

# New Zealand Online Retail Sales

## Monthly Update for May 2017

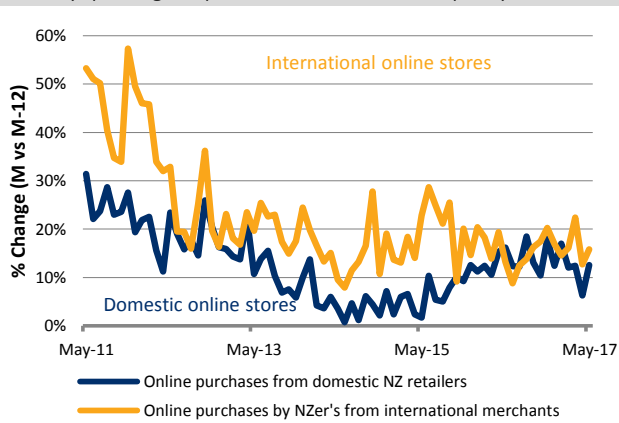


- The growth rate for New Zealanders' **total** online retail spending was back to double-digits in May, with spending up 14% compared to the previous May. This result does seem to confirm earlier suspicions that the timing of Easter and weather contributed to the dip in growth rate observed in April.
- Purchases from **offshore** online retailers were up 16% on May last year, typical of where this segment has been tracking. Approximately half of this growth was driven by purchases in Computer, Clothing and Cosmetic categories.
- Spending at **local** online retailers was up 13% on May last year. We've now seen double-digit annual growth rates for 18 out of the past 20 months for local online merchants. For comparison, local bricks-and-mortar stores were only up 4% on May last year<sup>1</sup>.
- Food, Clothing and Electronics were responsible for the majority of growth at local online sites, with Department stores also experiencing strong results.

<sup>1</sup>Using 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

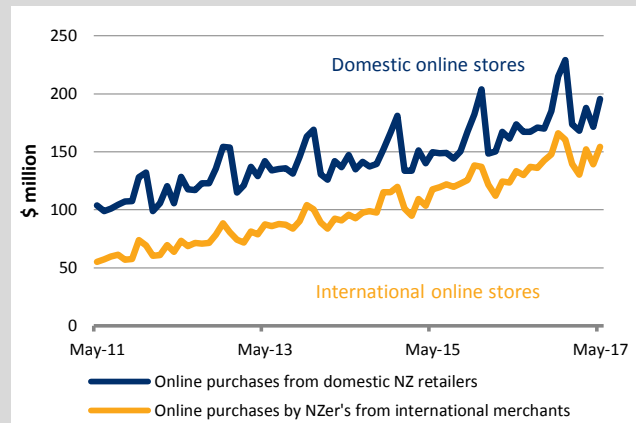
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

### Monthly Online Retail spending by New Zealanders

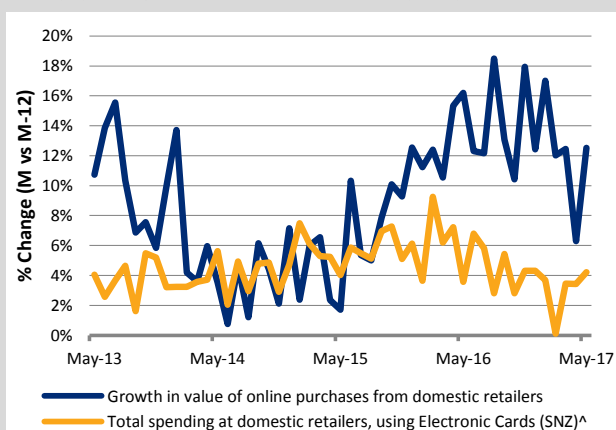
\$ million



Source: BNZ and Marketview

### NZ Domestic Online vs SNZ Electronic Card Transactions<sup>^</sup>

Monthly spending compared to same month in prior year



Source: BNZ and Marketview

<sup>^</sup>“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

<b>27%</b>	Groceries & Liquor (incl health food and supplements)
<b>-5%</b>	Furniture, Housewares and Hardware
<b>21%</b>	Electrical & Electronic goods (incl computers & appliances)
<b>2%</b>	Recreation, Toys, Games, Entertainment media, Books
<b>19%</b>	Clothing, Footwear and Accessories
<b>-7%</b>	Daily Sales (at specialist sites)
<b>13%</b>	Variety, Department and Other*
<b>12%</b>	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		
	Mar-17	Apr-17	May-17	Mar-17	Apr-17	May-17	Mar-17	Apr-17	May-17
Month ended >>>									
Monthly spending vs Same month prior year	17%	9%	14%	12%	6%	13%	22%	13%	16%
3-monthly average vs Same period prior year	16%	13%	13%	14%	10%	11%	18%	17%	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/onlineindex](http://www.bnz.co.nz/onlineindex) and [www.marketview.co.nz/free-reports/](http://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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