

New Zealand Online Retail Sales



Monthly Update for August 2016

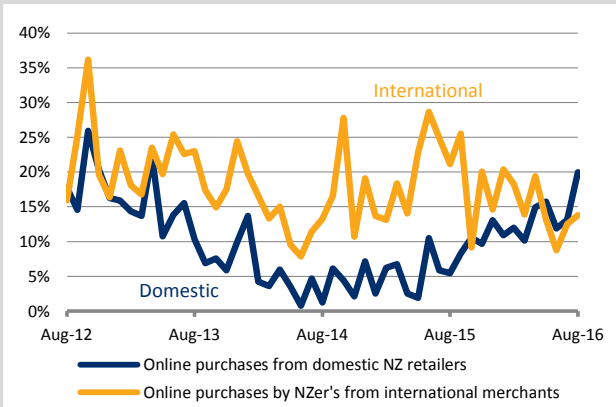
5 October 2016

- A strong month for online retail, with **total purchases up 17% compared to August last year.**
- Online retail sales at **local sites** showed particularly impressive growth and were 20% higher than August 2015.
 - The strong online growth is in contrast with growth in sales at physical stores, which were up only 3.5%* on last August.
 - Food/Groceries, Clothing, and Department and Variety stores were responsible for over half of the growth in online sales at domestic merchants. These categories were all up by more than 20% on last August.
 - Online sales at local Sport and Camping Equipment and Computer stores were also up more than 20% on August 2015.
- Online purchases by Kiwi's from **offshore sites** were up 14% on August last year.
 - Key contributors to the increase were: Computer stores (up 21% on last August); Entertainment Media (up 37%); and Clothing (up 17%).

*Based on Statistics NZ figures for electronic card transactions for core retail excluding hospitality

Growth in NZ online sales by retailer location

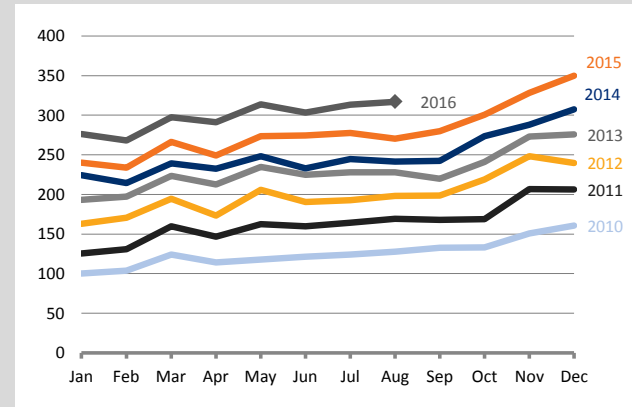
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

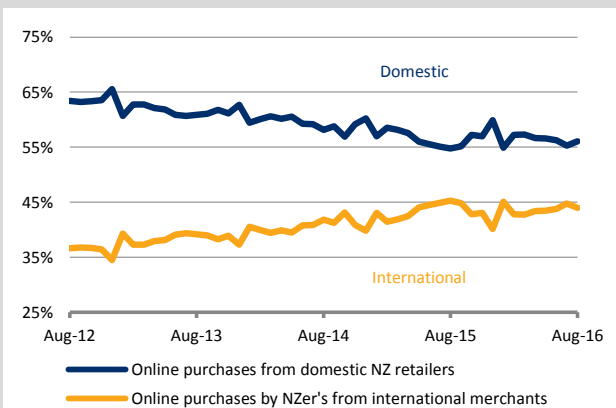
Index of Total NZ Online Retail Sales

January 2010 = 100



Source: BNZ and Marketview.

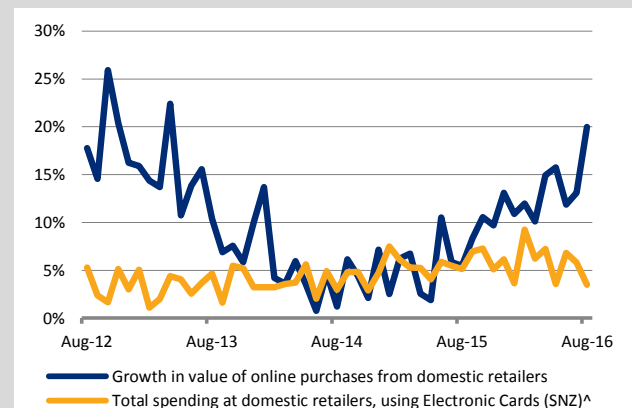
Monthly share of NZ Online Retail Sales, by retailer location



Source: BNZ and Marketview

NZ Domestic Online vs SNZ Electronic Card Transactions[^]

Monthly spending compared to same month in prior year



[^]"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 Rates	Total Online Index			Domestic Online Purchases			International Online Purchases		
	Jun-16	Jul-16	Aug-16	Jun-16	Jul-16	Aug-16	Jun-16	Jul-16	Aug-16
Month ended >>>									
Monthly spending vs Same month prior year	10%	13%	17%	12%	13%	20%	9%	12%	14%
3-monthly average vs Same period prior year	14%	13%	13%	14%	14%	15%	14%	11%	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 \$44 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 and tables

Composition of total online spending: 12 months ended Aug 2016

15%	Groceries & Liquor (incl health food and supplements)
6%	Furniture, Housewares and Hardware
15%	Electrical & Electronic goods (incl computers & appliances)
14%	Recreation, Toys, Games, Entertainment media, Books
12%	Clothing, Footwear and Accessories
4%	Daily Sales (at specialist sites)
27%	Variety, Department and Other*
6%	Pharmacy, Cosmetics, Stationery, Antiques, Flowers

Source: BNZ, Marketview

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

Growth in total online spending (vs same month last year)

28%	Groceries & Liquor (incl health food and supplements)
17%	Furniture, Housewares and Hardware
18%	Electrical & Electronic goods (incl computers & appliances)
8%	Recreation, Toys, Games, Entertainment media, Books
18%	Clothing, Footwear and Accessories
-4%	Daily Sales (at specialist sites)
19%	Variety, Department and Other*
17%	Pharmacy, Cosmetics, Stationery, Antiques, Flowers

Source: BNZ, Marketview

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

Reports can be downloaded here:

www.bnz.co.nz/onlinetailindex and www.marketview.co.nz/our-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.

For more information, contact:

Gary Baker

Director, Institutional Research, BNZ
+64 9 924 9353
+64 21 436 763

Stephen Bridle

Managing Director, Marketview
+64 4 472 1991
+64 274 740 141



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