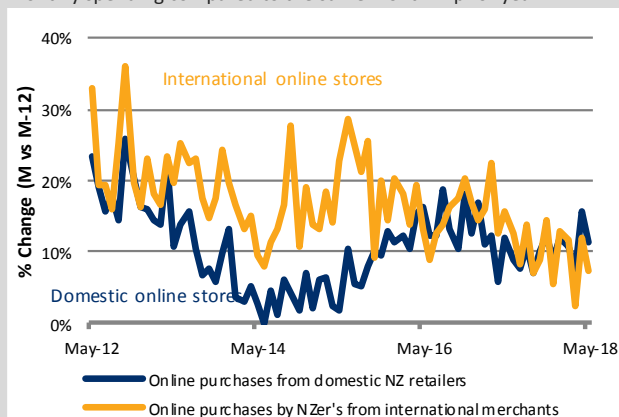


- Total online retail sales in May were **10%** higher than in May last year. This is broadly in line with growth rates we have observed over the past 12 months. However, in the year prior to that, typical annual growth rates were running close to 14%.
- Online spending at **domestic** sites was up **11%** compared to May last year. In contrast, spending at local bricks-and-mortar stores¹ was only up 3% on the prior May.
 - Food, Clothing and Electrical goods are large categories and continue to show strong growth in sales at domestic online sites.
 - Entertainment Media and the Furniture/Houseware/Hardware group also grew sales strongly, but these are smaller categories for online retail sales.
 - Clothing spending at local e-tailers was up 13% on last May, but at offshore sites clothing spending was flat compared with last May.
- Online spending at **international** merchants was up **8%** compared to May last year. Two categories in particular stood out:
 - Spending at overseas online Computer stores was up almost 30% compared to a year ago; and
 - Spending at overseas online Entertainment Media stores was up 23% compared to a year ago.

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

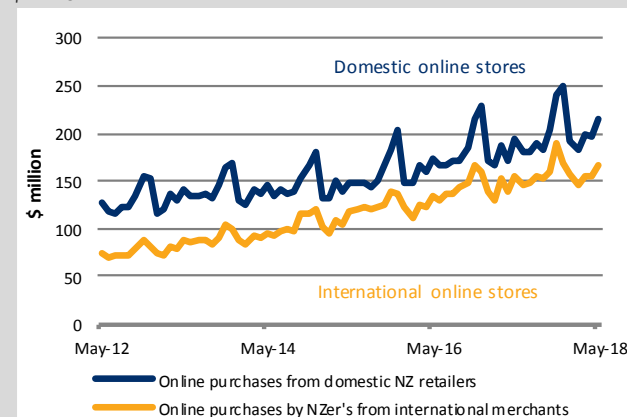
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

Monthly Online Retail spending by New Zealanders

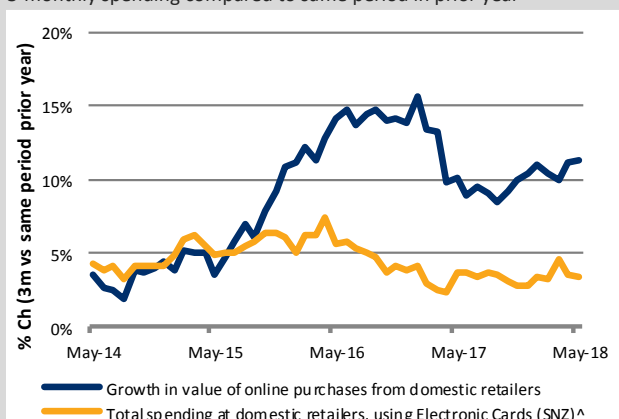
\$ million



Source: BNZ and Marketview

NZ Domestic Online vs SNZ Electronic Card Transactions[^]

3-monthly spending compared to same period in prior year



Source: BNZ, Marketview, Statistics NZ.

[^]“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

May 2018 vs May 2017

8%	Groceries & Liquor (incl health food and supplements)
25%	Furniture, Housewares and Hardware
19%	Electrical & Electronic goods (incl computers & appliances)
7%	Recreation, Toys, Games, Entertainment media, Books
6%	Clothing, Footwear and Accessories
12%	Variety, Department and Other*
-7%	Pharmacy, Cosmetics, Stationery, Antiques, Flowers

Source: BNZ and Marketview

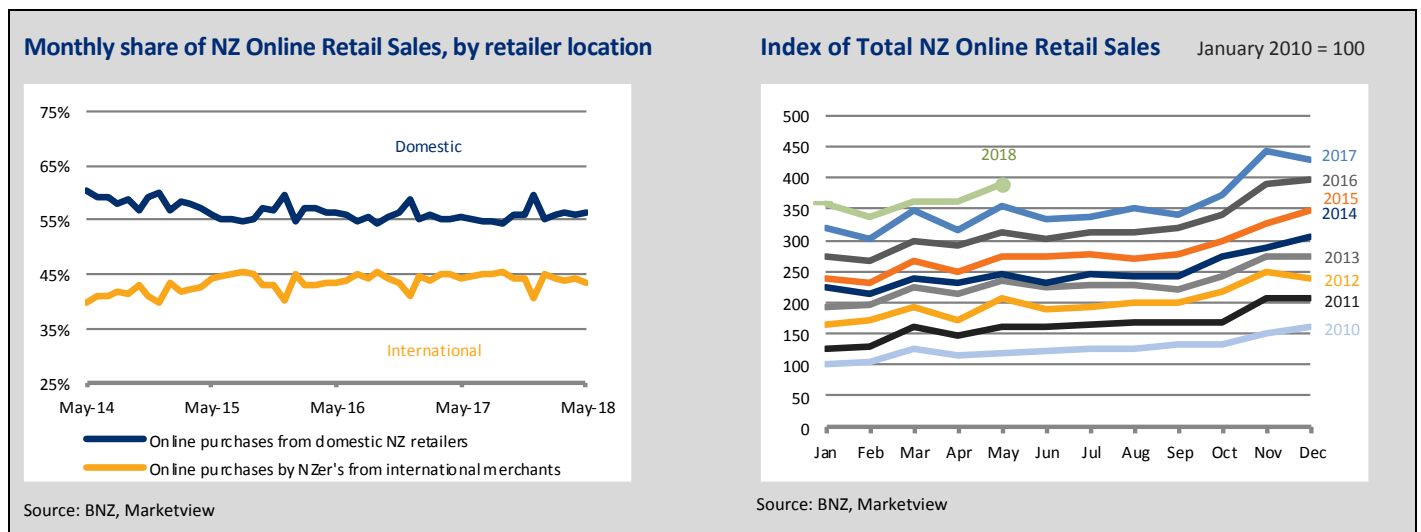
*Note: “Other” includes unclassified stores and specialty stores that don’t neatly fit into defined ANZSIC categories. Unclassified Trade Me spending (the estimated “retail” component) is included with Department Store spending.

Growth Rates	Total Online Index			Domestic Online Purchases			International Online Purchases		
	Mar-18	Apr-18	May-18	Mar-18	Apr-18	May-18	Mar-18	Apr-18	May-18
Month ended >>>									
Monthly spending vs Same month prior year	5%	14%	10%	7%	16%	11%	2%	12%	8%
3-monthly average vs Same period prior year	9%	10%	9%	10%	11%	11%	9%	8%	7%

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.

Supplementary charts: May 2018



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.

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