Globalization and cross-border business-to-consumer (B2C) e-commerce have led to an increased need for international freight transportation and well-developed logistics capabilities. Online consumers who are directly affected by delivery quality, might take the logistics performance in to account when choosing the country they want to buy online from. In this study, we conduct an empirical analysis to examine how logistics performance in the host country drives cross-border online sales and to what extent the country-level institutional factors at the economic, cultural and regulative levels moderate this effect. Following this target, we explore the impact of country characteristics for both host and consumer’s countries simultaneously on individual-level decision making.