Rise in online Christmas shopping sales predicted as in-store sales set to fall

The retail sector always receives a substantial boost in sales ahead of Christmas, but according to new, international research from VoucherCodes.co.uk, online sales are set to grow rapidly this year while in-store activity continues to stagnate.

- **New international research by VoucherCodes.co.uk reveals that UK Christmas spending online is expected to increase by 15.8 per cent this year, compared to just 2.1 per cent rise in retail overall***
- **UK high street sales expected to fall by 0.9 per cent* against 2012 figures**
- **Online shopping growing rapidly as shoppers prefer to plan their Christmas spending in advance***
- **A fifth of shoppers will do the majority of Christmas present shopping online this year (20 per cent)****
- **UK leads the way in Europe for savvy online shopping habits****

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Positive global retail uplift
A Centre for Retail Research study commissioned by VoucherCodes.co.uk predicts 2013 will see a rise in Christmas spending (covering money spent on food and drink, clothing, gifts and Christmas-related travel in the six weeks before Christmas) due to improved consumer confidence and a brighter economic outlook. The calculations estimate holiday shopping this year will total £609bn globally* and in the six week period before Christmas retailers can expect to see sales up by two per cent on 2012 levels.

Between July and September this year, UK commerce saw sales escalate by 15 per cent – the strongest figures since March 2008 – and this positive growth after a prolonged period of stagnation during the recession stands the nation in good stead for a further boost in Christmas spending. Indeed, the UK shows a predicted increase of 2.1 per cent – slightly higher than the average across all countries surveyed (Australia, Canada, France, Germany, Netherlands, UK and USA). Canada shows the highest levels of predicted spending growth (3.6 per cent), while the Netherlands shows the lowest, just 0.9 per cent.

Predicted Christmas Sales *in £ billions*

	2012	2013	% growth 2012-2013
United Kingdom	**£71.17**	**£72.66**	**2.1%**
France	**£53.50**	**£54.25**	**1.4%**
Germany	**£58.35**	**£60.10**	**3.0%**
Netherlands	**£10.45**	**£10.55**	**0.9%**
United States	**£357.43**	**£363.91**	**1.8%**
Canada	**£28.57**	**£29.61**	**3.6%**
Australia	**£17.43**	**£17.92**	**2.8%**

Totals	**£596.90**	**£609.00**	**2.0%**

Online rises as in-store stagnates
Although overall retail will grow by 2.1 per cent for the UK*, the online shopping by itself is predicted to rise by an incredible 15.8 per cent this Christmas, accounting for more than £14.5bn worth of sales this Christmas. In contrast, UK in-store sales are expected to decline 0.9 per cent this holiday season* as ecommerce continues to attract consumer spend.

Despite this continuing shift towards online shopping, high street sales still heavily outweigh those from e-commerce sites. In-store transactions in the UK will account for 80 per cent of Christmas retail sales this year and will amount to £58.07bn, compared to a 20 per cent market share in online Christmas purchases, totalling £14.59bn (as shown below).

Predicted Christmas Sales by Type *in £ billions*

Total UK sales *in £ billions*		**UK Offline sales** *in £ billions*		**UK Online sales** *in £ billions*		**UK Online sales as % of Christmas retail sales**	
2012	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**
£71.17	£72.66	£58.57	£58.07	£12.60	£14.59	17.7%	20.1%

Marina McKeever, Senior Sales Director at VoucherCodes.co.uk comments: "Christmas 2013 is set to be a huge period for online sales. However, while any increase in consumer spend is good news for the retail industry as a whole, many business will be concerned about the continuing stagnation of in-store retail and what this ever growing influence of ecommerce means for the high-street.

"While ecommerce adoption continues unabated, there is a perception that offline sales are suffering as a result. However, the UK's smartest retailers are proving that the web can in fact be used to strengthen their offline marketing efforts, helping to engage with consumers and drive them back in-store. At such a crucial period in the retail calendar, the brands that succeed this Christmas are the ones that successfully coordinate online and offline marketing channels to leverage their online presence in the physical world."

UK leads European ecommerce
Research commissioned by VoucherCodes.co.uk with IPSOS Public Affairs in June this year also reinforces these predictions. Internationally, a fifth of consumers will do the majority of their Christmas present shopping online (20 per cent)**. In the UK this figure jumps to an impressive 44 per cent, with 95 per cent of consumers planning to transact through ecommerce sites for some or all of their Christmas shopping.

In ecommerce terms, the UK has cemented its position as the leader amongst its European peers. Just eight per cent of Dutch, 11 per cent of Swedish, 12 per cent of Italian and 16 per cent of France shoppers will make the majority of holiday purchases online.

Notes to editors:
*Research undertaken by Centre for Retail Research in September 2013 across 1,000 shoppers each in the U.S., the UK and Germany and 50 major retailers in each country. Shopping questions relate to food and drink, clothing gifts and Christmas-related travel.
**Research undertaken by Ipsos Public Affairs between 10 – 24 June 2013 across 10,009 adults in 11 countries.

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https://retailmenot.mediaroom.com/2013-11-11-Rise-in-online-Christmas-shopping-predicted-as-in-store-sales-set-to-fall