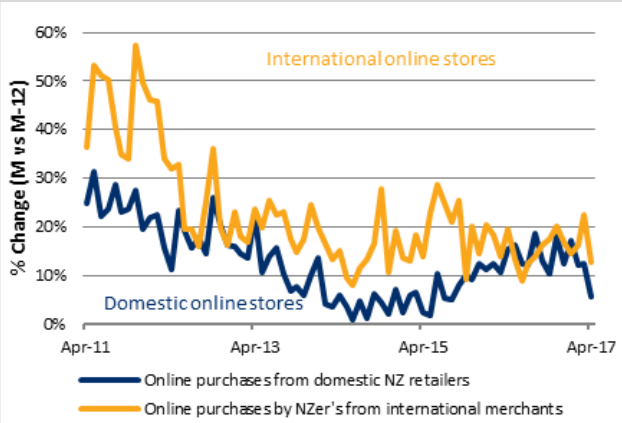


- The growth rate for New Zealanders' **total** online retail spending eased in April, but was still up 9% compared to the previous April. The growth rate softened for both offshore and local online purchases, compared to 2017's trends so far.
- Purchases from **offshore** online retailers were up 13% on April last year.
- Spending at **local** online retailers was up 6% on April last year - the lowest annual growth rate since late 2015. Monthly retail sales can be quite volatile, and we are mindful not to read too much into a single month's figures. For example, the timing of Easter (April vs March last year) and weather may have affected spending patterns. The online growth rate at local sites was still higher than that of local bricks-and-mortar stores, where sales grew approximately 4% compared to last April¹.
- Online **grocery** purchases grew strongly in April, a trend also observed in Statistics NZ's April figures for electronic transactions at grocery & liquor stores - another possible result of Easter timing/April's weather. Online **clothing** purchases were up 10% on last April, contrasting apparel sales at bricks and mortar stores, which were down 3.7%¹ on last April.

¹Using 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

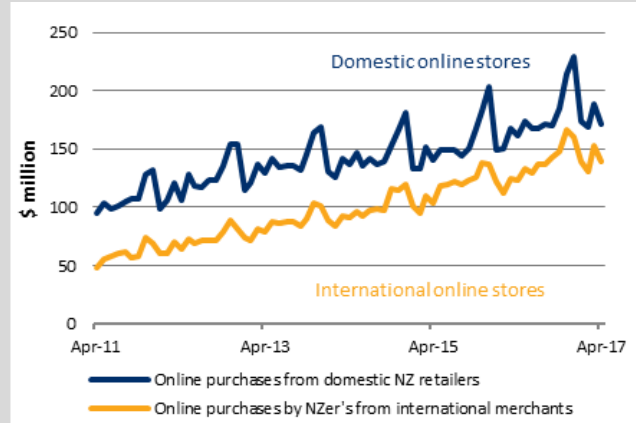
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

Monthly Online Retail spending by New Zealanders

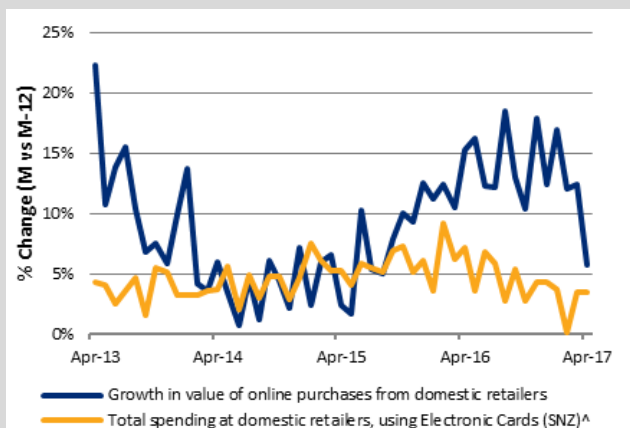
\$ million



Source: BNZ and Marketview.

NZ Domestic Online vs SNZ Electronic Card Transactions[^]

Monthly spending compared to same month in prior year



Source: BNZ and Marketview

[^]“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

16%	Groceries & Liquor (incl health food and supplements)
-9%	Furniture, Housewares and Hardware
17%	Electrical & Electronic goods (incl computers & appliances)
5%	Recreation, Toys, Games, Entertainment media, Books
12%	Clothing, Footwear and Accessories
-13%	Daily Sales (at specialist sites)
9%	Variety, Department and Other*
5%	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		
	Feb-17	Mar-17	Apr-17	Feb-17	Mar-17	Apr-17	Feb-17	Mar-17	Apr-17
Month ended >>>									
Monthly spending vs Same month prior year	14%	17%	9%	12%	12%	6%	16%	22%	13%
3-monthly average vs Same period prior year	15%	16%	13%	14%	14%	10%	16%	18%	17%

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/onlineretailindex and 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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