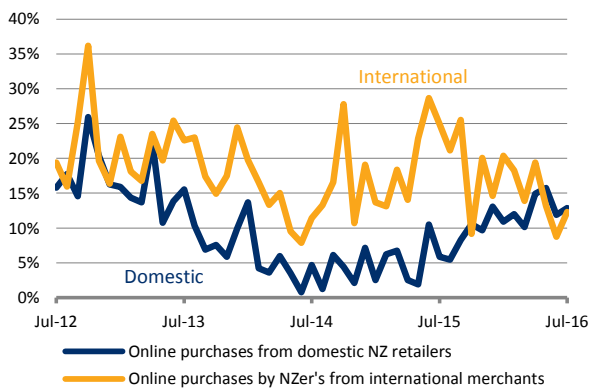


- Online retail sales in July at **local sites** were 13% higher than July 2015. This is just over double the growth rate for sales at physical stores, which also had a solid month (up 6%⁷ on last July).
 - Online purchases at local sites of Food, Computers, Department/Variety stores, Sporting Goods and Stationery were all up by more than 20% compared to July last year.
 - Online purchases from domestic Clothing sites were up 11% on last July.
- Online purchases by Kiwi's from **offshore sites** were up 12% on July last year.
 - Compared to a year ago, spending at offshore sites on Computers and Computer Peripheral products was up 40%; spending on Entertainment Media, Department stores and Cosmetics was up approximately 25%; and spending on Clothing was up 17%.
 - The *National Consumer Spending Series* report released by Marketview earlier this month showed that the higher online spending at UK sites following Brexit was a trend that continued into July. (Marketview has now confirmed the preliminary figures.)
- **Total** online sales were up 13% on last July.

⁷Based on Statistics NZ figures for electronic card transactions for core retail excluding hospitality

Growth in NZ online sales by retailer location

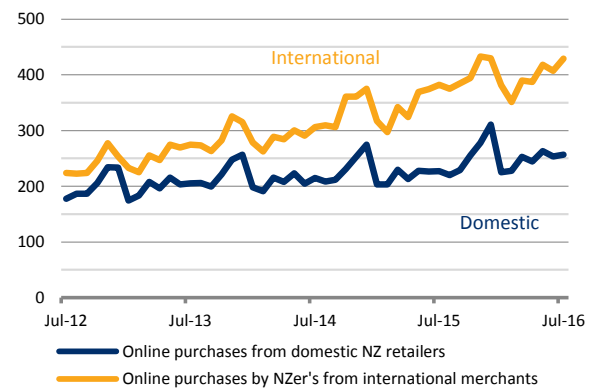
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

Index of NZ Online Retail Sales, by retailer location

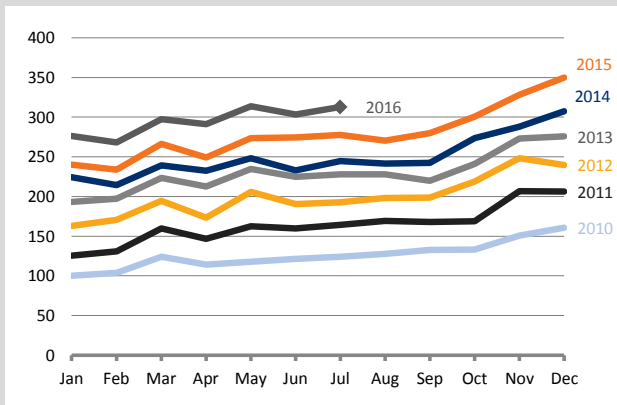
January 2010 = 100



Source: BNZ and Marketview

Index of Total NZ Online Retail Sales

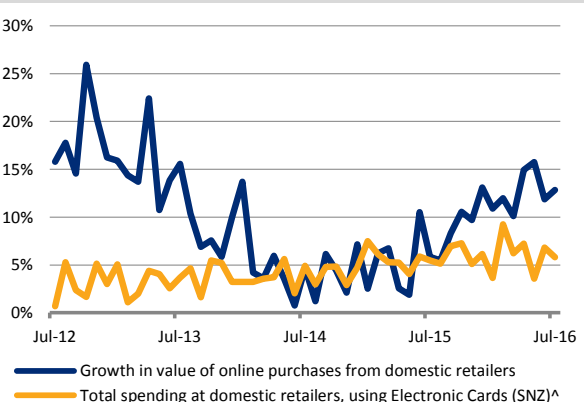
January 2010 = 100



Source: BNZ and Marketview

NZ Domestic Online vs SNZ Electronic Card Transactions[^]

Monthly spending compared to same month in prior year



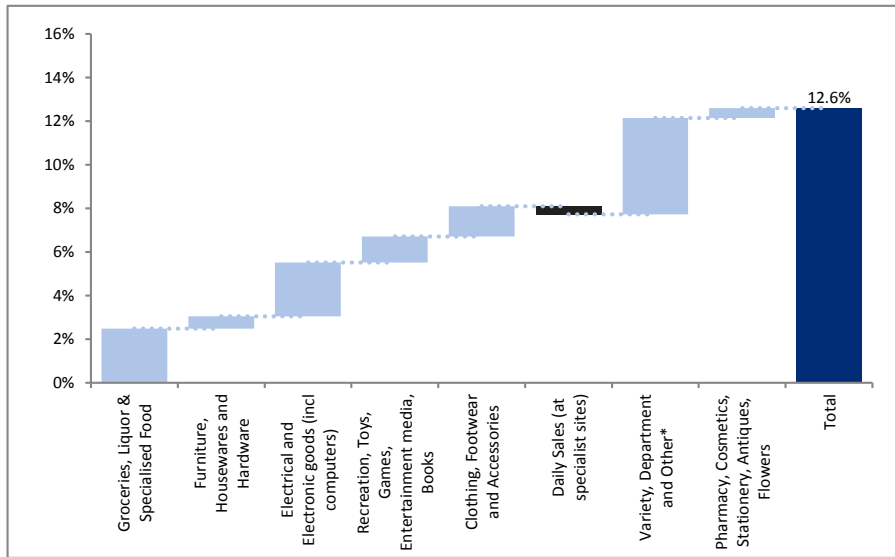
[^]"SNZ" refers to official figures released by Statistics New Zealand. The SNZ ECT data used in our calculations is for core retail excluding hospitality. Online data is from BNZ & Marketview.

Growth Rates	Total Online Index			Domestic Online Purchases			International Online Purchases			
	Month ended >>>	May-16	Jun-16	Jul-16	May-16	Jun-16	Jul-16	May-16	Jun-16	Jul-16
Monthly spending vs Same month prior year		15%	10%	13%	16%	12%	13%	13%	9%	12%
3-monthly average vs Same period prior year		14%	14%	13%	14%	14%	13%	15%	14%	11%

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.

Contributions to annual online sales growth, by category
July 2016 versus July 2015



Source: BNZ, Marketview

This chart shows how much each category contributed to the 12.6% total increase in online spending in July 2016 when compared with July 2015.

*“Other” includes unclassified stores and specialty stores that don’t neatly fit into defined ANZSIC categories. The estimated retail component of unclassified Trade Me spending is included with Department Store spending.

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.

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