

# New Zealand Online Retail Sales



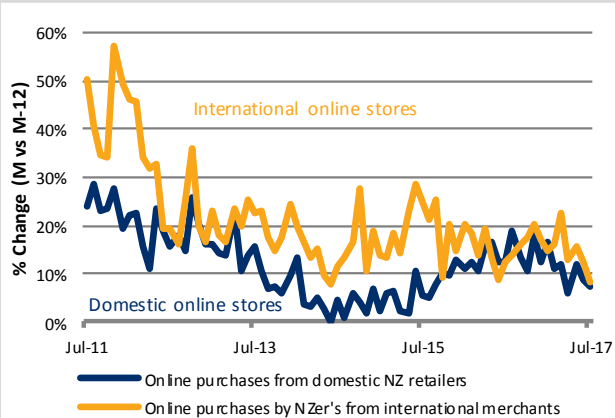
## Monthly Update for July 2017

- A softer-than-usual month for the growth in New Zealanders' **total** online retail shopping, with spending only up 8% compared to July last year. But even at this level, online growth was still much stronger than that for local bricks-and-mortar stores, where spending was up just 2.5% compared to July 2016<sup>1</sup>.
- Annual online spending across the retail categories we cover\* is estimated to be \$4 billion (excl GST). This is equivalent to 7.7% of total retail sales reported in Statistics NZ's RTS (comparing like-for-like categories). Excluding the food and liquor sectors from both the RTS and our Index, online spending is equivalent to 11% of retail sales.
- Purchases from **offshore** online retailers were up 8% on July 2016. Continued strong spending on Computers and Electronics offset flat year-on-year spending at overseas merchants for Clothing and Entertainment Media.
- Spending at **local** online retailers was up 7% on July last year. Clothing and Food store-types continue to drive a significant portion of the growth in online spending at domestic stores.

<sup>1</sup>Using Statistics NZ figures for electronic transactions in core retail industries excluding hospitality, as a proxy for physical stores.

### Growth in NZ online sales by retailer location

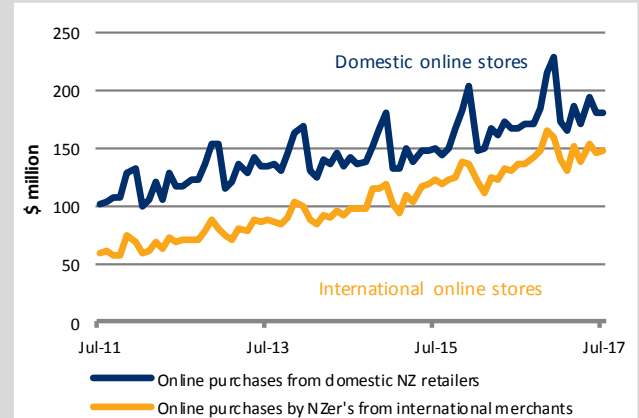
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

### Monthly Online Retail spending by New Zealanders

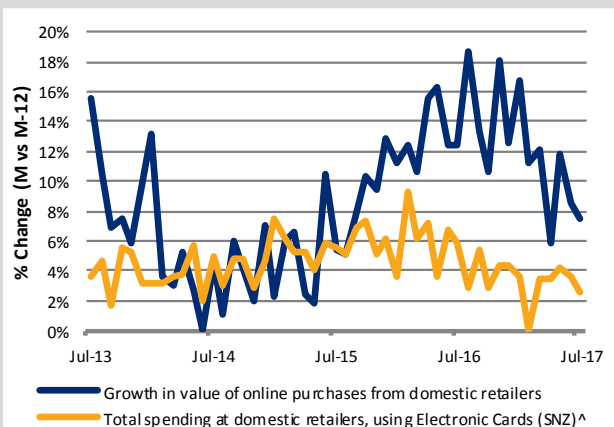
\$ million



Source: BNZ and Marketview

### NZ Domestic Online vs SNZ Electronic Card Transactions<sup>A</sup>

Monthly spending compared to same month in prior year



Source: BNZ and Marketview

<sup>A</sup>"SNZ" refers to official figures released by Statistics New Zealand. The SNZ ECT data used in our calculations is for core retail excluding hospitality. Online data is from BNZ & Marketview.

### Growth in total online spending by broad category group

Monthly spending compared to the same month in prior year

<b>16%</b>	Groceries & Liquor (incl health food and supplements)
<b>6%</b>	Furniture, Housewares and Hardware
<b>17%</b>	Electrical & Electronic goods (incl computers & appliances)
<b>1%</b>	Recreation, Toys, Games, Entertainment media, Books
<b>11%</b>	Clothing, Footwear and Accessories
<b>-20%</b>	Daily Sales (at specialist sites)
<b>6%</b>	Variety, Department and Other*
<b>-1%</b>	Pharmacy, Cosmetics, Stationery, Antiques, Flowers

Source: BNZ and Marketview

\*Note: "Other" includes unclassified stores and specialty stores that don't neatly fit into defined ANZSIC categories. Unclassified Trade Me spending (the estimated "retail" component) is included with Department Store spending. Figures may not add to 100% due to rounding.

Growth Rates	Total Online Index			Domestic Online Purchases			International Online Purchases		
	May-17	Jun-17	Jul-17	May-17	Jun-17	Jul-17	May-17	Jun-17	Jul-17
Month ended >>>									
Monthly spending vs Same month prior year	14%	10%	8%	12%	9%	7%	16%	13%	8%
3-monthly average vs Same period prior year	13%	11%	11%	10%	9%	9%	17%	14%	12%

**Data notes:** Online sales data is produced by Marketview. Traditional retail sales data is from Statistics New Zealand quarterly releases. For both data sets, the figures we use correspond to Statistics New Zealand's ANZSIC Division G (Retail Trade) excluding fuel, motor vehicles and parts, and marine. The annual value of official retail sales in the categories we monitor is approximately \$49 billion.

\*Categories included in the BNZ Online Retail Index are: supermarket and grocery stores; specialised food and liquor; furniture, floor coverings, houseware and textile goods; electrical and electronic goods; hardware, building and garden supplies; recreational goods; clothing, footwear and personal accessories; department stores; pharmaceutical and other store-based retailing; non-store retailing; and retail commission-based buying and/or selling.

## Reports can be downloaded here:

[www.bnz.co.nz/onlineindex](http://www.bnz.co.nz/onlineindex) and [www.marketview.co.nz/free-reports/](http://www.marketview.co.nz/free-reports/)

For technical notes, please refer to one of our earlier “Quarterly update” reports.

For details on how our measure compares with other studies of online sales in New Zealand please refer to the “Quarterly update” report released in February 2014 and the report on May 2014 online sales released on 2 July 2014.

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