

New Zealand Online Retail Sales



Monthly Update for January 2017

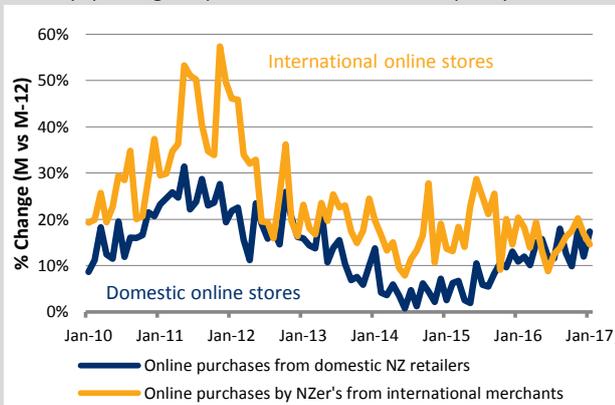
28 February 2017

- **Total online retail spending by New Zealanders in January was up 16% compared to the previous January.**
- The **annual spend** level across the retail categories we monitor* is now estimated to be \$3.8 billion (excl GST). This is equivalent to 7.4% of total retail sales for the same period, as reported in Statistics New Zealand's RTS (comparing like-for-like categories). Excluding the food and liquor sectors from both the RTS and our Index, we estimate online spending is equivalent to around 10.8% of retail sales.
- Purchases from **offshore** online retailers in January were up 15% on the previous January. Clothing and Computer stores continue to feature strongly and were responsible for approximately half of the increase.
- Spending at **local sites** was up 17% on January last year. This slightly exceeds the growth rate for international sites (15%) and is well above the growth rate at bricks and mortar stores (approximately 4%¹). Food, Clothing and Department stores were strong again this month, responsible for approximately half of the increase on last January.

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

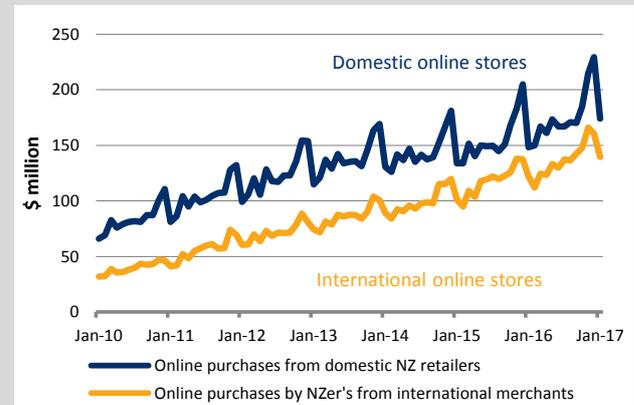
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

Online Retail spending by New Zealanders

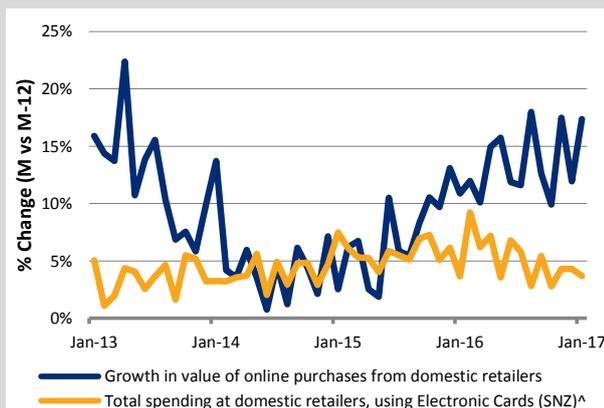
\$ million



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

23%	Groceries & Liquor (incl health food and supplements)
2%	Furniture, Housewares and Hardware
22%	Electrical & Electronic goods (incl computers & appliances)
3%	Recreation, Toys, Games, Entertainment media, Books
21%	Clothing, Footwear and Accessories
10%	Daily Sales (at specialist sites)
18%	Variety, Department and Other*
19%	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			
	Month ended >>>	Nov-16	Dec-16	Jan-17	Nov-16	Dec-16	Jan-17	Nov-16	Dec-16	Jan-17
Monthly spending vs Same month prior year		19%	14%	16%	17%	12%	17%	20%	17%	15%
3-monthly average vs Same period prior year		15%	15%	16%	13%	13%	15%	18%	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/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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