

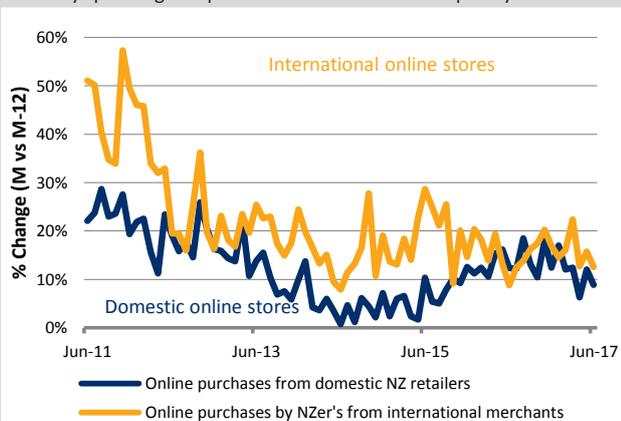
Monthly Update for June 2017

- The growth rate for New Zealanders' **total** online retail shopping eased back slightly in June, but spending was still up 10% compared to June last year.
- Purchases from **offshore** online retailers accounted for 44.5% of the month's online spending, and spending at these retailers was up 13% on June 2016.
 - A surge in spending on Computers and Electronics drove half of the increase.
 - Clothing had a quieter month than usual, with purchases from offshore online retailers only up 5% on June last year.
- Spending at **local** online retailers was up 9% on June last year. While slower than the double-digit growth rates we've generally been seeing since 2016, this level of growth is still more than double that of local bricks-and-mortar stores, which were only up 4% on June last year¹.
 - Food store-types drove approximately half of the growth at local online sites (June 2017 vs June 2016).
 - Clothing purchases were also strong at local online merchants, up 16% on last June.

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

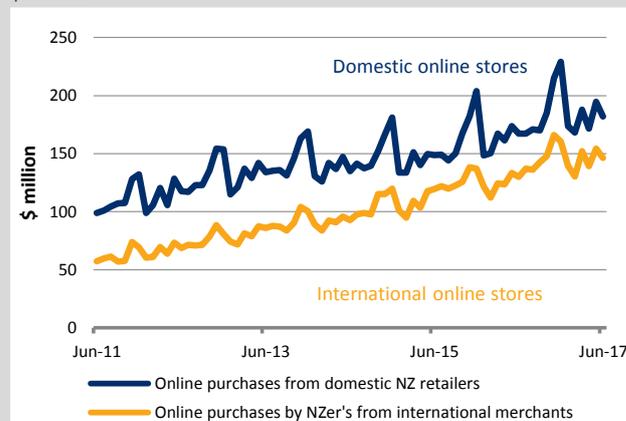
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

Monthly Online Retail spending by New Zealanders

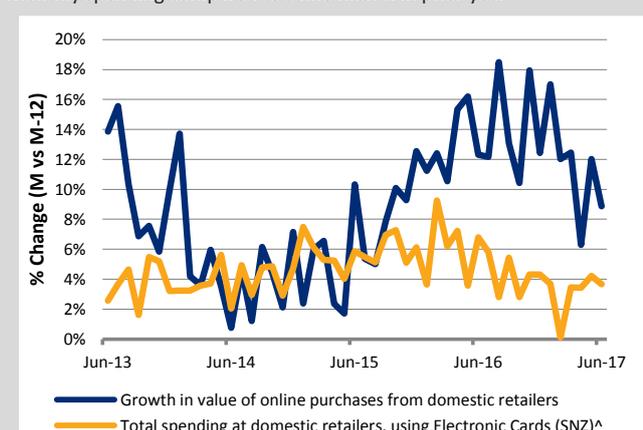
\$ million



Source: BNZ and Marketview

NZ Domestic Online vs SNZ Electronic Card Transactions^A

Monthly spending compared to same month in prior year



Source: BNZ and Marketview

^A"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

21%	Groceries & Liquor (incl health food and supplements)
3%	Furniture, Housewares and Hardware
22%	Electrical & Electronic goods (incl computers & appliances)
5%	Recreation, Toys, Games, Entertainment media, Books
11%	Clothing, Footwear and Accessories
-16%	Daily Sales (at specialist sites)
8%	Variety, Department and Other*
0%	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		
	Apr-17	May-17	Jun-17	Apr-17	May-17	Jun-17	Apr-17	May-17	Jun-17
Month ended >>>									
Monthly spending vs Same month prior year	9%	14%	10%	6%	12%	9%	13%	16%	13%
3-monthly average vs Same period prior year	13%	13%	11%	10%	10%	9%	17%	17%	14%

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/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.

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



Madeleine Boles de Boer

Communications and Content Coordinator

+64 4 472 1991

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