

# New Zealand Online Retail Sales

November 2018

20 December 2018

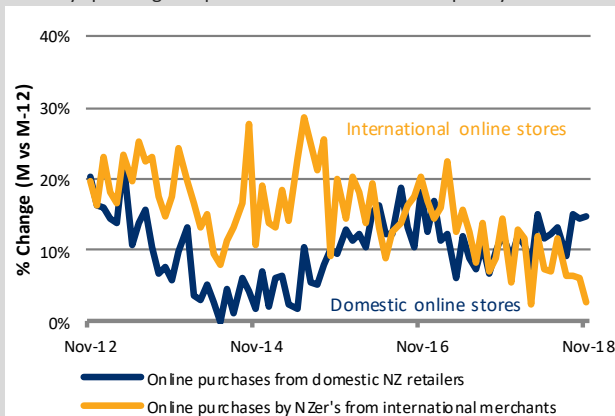


- We are publishing this release slightly earlier than usual, given the upcoming Christmas break. Please treat the Nov figures as provisional.
- New Zealand's **total online retail** spending in November was **9% higher** than in November last year. Very strong growth in online purchases from local retailers offset sluggish growth in purchases from overseas sites.
- **Local online sites** saw spending **up 15%** compared to November last year, well ahead of the 4.9% growth in sales at traditional stores<sup>1</sup>. Clothing, Grocery and Electronic categories featured strongly.
- Online spending at **international sites** was **up a mere 3%** compared to November last year. November is usually the peak month for spending at offshore sites, as people order ahead of Christmas. That's the case so far this year – the level of spending is high, it's just the year-on-year growth rate that seems low. The NZD in November was at similar levels to November last year, so the exchange rate doesn't seem an obvious culprit behind the slow growth. Spending in November last year was particularly strong (so we're comparing this year to a strong previous figure), but that was true for both international and domestic spending. It's possible that some people pushed Nov purchases into early Dec, as they gain more confidence with international delivery times. The December figures may provide more clues.
- Annual online spending across the retail categories we cover\* is now running at just over \$4.5 billion (excl GST).

<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

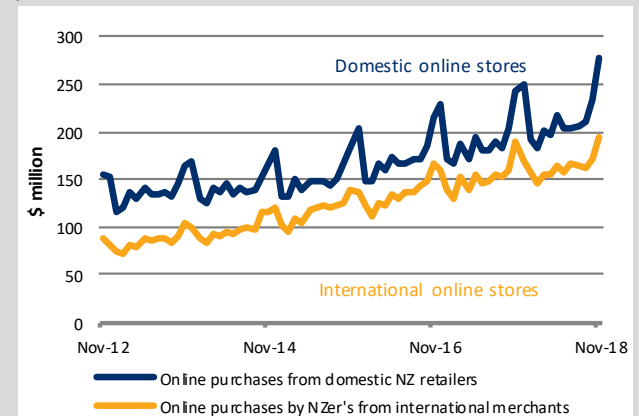
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

## Monthly Online Retail spending by New Zealanders

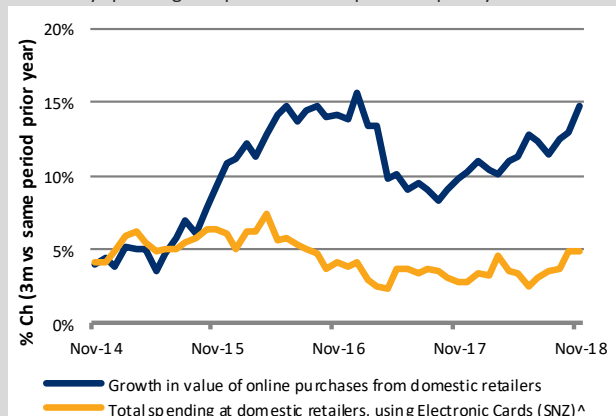
\$ million



Source: BNZ and Marketview

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

3-monthly spending compared to same period in prior year



Source: BNZ, Marketview, Statistics NZ.

<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

### November 2018 vs November 2017

<b>10%</b>	Groceries & Liquor (incl health food and supplements)
<b>15%</b>	Furniture, Housewares and Hardware
<b>10%</b>	Electrical & Electronic goods (incl computers & appliances)
<b>11%</b>	Recreation, Toys, Games, Entertainment media, Books
<b>10%</b>	Clothing, Footwear and Accessories
<b>12%</b>	Variety, Department and Other*
<b>-1%</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.

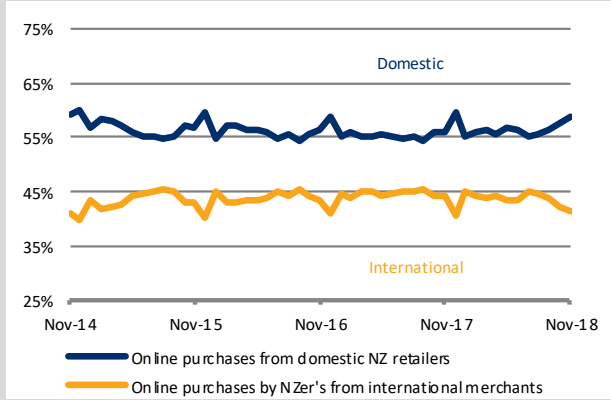
Growth Rates	Total Online Index			Domestic Online Purchases			International Online Purchases		
	Sep-18	Oct-18	Nov-18	Sep-18	Oct-18	Nov-18	Sep-18	Oct-18	Nov-18
Month ended >>>									
Monthly spending vs Same month prior year	11%	11%	9%	15%	15%	15%	7%	6%	3%
3-monthly average vs Same period prior year	11%	10%	10%	12%	13%	15%	8%	6%	5%

**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: November 2018: Monthly Patterns

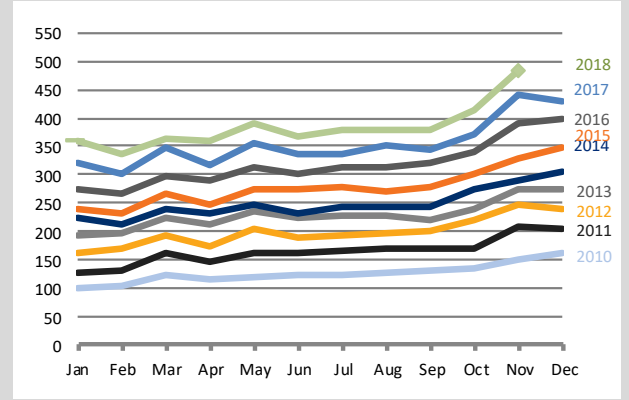
Monthly share of NZ Online Retail Sales, by retailer location



Source: BNZ and Marketview

Index of TOTAL NZ Online Retail Sales

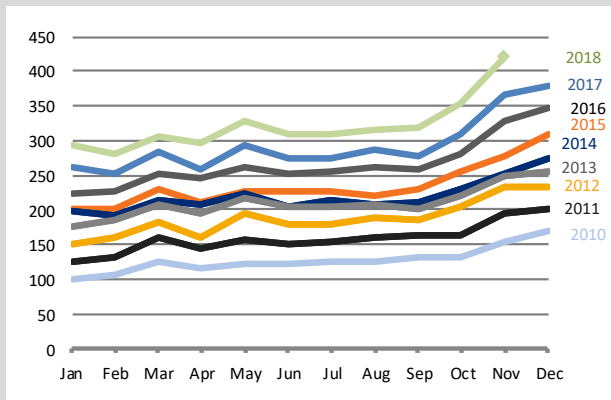
January 2010 = 100



Source: BNZ and Marketview

Index of DOMESTIC NZ Online Retail Sales

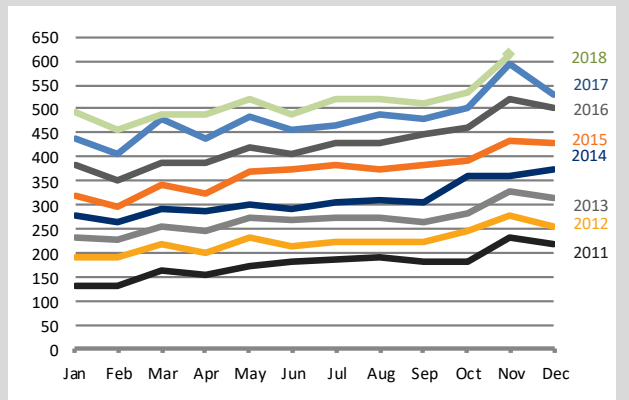
January 2010 = 100



Data sources: BNZ and Marketview

Index of INTERNATIONAL NZ Online Retail Sales

January 2010 = 100



Source: BNZ and Marketview

## Reports can be downloaded here:

[www.bnz.co.nz/onlineretailindex](http://www.bnz.co.nz/onlineretailindex) 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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