

British retailers projected to ring up online sales of £45 billion in 2014

E-Commerce : Key figures in Europe and U.S. in 2013 and forecast 2014 and 2015.

Online sales set to grow by 16% in the UK, as for the first time the average shopper is set to spend more than £1,000 online this year, according to new international research from RetailMeNot and the Centre for Retail Research

London, UK, 13 March 2014 - Despite a difficult economic environment, the e-commerce sector in Europe and the US is continuing to grow rapidly, according to research commissioned by RetailMeNot, the world's largest digital coupon marketplace and owner of VoucherCodes.co.uk. The study, conducted by the Centre for Retail Research, forecasts that online sales in the US will grow by 15% in 2014 to £189.3 billion, while in Europe, sales are expected to rise by 18% to £131.2 billion.

The UK, France, and Germany are projected to be responsible for the bulk of this growth in Europe, accounting for 81% of the online sales in the eight European markets expected in 2014. The UK is the largest market in Europe, with sales of £38.8 billion 2013, and is expected to account for more than a third (34%) of all online retail sales in the eight European markets surveyed in 2014. The report forecasts that £45 billion will be spent online in the UK in 2014 – an increase of 16% on online consumer spend compared to the previous year.

Commenting on the results, **Giulio Montemagno, SVP of International at RetailMeNot** said: “*While the e-Commerce sector is continuing to grow rapidly, we are starting to see the German, the UK and the US markets mature as shopping online becomes a commonplace activity. Today, growth is being mainly driven by an increase in the frequency of consumers shopping online and spending more money through online channels while in previous years ecommerce growth came primarily from an ever-growing number of first time online shoppers.*

“In 2014, we are expecting to see online sales across Europe grow at a rate that is 11.9 times faster than in-store sales. In the UK, online retail is expected to increase by 15.8% this year while the offline segment will grow by only 2.4%. With such a competitive retail environment it’s more important than ever that retailers look to mobile devices and the web to incentivise shoppers to make purchases online and in-store. Successful retailers will consider the Internet not as a threat but as a powerful complement which can help them increase their sales.”

Growth in online shopping spend and frequency

The report shows that 46% of Europeans and 55% of Americans now shop online. Online shopping is particularly popular in Sweden and the UK where more than two-thirds of the population make purchases on the web; 71% of Swedes and 67% of Brits use the internet to shop. While growing, online shopping is less popular in southern Europe; one in five people shop online in Italy (20%), while one in three (32%) use the Internet to shop in Spain. Around half of people in France (52%), Poland (51%), Netherlands (49%) and Germany (45%) shop online.

The study, which includes phone interviews of 100 major retailers and 9,000 consumers, reveals that most consumers expect to shop online at least once a month in 2014. On average, European shoppers will make 15.2 online purchases this year with a typical basket size of £49, while American shoppers will make 15.6 online purchases, with an average spend of £71. In the UK, shoppers are expected to make 18.0 purchases online this year, spending an average of £59 each time.

Throughout 2014, European shoppers are expected to spend £749 online, an increase of 18% compared to 2013, while American shoppers are expected to spend £1,106 online, on average – 14.4% more than in 2013. In the UK, shoppers are expected to spend £1,071 on the web this year – 15.8% more than last year.

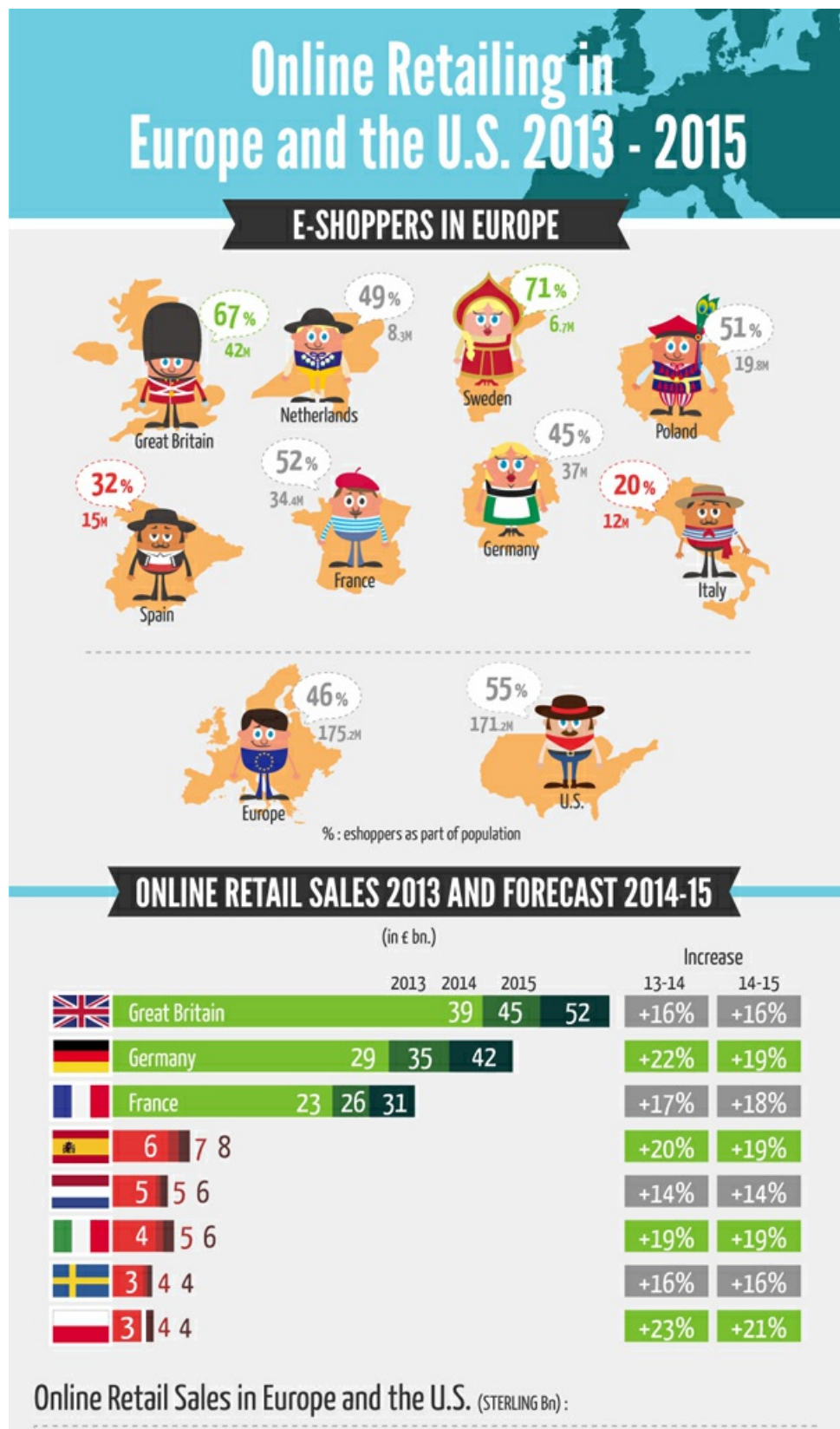
Online retailers accounted for 6.3% of all retail sales in Europe in 2013 and 10.6% in the US, and in 2014, this share is set to grow to 7.2% and 11.6%, respectively. In the UK, the research found that the internet accounted for 12.1% of all retail sales last year and this is expected to grow to 13.5% in 2014.

Study Methodology

This independent report into online retail sales from 2012 through 2015 and its future prospects in Europe and the U.S. has been commissioned by RetailMeNot, the world’s largest digital coupon marketplace, and carried out by the Centre for Retail Research based in Nottingham, England.

The European countries researched for this study are France, Germany, Italy, the Netherlands, Poland, Spain, Sweden, and the UK.

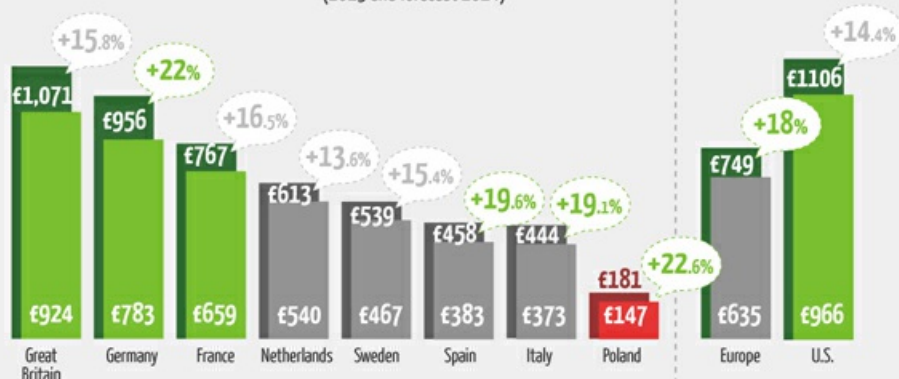
Data from the following sources has been used to establish these forecasts: government statistical sources and analysts, telephone interviews with 100 major retailers from all types of business (20%+ of national retail sales), and interviews with 1,000 consumers in each of the nine countries into consumer trends (9,000 in total). Online retail sales across the nine markets were evaluated on a like-with-like basis. 'Retail sales' in this report means the sale of merchandise to the final consumer. It excludes the sale of food services, tickets, travel, automobiles, rentals, car parts, fuel, hospitality services such as restaurants, cafes and coffee shops, and as far as possible sales tax or VAT.





AVERAGE ANNUAL ONLINE SPEND PER SHOPPER

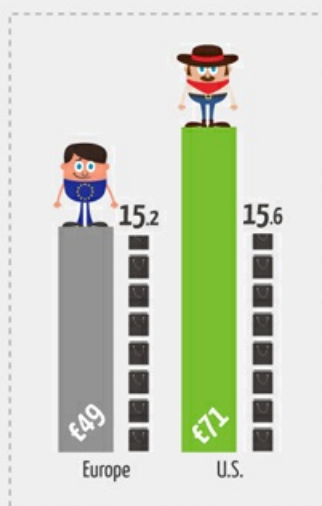
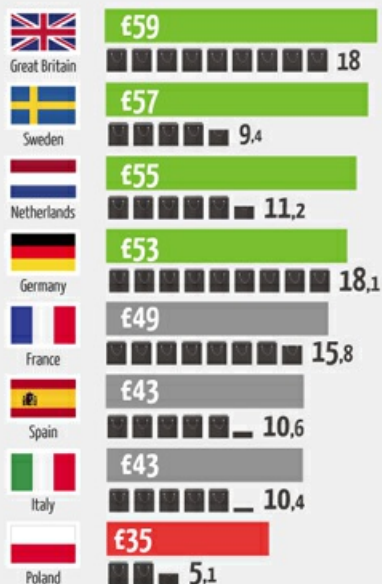
(2013 and forecast 2014)



ESTIMATED AVERAGE TRANSACTION VALUE 2014

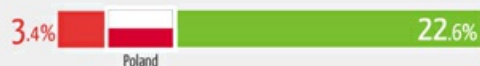
Average transaction value and number of annual purchases

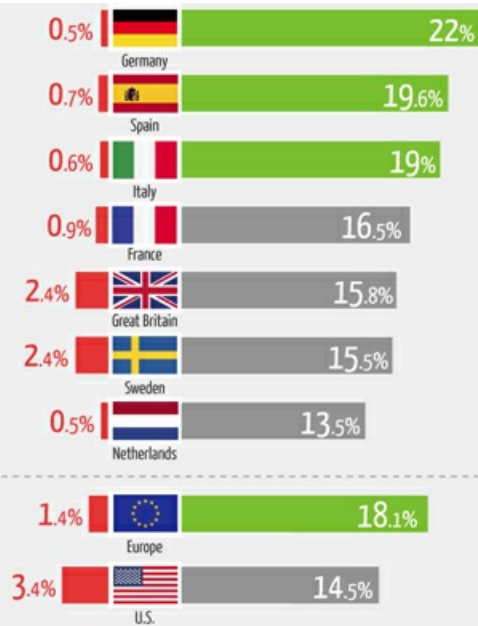
■ = 2 purchases



ONLINE RETAILING VS BRICKS AND MORTAR STORES 2013-14

Growth of bricks and mortar VS growth of online retail





PREFERRED PAYMENT METHODS PER COUNTRY



Credit card
U.S., Great Britain,
France



**Credit and
prepaid cards**
Spain, Italy



**On account and
cash on delivery**
Germany, Sweden, Netherlands



**Cash and credit card
on delivery**
Poland

This infographic is brought to you by
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Sources: RetailMeNot - CRR (Centre for Retail Research)

*Independent report carried out by the Centre for Retail Research in Nottingham in February 2014. The study analyses online retail sales in 2013 to 2015 and its future prospects in Europe and the U.S. The countries researched for this study are France, Germany, Italy, the Netherlands, Poland, Spain, Sweden, the UK and the U.S. Retail in this report describes the sale of merchandise to the final consumer through stores and online. It excludes food services, the sale of automobiles, gas/fuel, tickets, holidays, insurance and banking.

<https://retailmenot.mediaroom.com/ecommerce-study-europe-and-us-2013>