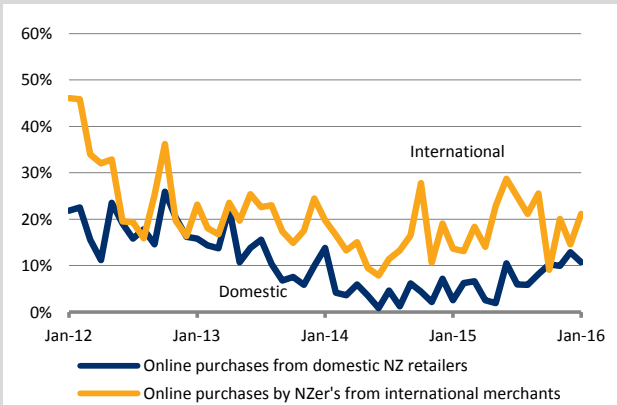


- Total online retail spending in January was up 15% compared to the same month a year ago. Online sales at local merchants were up 11% on January last year, outpacing the growth in spending at physical stores (based on Statistics NZ figures for electronic card transactions) for the fourth consecutive month.
- International merchants continued to gain market share over locals, with spending at offshore sites by New Zealanders up 21% on January last year. The exchange rate continues to be an influencing factor. The NZD was down 15% versus the USD and 10% versus the UK pound compared to a year ago, making the prices paid for many overseas goods more expensive.
- Online sales in the Computer and Entertainment Media categories again stood out, continuing the strong performance they showed in December. Clothing sales were up nearly 20% on January last year, with both domestic and international online clothing merchants turning in double-digit growth rates.
- Comparing with latest figures reported in Statistics New Zealand's RTS, online retail spending for the 12 months ended 31 December 2015 was equivalent to 6.8% of reported retail sales. If we exclude the grocery and liquor sectors from both the RTS and our Index, annual online spending is equivalent to 10.1% of officially reported retail sales, for the categories we cover.

Growth in NZ online sales by retailer location

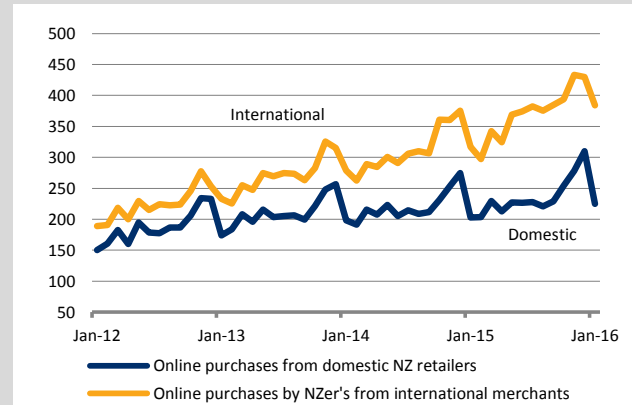
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

Index of NZ Online Retail Sales, by retailer location

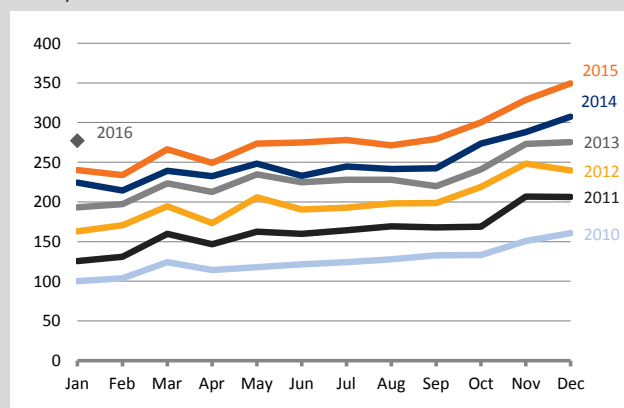
January 2010 = 100



Source: BNZ and Marketview.

Index of Total NZ Online Retail Sales

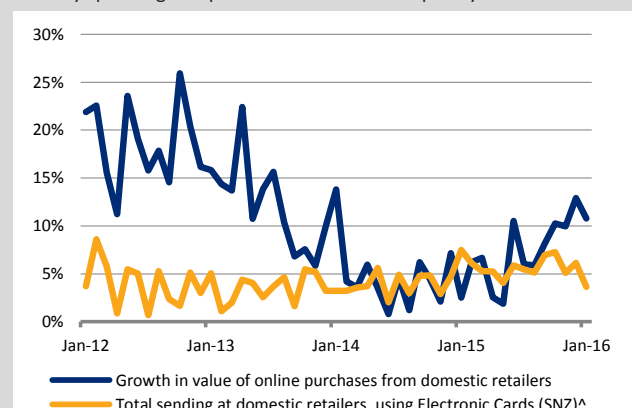
January 2010 = 100



Source: BNZ and Marketview.

NZ Domestic Online vs SNZ Electronic Card Transactions[^]

Monthly spending compared to same month in prior year



[^]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 Rates	Total Online Index			Domestic Online Purchases			International Online Purchases		
	Nov-15	Dec-15	Jan-16	Nov-15	Dec-15	Jan-16	Nov-15	Dec-15	Jan-16
Month ended >>>									
Monthly spending vs Same month prior year	14%	14%	15%	10%	13%	11%	20%	15%	21%
3-monthly average vs Same period prior year	13%	13%	14%	10%	11%	11%	18%	15%	18%

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 \$44 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/our-reports/

For technical notes, please refer to one of our “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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