

New Zealand Online Retail Sales

April 2018

29 May 2018

- Growth in online retail sales bounced back in April, with **total** online spending **14%** higher than in April last year.
 - It's difficult to be definitive on the reason for the slower-than-usual growth we saw in March, but likely culprits include timing and "profiling" effects (e.g. spending at international sites in March was compared with exceptionally strong spending in March 2017).
- Spending at **domestic** sites was up **16%** compared to the prior year, well ahead of the growth in spending at local bricks-and-mortar stores¹, which were only up 0.4% on last April. The Food, Clothing and Electrical categories experienced particularly strong results.
- Online spending at **international** merchants was up **12%** compared to April last year. Computer, Clothing and Entertainment Media categories contributed to over 60% of growth in spending at international online retailers.
- Annual online spending across the retail categories we cover* is now approximately \$4.3 billion (excl GST). This is equivalent to **7.7% of total retail sales** reported in Statistics NZ's Retail Trade Series (RTS), comparing like-for-like categories. **Excluding the food and liquor** sectors from both the RTS and our Index, online spending is equivalent to **11.1%** of retail sales.

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

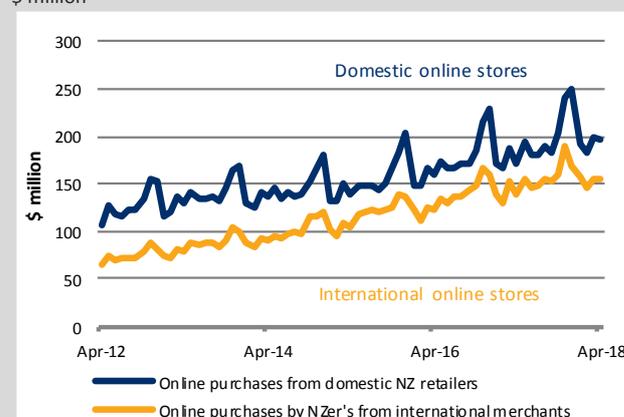
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

Monthly Online Retail spending by New Zealanders

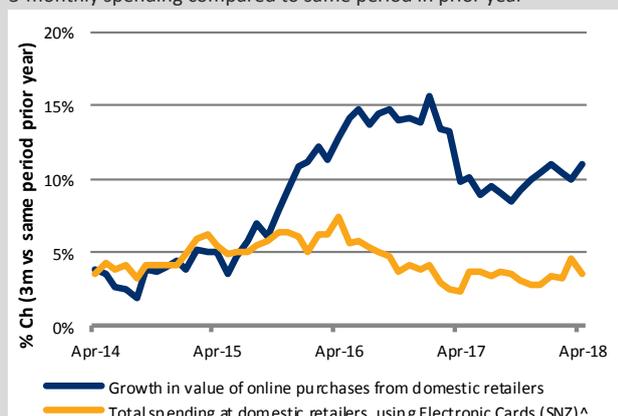
\$ million



Source: BNZ and Marketview

NZ Domestic Online vs SNZ Electronic Card Transactions[^]

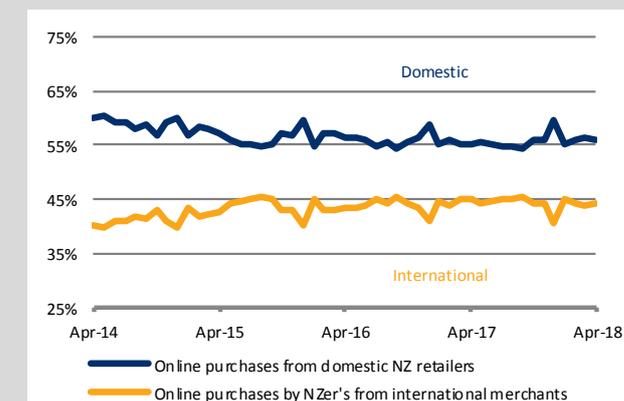
3-monthly spending compared to same period in prior year



Source: BNZ, Marketview, Statistics NZ.

[^]"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.

Share of online sales by retail location



Source: BNZ and Marketview

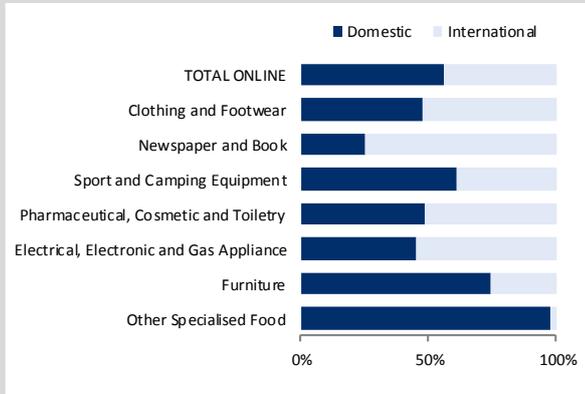
Growth Rates	Total Online Index			Domestic Online Purchases			International Online Purchases		
	Feb-18	Mar-18	Apr-18	Feb-18	Mar-18	Apr-18	Feb-18	Mar-18	Apr-18
Month ended >>>									
Monthly spending vs Same month prior year	11%	5%	14%	11%	7%	16%	12%	2%	12%
3-monthly average vs Same period prior year	10%	9%	10%	10%	10%	11%	10%	9%	8%

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.

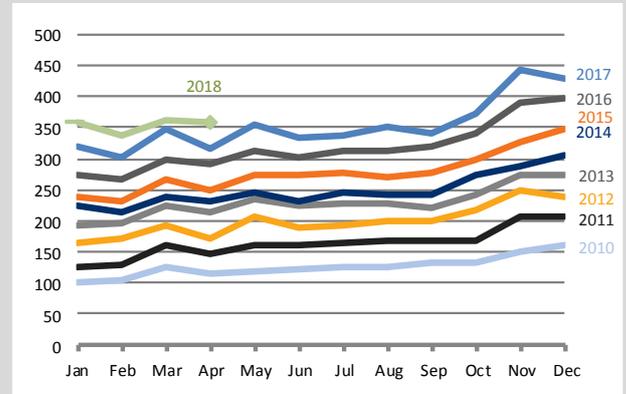
Supplementary charts: April 2018

Split of online spending between international and domestic sites
Selected categories, for the 12 months ended April 2018



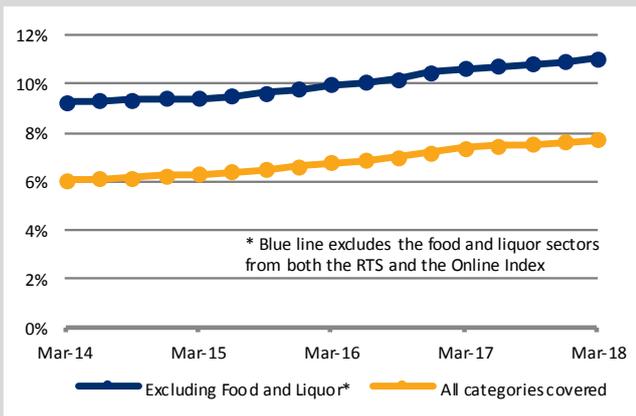
Source: BNZ, Marketview

Index of Total NZ Online Retail Sales January 2010 = 100



Source: BNZ, Marketview

Annual Online spending as a % of Statistics NZ Retail Sales

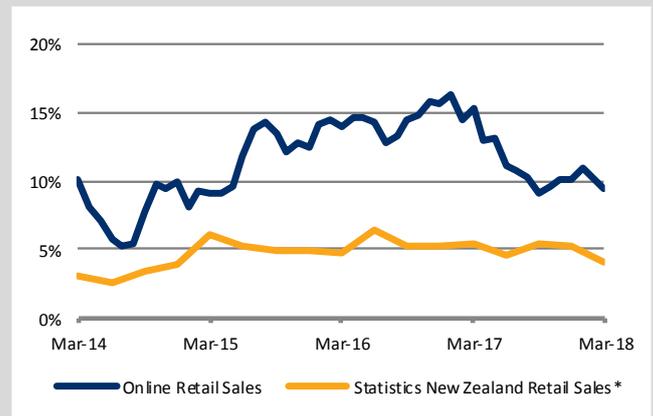


Data sources: BNZ, Marketview, Statistics New Zealand

Includes like-for-like categories from our series and SNZ's Retail Sales
Key exclusions: vehicles and parts, fuel, accommodation, cafes, takeaways

Growth Rates: Online Sales vs Statistics NZ Retail Sales

Quarterly spending versus same quarter in prior year



Data sources: BNZ, Marketview, Statistics New Zealand

Includes like-for-like categories from our series and SNZ's Retail Sales
Key exclusions: vehicles and parts, fuel, accommodation, cafes, takeaways

Reports can be downloaded here:

www.bnz.co.nz/onlinetailindex 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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