

New Zealand Online Retail Sales



Monthly Update for February 2017

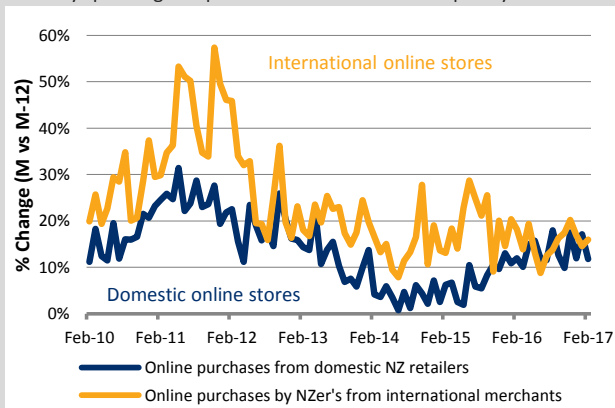
5 April 2017

- **Total online retail spending by New Zealanders in February was up 14% compared to the previous February.** This is a solid performance, especially when considering that last year was a leap year. (An extra days shopping in February can boost the month's spending by more than 3%, depending on factors such as the day of the week the extra day falls on)
- Purchases from **offshore** online retailers in February were up 16% on February 2016. Key trends were similar to January, with Clothing and Computer stores again responsible for approximately half of the year-on-year increase. Pharmacy and Cosmetic purchases from offshore sites also saw strong growth, up more than 40%.
- Spending at **local** online retailers was up 12% on February last year, significantly stronger than the year-on-year growth rate at bricks and mortar stores (approximately 0.1%¹). Food categories were responsible for over 40% of the increase in online purchases at local merchants since last February.

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

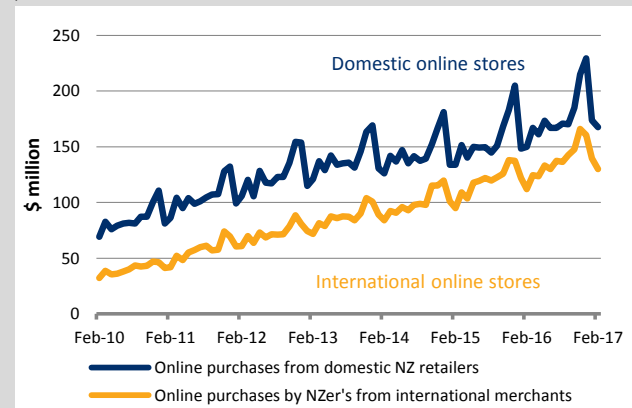
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

Monthly Online Retail spending by New Zealanders

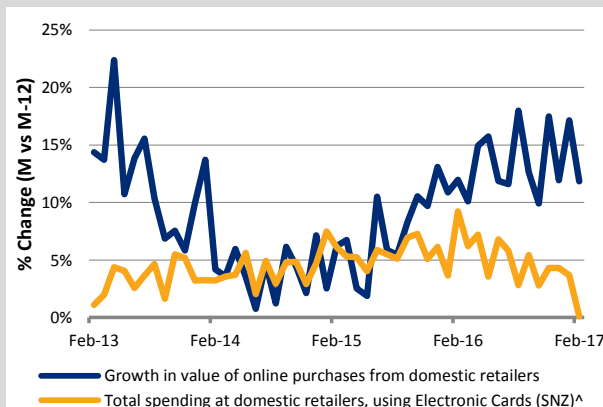
\$ million



Source: BNZ and Marketview

NZ Domestic Online vs SNZ Electronic Card Transactions[^]

Monthly spending compared to same month in prior year



Source: BNZ and Marketview

[^]“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

23%	Groceries & Liquor (incl health food and supplements)
3%	Furniture, Housewares and Hardware
23%	Electrical & Electronic goods (incl computers & appliances)
3%	Recreation, Toys, Games, Entertainment media, Books
16%	Clothing, Footwear and Accessories
4%	Daily Sales (at specialist sites)
11%	Variety, Department and Other*
18%	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		
	Dec-16	Jan-17	Feb-17	Dec-16	Jan-17	Feb-17	Dec-16	Jan-17	Feb-17
Month ended >>>									
Monthly spending vs Same month prior year	14%	16%	14%	12%	17%	12%	17%	15%	16%
3-monthly average vs Same period prior year	15%	16%	14%	13%	15%	13%	18%	17%	16%

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/onlineretailindex 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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