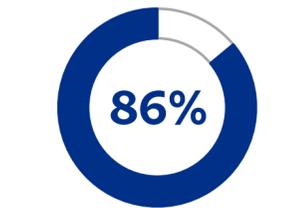
BNPL Services Beliefs (BNPL Users)



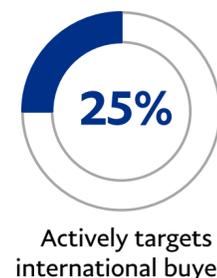
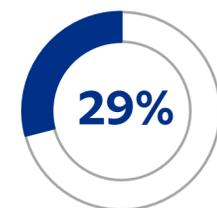
Top Five BNPL Purchase Categories (BNPL Users)



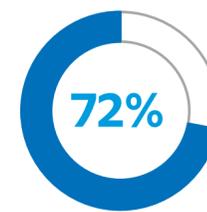
Businesses (that sell online)



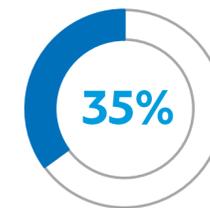
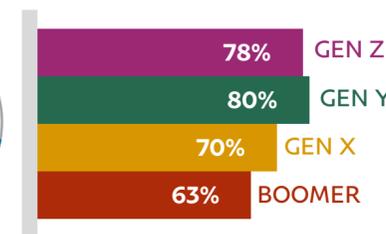
Of Belgian businesses sell internationally



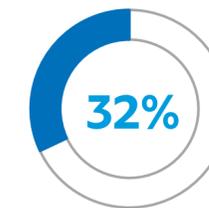
Consumer (All Belgians 18-75)



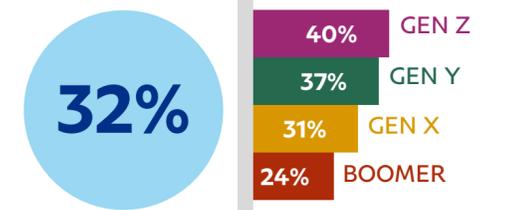
have shopped internationally



When PayPal is available, I feel more secure to shop on international store



prefer to support businesses in my own country



Proportion of online shopping which is from international retailers



prefer large "global" stores when purchasing from another country

International Shoppers

Reasons for shopping internationally:



Local Shoppers

Reasons for shopping locally:



Appendix

Please see the questions that refer to each page, ordered clockwise.

Page 4.

Consumer Questions

Q2. How often do you do each of the following online (through either a computer or mobile device)?

Q6. In total, how much money have you spent on online purchases or payments in the last month? Please include purchasing apps, in-app purchases, payments for bills or services and other online shopping. If you are unsure, please provide your best estimate.

Q1b. Which of these devices do you currently use for online purchases or payments?

Q1c. Which of these devices do you prefer to use for online purchases or payments?

Q3a. Thinking about when you make a purchase or pay online, which of the following payment options, if any, have you used in the last 6 months?

Q24. If you find a product that you want on two separate sites, both of which are offering it for the same price (including any shipping costs), how likely would you be to buy the product if it?

Business Questions

Q3. Which of the following online payment options do you offer your customers?

Page 5.

Consumer Questions

Q10. And, which of the following would lead to you being more likely to make an online purchase?

Q9. Which, if any, of the following would lead to you being less likely to make an online purchase?

Q8. Which, if any, of the following have you ever done when making a payment or purchase?

Q22. Which of the following online payment options would you trust to keep your payment secure and protect you should something go wrong with the purchase?

Q23. Which payment option do you trust the most when purchasing or transacting online?

Page 6.

Consumer Questions

Q11. Which of the following social media or streaming platforms, if any, have you made a purchase or payment through in the last 6 months?

Q16. In total, how much money have you spent on all purchases or payments made through a social media or streaming platform in the last month? If you are unsure, please provide your best estimate.

Q15. How often, if at all, do you make purchases or payments through social media or streaming platforms?

Q25. Which of the following best describes you when it comes to cryptocurrency and NFTs?

Q31. Which, if any, of the following statements about cryptocurrencies do you agree with?

Q29. Thinking now about virtual spaces/the metaverse, which of the following best describes you?

Q32. Which, if any, of the following statements about NFTs and virtual spaces/the metaverse do you agree with?

Q14. Thinking about purchasing through social media or streaming platforms (e.g. Instagram etc), which of the following statements, if any, do you feel apply to you personally?

Q12. And, thinking specifically about the social media or streaming platforms you use personally, which of the following, if any, do you feel apply to you?

Q13. Which of the following product categories, if any, have you, or would you buy through social media or streaming platforms (e.g. Instagram etc.)?

Business Questions

Q8. Do you currently, or will you in the next 6 months sell via social media platforms (e.g. Facebook, Instagram, Pinterest, Twitch, TikTok)?

Q4. Approximately what percentage of your sales are made through social media platforms?

Q7. Approximately how often, if ever, does your business use each of the following social media platforms to promote/market your business (including paid ads and posts)?

Page 7.

Consumer Questions

Q3a. Thinking about when you make a purchase or pay online, which of the following payment options, if any, have you used in the last 6 months?

Q20. How much have you spent across all of your Buy Now Pay Later accounts in the last 3 months? Note: this was averaged to monthly*

Q19. How many times have you made an online purchase using a Buy Now Pay Later service in the past 3 months? Note: this was averaged to monthly

Q33. What proportion of your online shopping is from international retailers (i.e. based outside your country)? If unsure, please provide your best estimate.

Q34. Thinking specifically about making a purchase online, which, if any, of the following statements do you agree with?

Q35. You say you have made purchases online from websites in other countries. Please select your main reasons for shopping on websites in other countries rather than the country where you live?

Q36. You say you haven't made purchases online from websites in other countries. Please select your main reasons for not shopping on websites in other countries

Q18. Which of the following categories have you/would you consider purchasing using BNPL services

Business Questions

Q22. In the last 6 months, approximately what percentage of your online sales turnover came from international customers? If you are unsure, please provide your best estimate.

Q23. Which, if any, of the following statements apply to your business with regard to selling online internationally?

