

# European eCommerce Trends

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Vice President and Research Director

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June 2009

# Agenda

- **The state of European eCommerce**
- European online retail trends
- European emerging digital opportunities

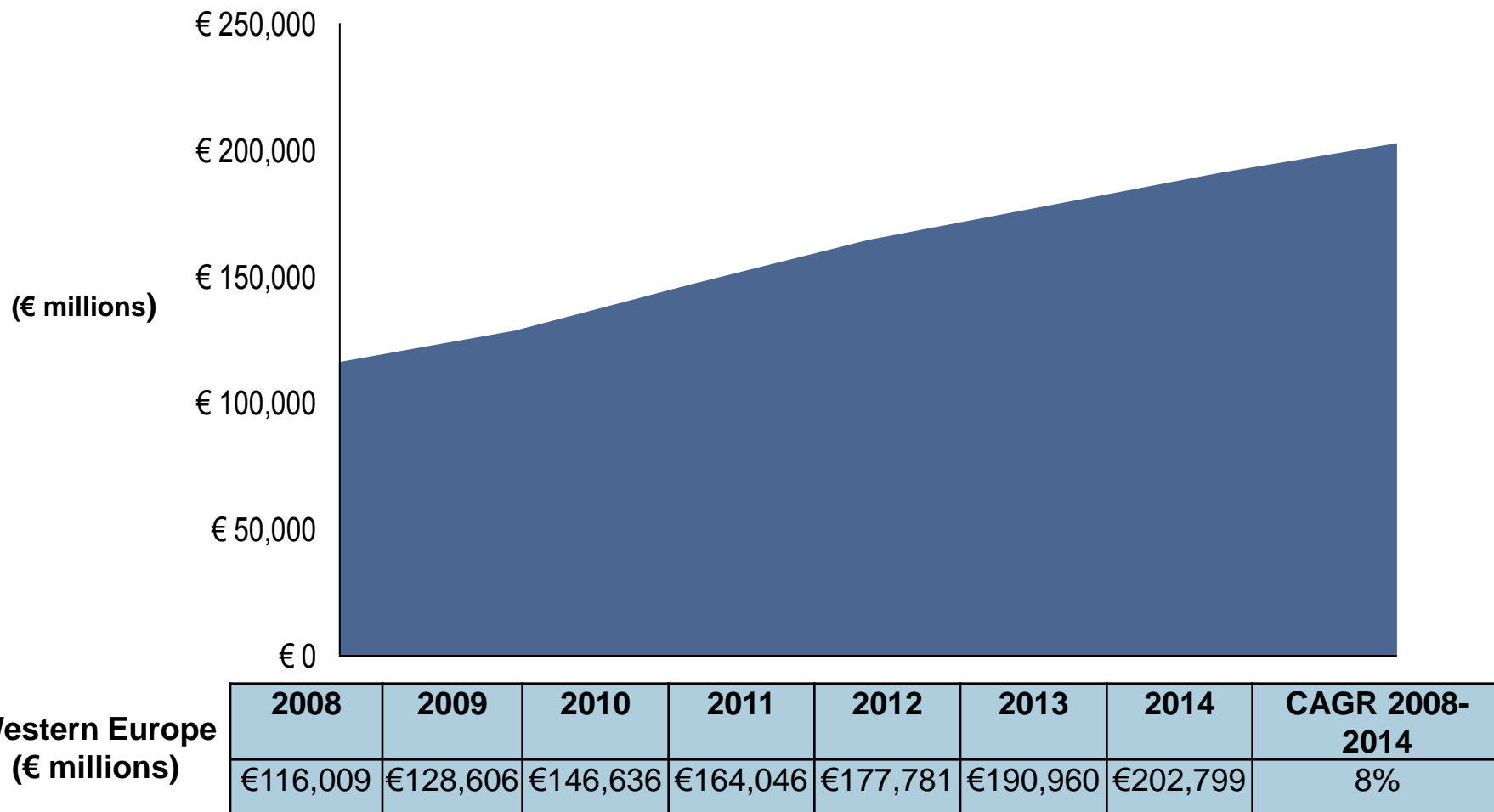


**Pan-European eCommerce  
continues to be a bright spot in a  
challenging economic  
environment**

# More than one in three European adults regularly shop online today

- Online shopping has more than doubled in Europe over the past decade, from 14% of European adults regularly shopping in 2000 online to 33% in 2008 – this is 136 million online buyers.
- Online buyers have moved in the past 5 years from early adopters to the mainstream, with women and middle-income consumers now more represented.
- Books, leisure travel, and clothing are the top 3 online purchase categories.
- UK online buyers spent an average of £1,312 (€1,378) in 2008 and are the biggest spenders in Europe, followed by Swedish and German consumers.

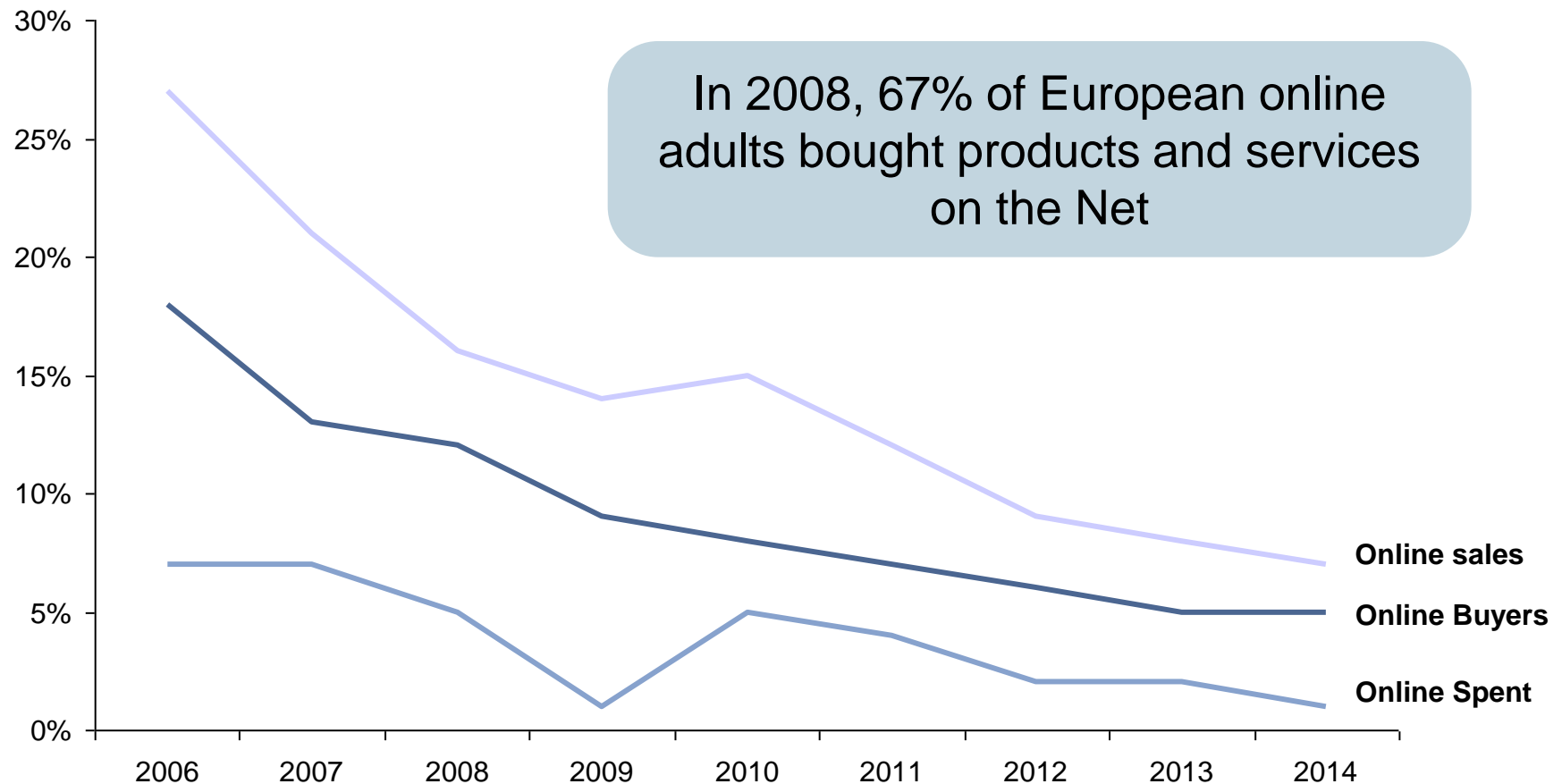
# Forecast: Western European online retail and travel sales will reach €203 billion in 2014



Source: Forrester Research

(numbers have been rounded)

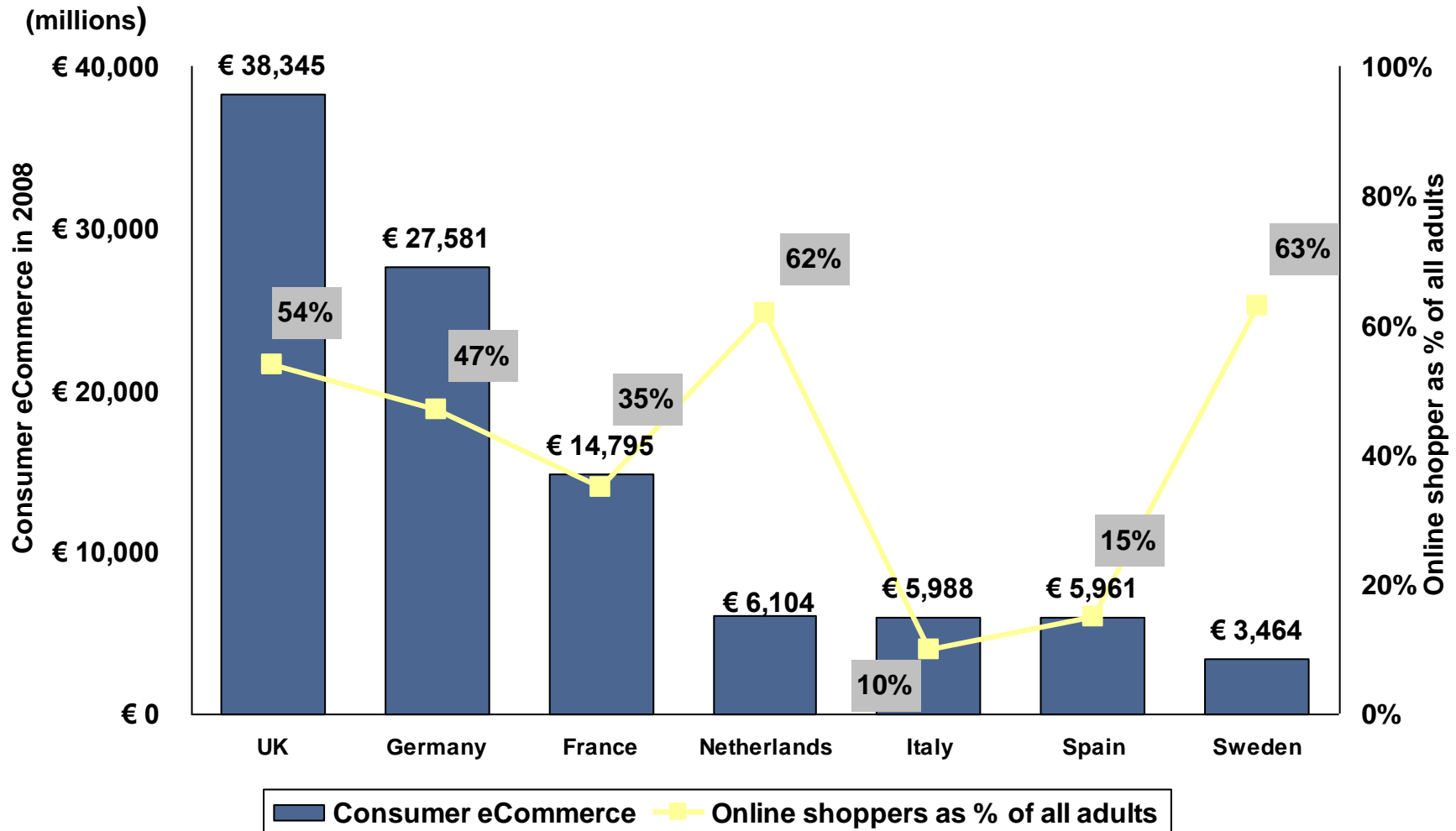
# European eCommerce year-on-year growth



Base: Western European consumers

Source: Forrester Research

# Germany, France and the UK account for 70% of consumer eCommerce spending



# The demographics of European online shoppers

	All adults	All Net users	Online shoppers	Online, don't shop online
Male	48%	52%	53%	51%
Mean age	45	39	39	40
High education	24%	33%	40%	26%
Work full-time	41%	53%	57%	48%
High income	29%	38%	44%	31%
Household assets	€76,206	€84,415	€90,055	€76,500
Broadband at home	47%	76%	84%	66%
Confident of online security	25%	34%	46%	20%

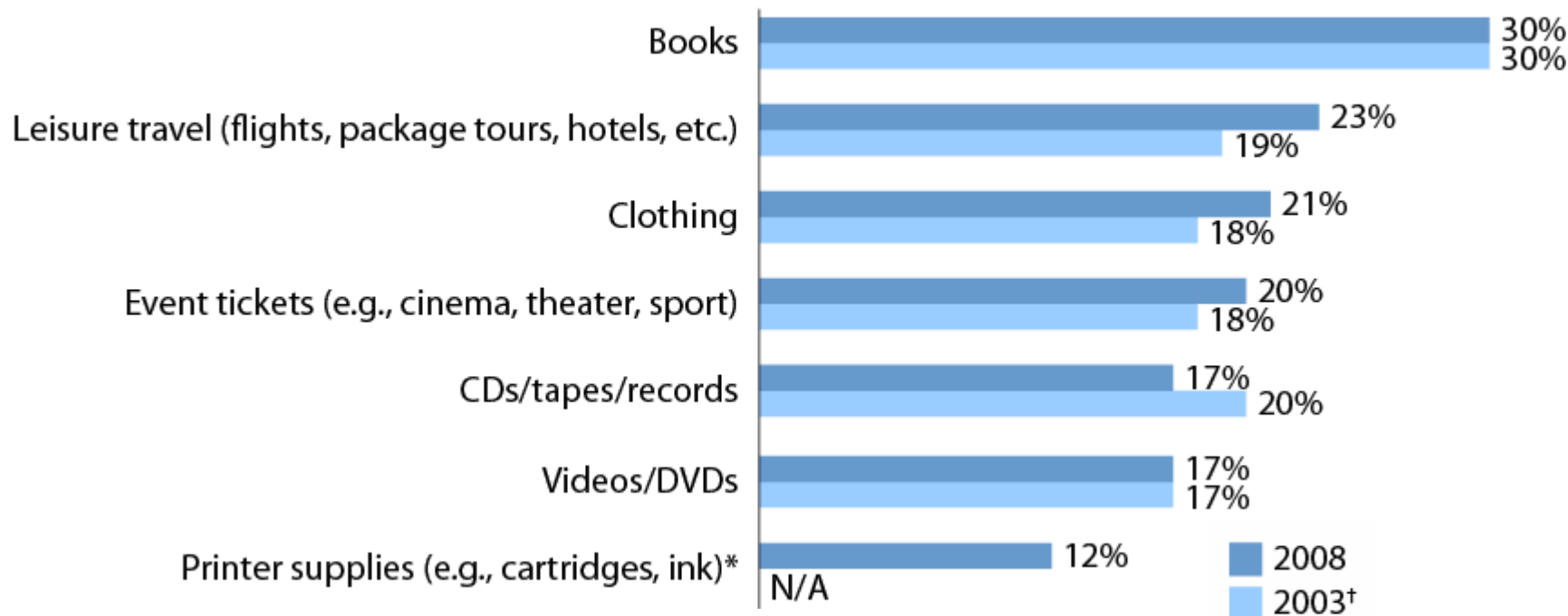
Base: 25,443 Western European consumers

Source: European Technographics® Benchmark Survey, Q2 2008



# Books, Leisure Travel, And Clothing Are The Most Common Online Purchases

"Which, if any, of these products have you bought online in the past three months?"



Base: 4,313 Western European online shoppers

<sup>†</sup>Base: 4,910 Western European online shoppers  
(multiple responses accepted)

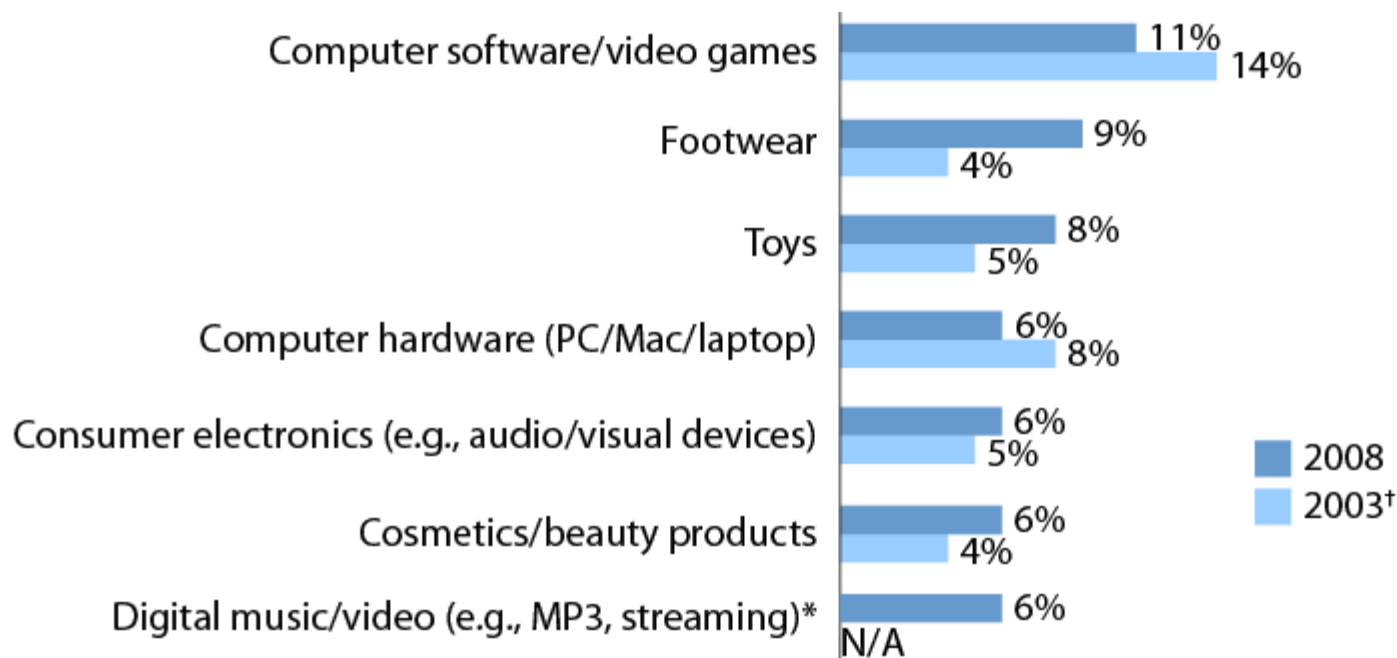
Source: European Technographics® Benchmark Survey, Q2 2008

<sup>†</sup>Source: European Technographics Benchmark Survey, Q2 2003

\*This category was not listed in the 2003 survey.

## Books, Leisure Travel, And Clothing Are The Most Common Online Purchases (Cont.)

**"Which, if any, of these products have you bought online in the past three months?"**



Base: 4,313 Western European online shoppers

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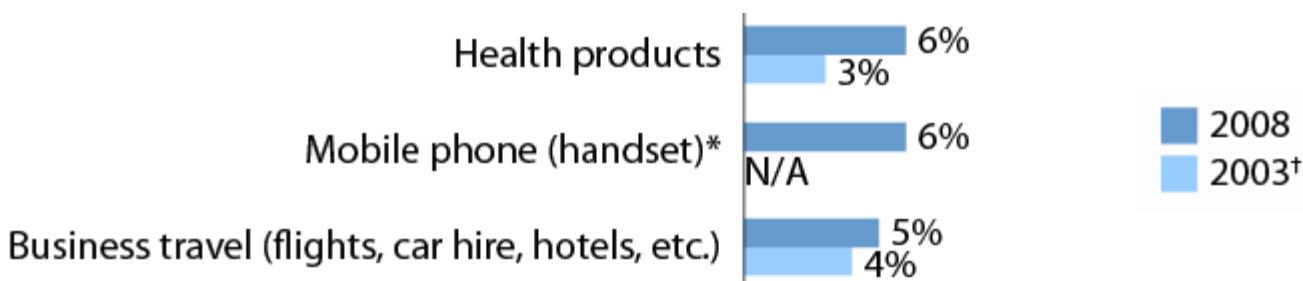
Source: European Technographics® Benchmark Survey, Q2 2008

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## Books, Leisure Travel, And Clothing Are The Most Common Online Purchases (Cont.)

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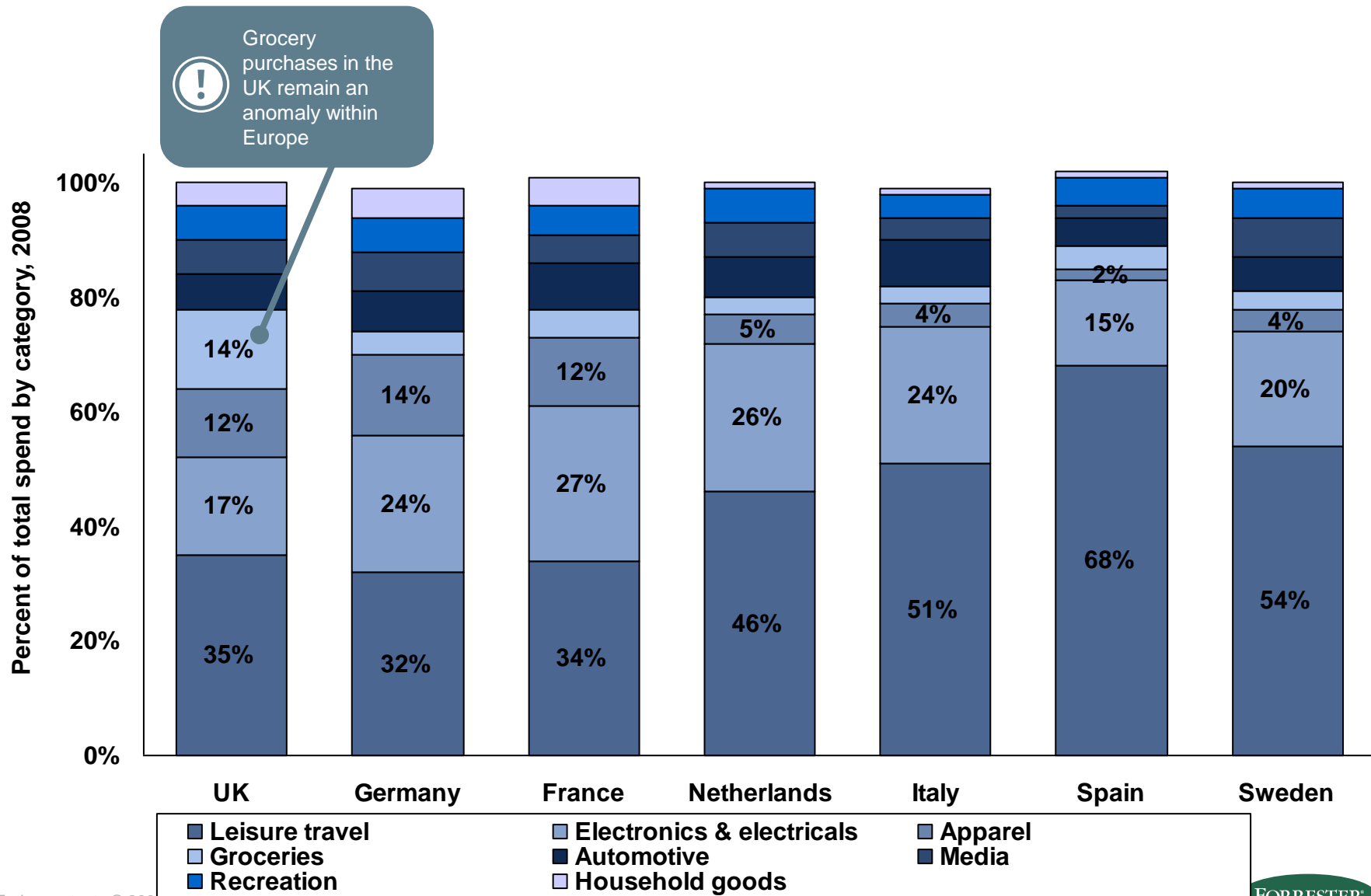
<sup>†</sup>Base: 4,910 Western European online shoppers  
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Source: European Technographics® Benchmark Survey, Q2 2008

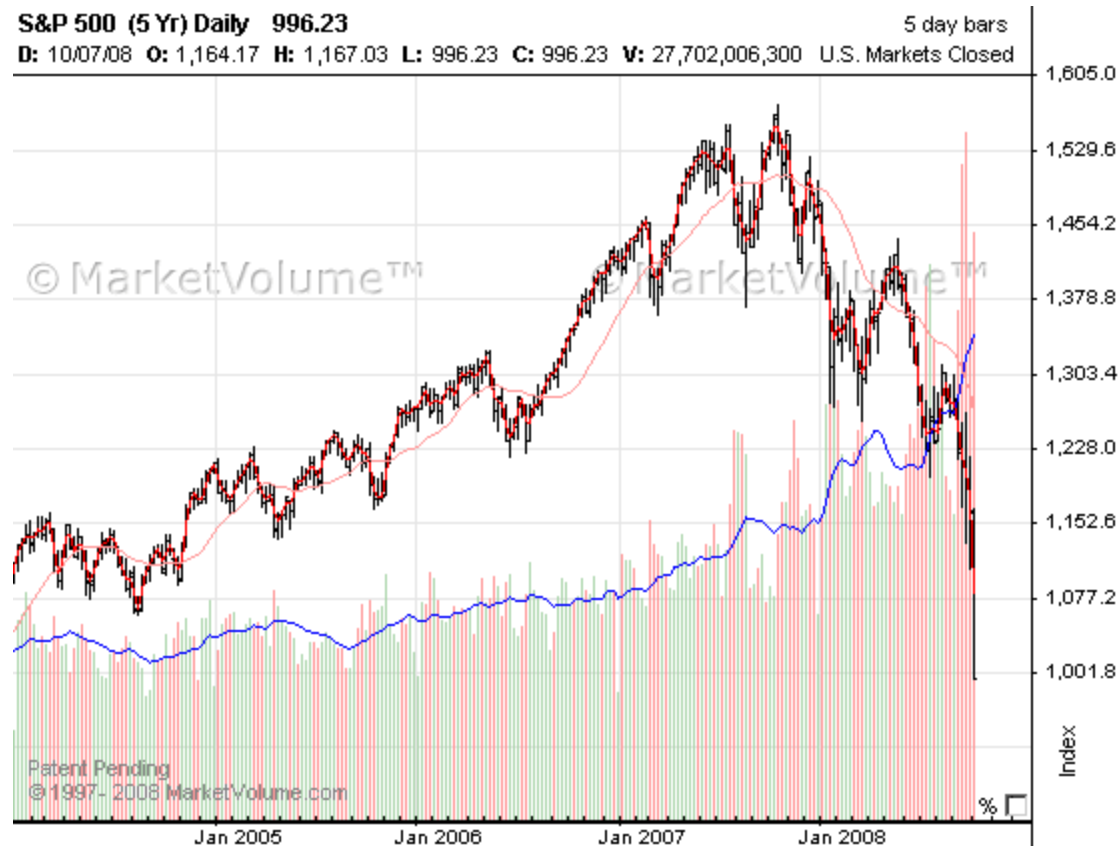
<sup>†</sup>Source: European Technographics Benchmark Survey, Q2 2003

\*This category was not listed in the 2003 survey.

# Categories purchased differ by country

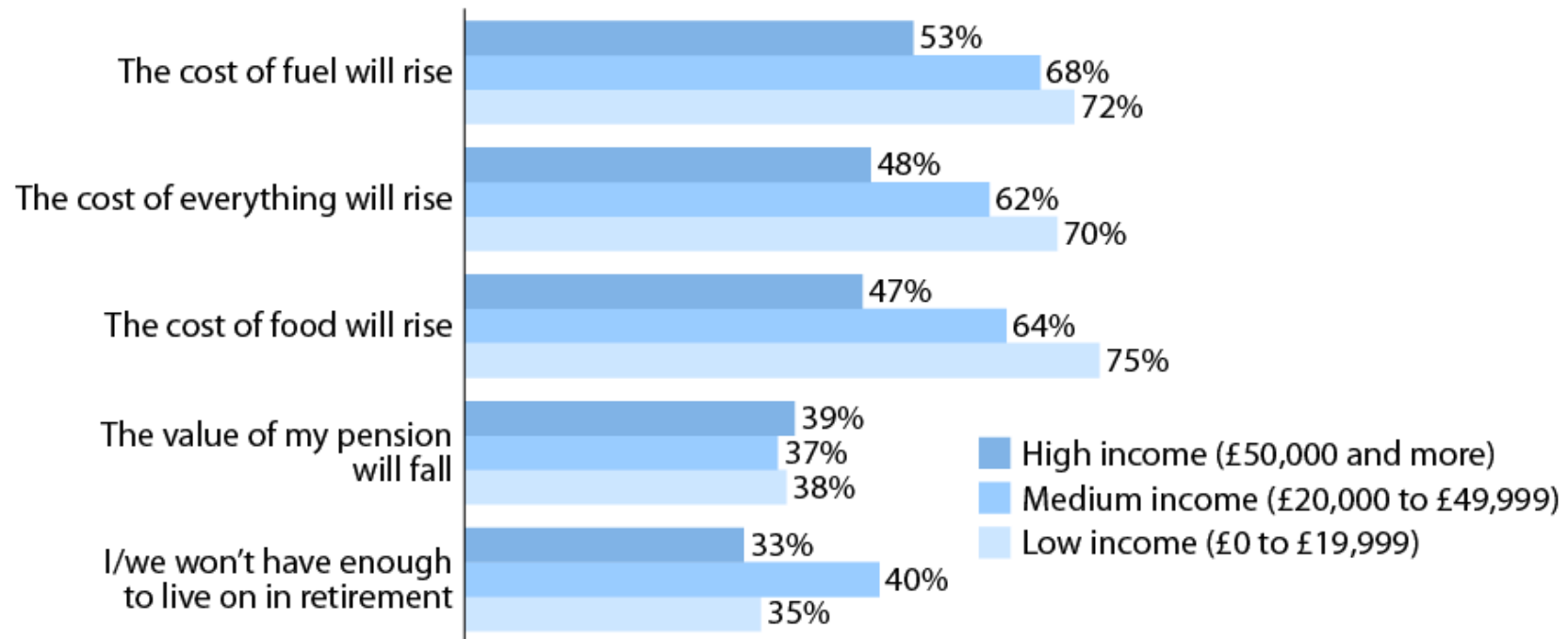


# It was all going so smoothly when...



# Consumer economic concerns vary by income, focus on necessary items and debt

**"Which, if any, of the following are you worried about?"**



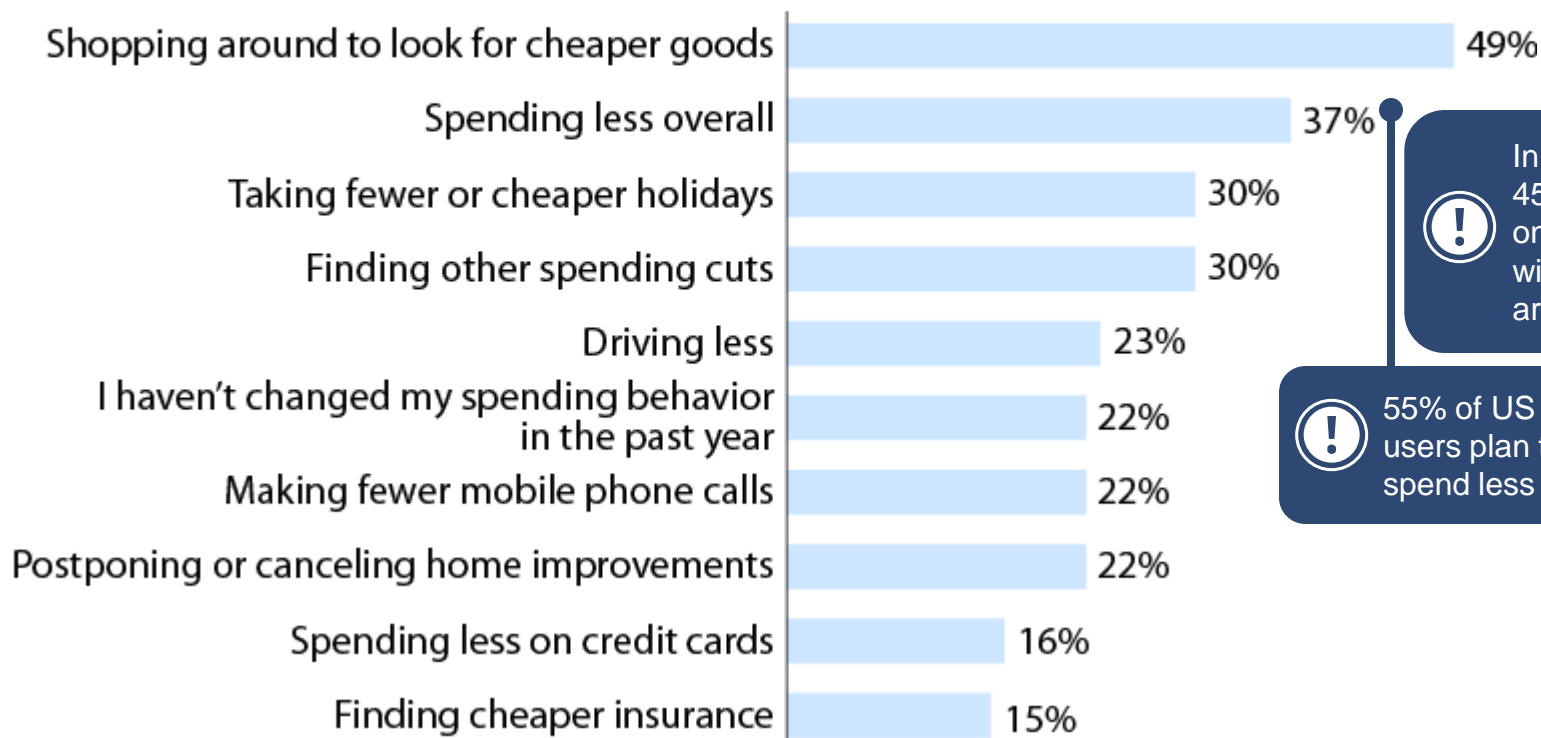
Base: UK consumers in each gross annual income bracket  
(multiple responses accepted)

Source: European Technographics® Pre-Holiday Retail Online Survey, Q4 2008

# Europeans started to cut their spending and shop around more

Consumers shop around and spend less

**“How, if at all, have you changed your spending behavior in the past year?”**



! In 2009, 45% of US online users will shop around more

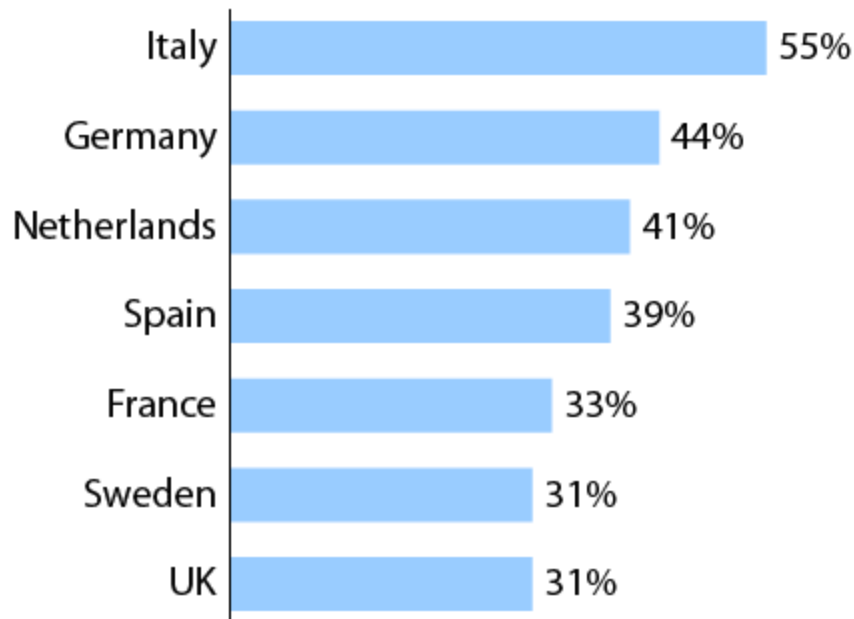
! 55% of US online users plan to spend less

Base: European Internet users  
(multiple responses accepted)

Source: European Technographics® Financial Services Online Survey, Q4 2008

# Preference for price comparison sites reaches critical mass of usage among online consumers

**"I prefer buying products through a price comparison site."**  
(4 or 5 on scale of 1 [strongly disagree] to 5 [strongly agree])



Base: European online consumers

Source: European Technographics® Retail, Customer Experience, And Travel Online Survey, Q3 2008



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# European online buyers shop online mostly to save time

*"Thinking about any online shopping you have done, please indicate how much you agree with each of the following statements"*



Base: 12,301 European online shoppers (multiple responses accepted)

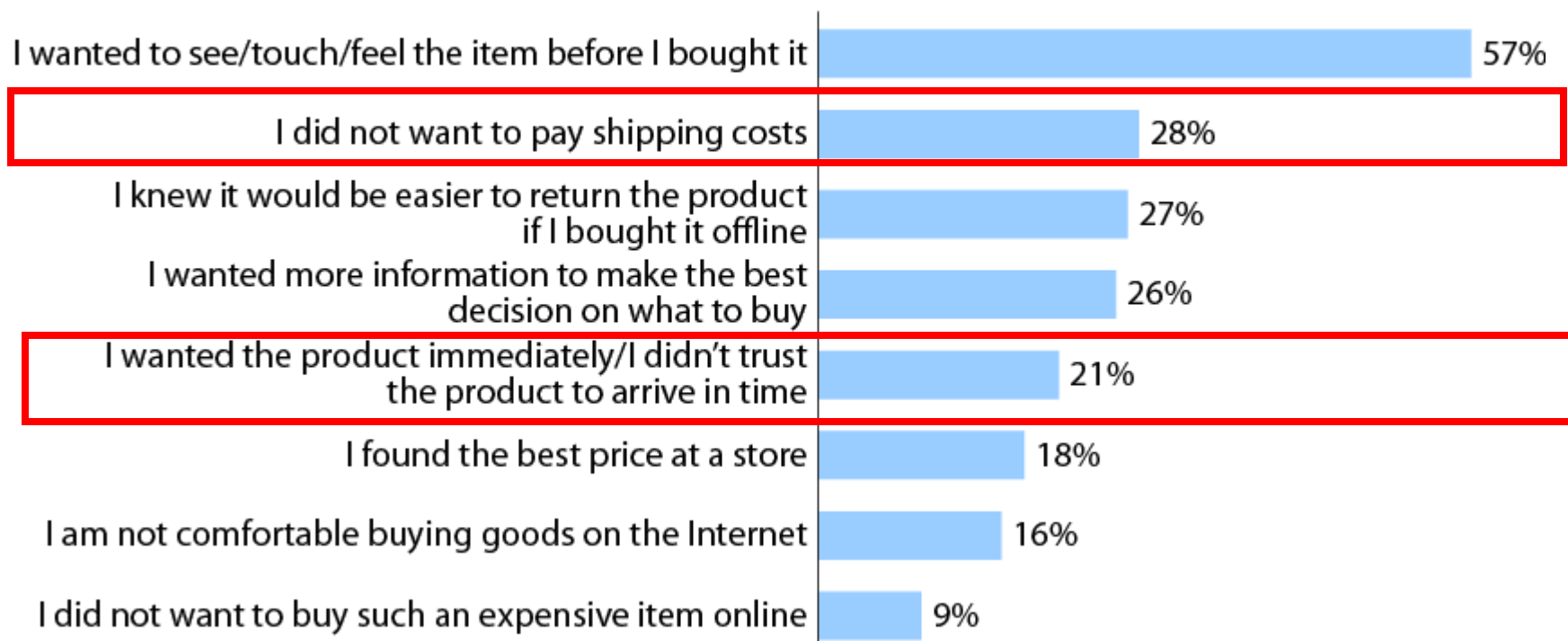
Source: European Technographics® Retail, Customer Experience and Travel Online Survey, Q3 2008

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FORRESTER

# Today's European Internet Shopping Holdouts Want To Touch And Feel Products

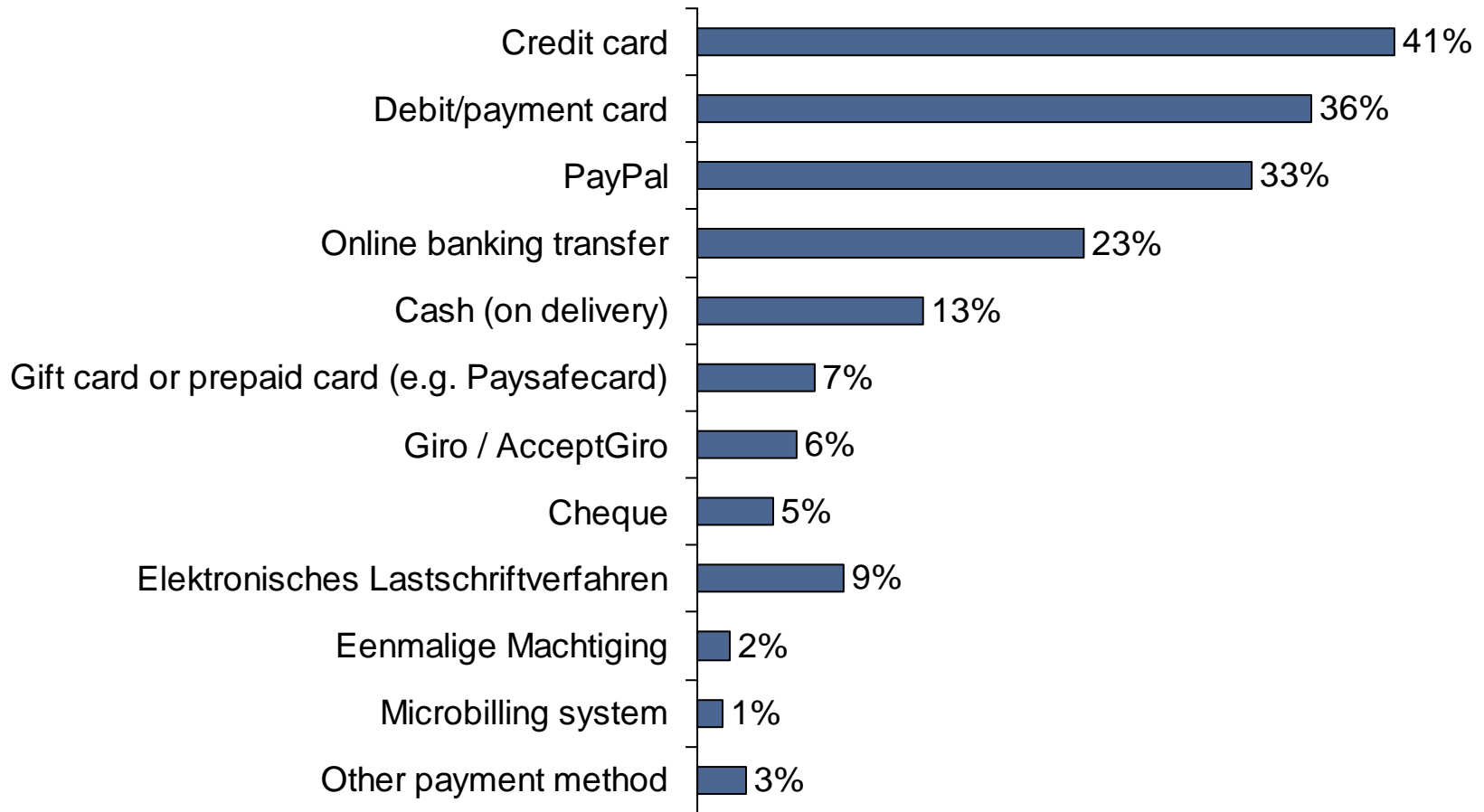
“Why did you buy a product in a store after researching it online?”



Base: 3,176 European online adults who researched a product online but bought it in a store  
(multiple responses accepted)

Source: European Technographics® Benchmark Survey, Q2 2008

# Credit/Debit cards are the No. 1 payment method used by online buyers in Europe

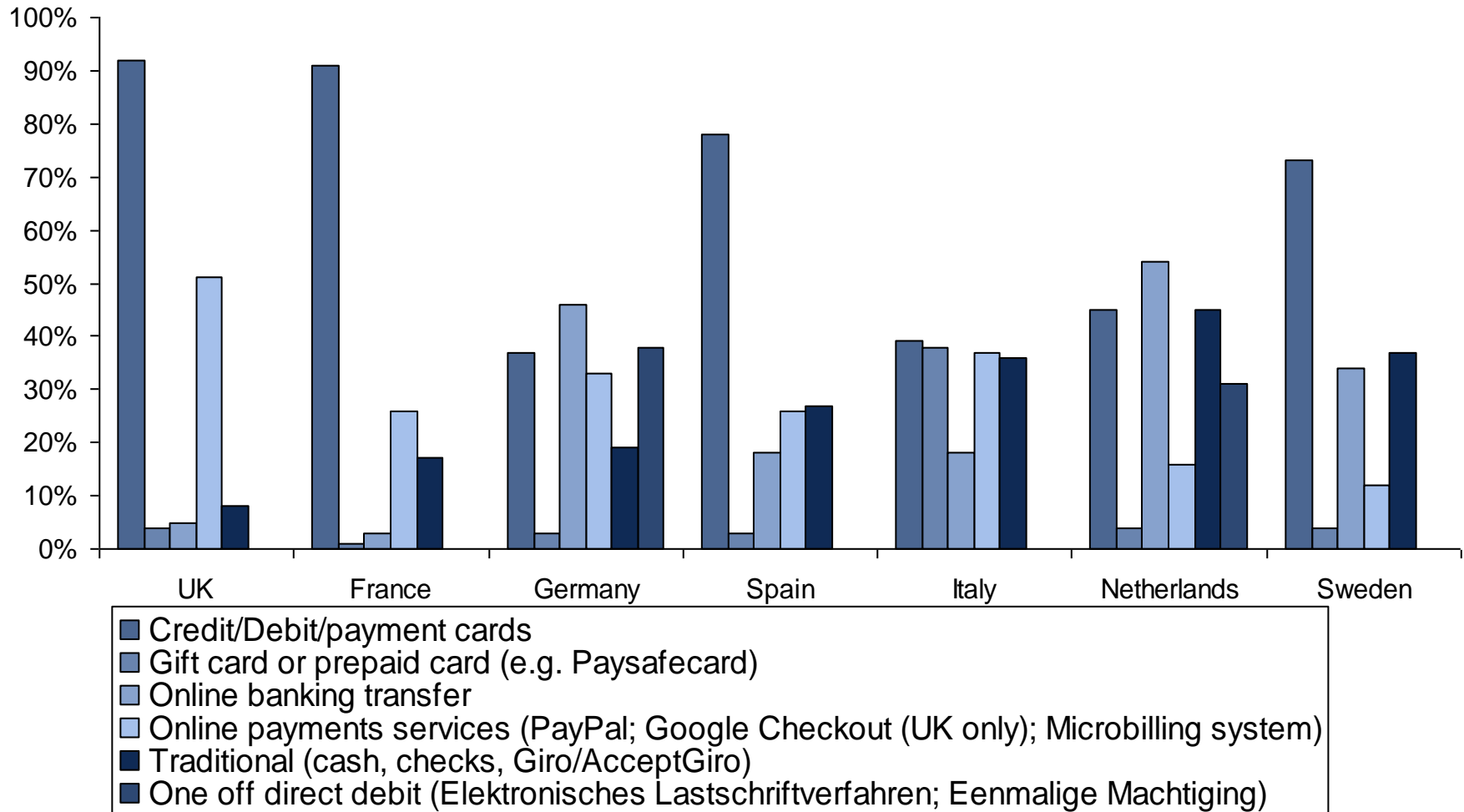


Base: 10,659 European online shoppers

Source: European Technographics® Retail, Customer Experience and Travel Online Survey, Q3 2008

# Strong national payment preferences persist

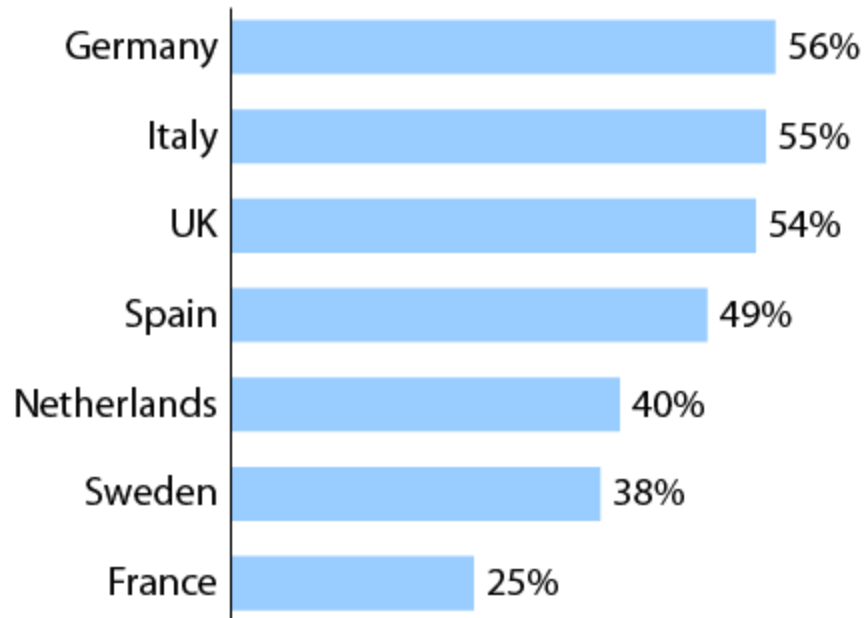
*Which have you used in the past 3 months to pay for products you bought online? (please select all that apply)*



Base: 10,659 European online shoppers

# Customer ratings and reviews helpful when making a purchase decision

**"Customer ratings/reviews help me decide whether or not to purchase a product/service."**  
(4 or 5 on scale of 1 [strongly disagree] to 5 [strongly agree])



Base: European online consumers

Source: European Technographics® Retail, Customer Experience, And Travel Online Survey, Q3 2008

# User-generated reviews highly regarded as consumer guidance –trump other social efforts for driving sales

**amazon.co.uk** Hello. Sign in to get [personalised recommendations](#). New Customer? [Start here](#). [Get Unlimited Free One-Day Delivery with Amazon Prime](#)

Your Amazon.co.uk Deals of the Week Gift Certificates (v) Gifts & Wish Lists (v) Your Account | Help

[Shop All Departments](#) (v) Search Shoes & Accessories [GO](#) [Basket](#)

[Shoes & Accessories](#) Brands Bestsellers Women's Shoes Men's Shoes Children's Shoes Athletic & Outdoor Shoes Bags & Accessories

## Crocs Adult Cayman

by [Crocs](#)

★★★★★ (37 customer reviews) [More about this product](#)

Price: **£18.95 - £39.95**  
[Special Offers Available](#)

**Select Size and Colour**

**Size:**

4 UK	5 UK	6 UK	7 UK	8 UK	9 UK	10 UK	11 UK	12 UK	13 UK	
------	------	------	------	------	------	-------	-------	-------	-------	--

**Colour:**

							Mango				
											

[Zoom](#)  
Zoom and other views

[Share your own customer images](#)

**To buy, select Size and Colour**  
(Choose from options to the left)

Quantity: 1

[Add to Shopping Basket](#)

or

[Sign in](#) to turn on 1-Click ordering.

[Add to Wish List](#)

[Add to Wedding List](#)

Select Size and Colour to view availability (or, see the complete [pricing and availability chart](#).)

Source: Amazon.co.uk

# Retailers incorporate user comments in many site functions

**ASDA direct** Search

♥ Quick Order ▶ Direct Home :: ASDA.com :: Sign in / Register :: Help?

Hello Guest  Items: 0 £0.00







George. Garden Homeware Furniture Electricals Toys Babyshop DIY & Motor Sports & Leisure Jewellery & Gifts Offers New to Direct

## Free Search Results

by category

Electricals (7)  
Offers (5)

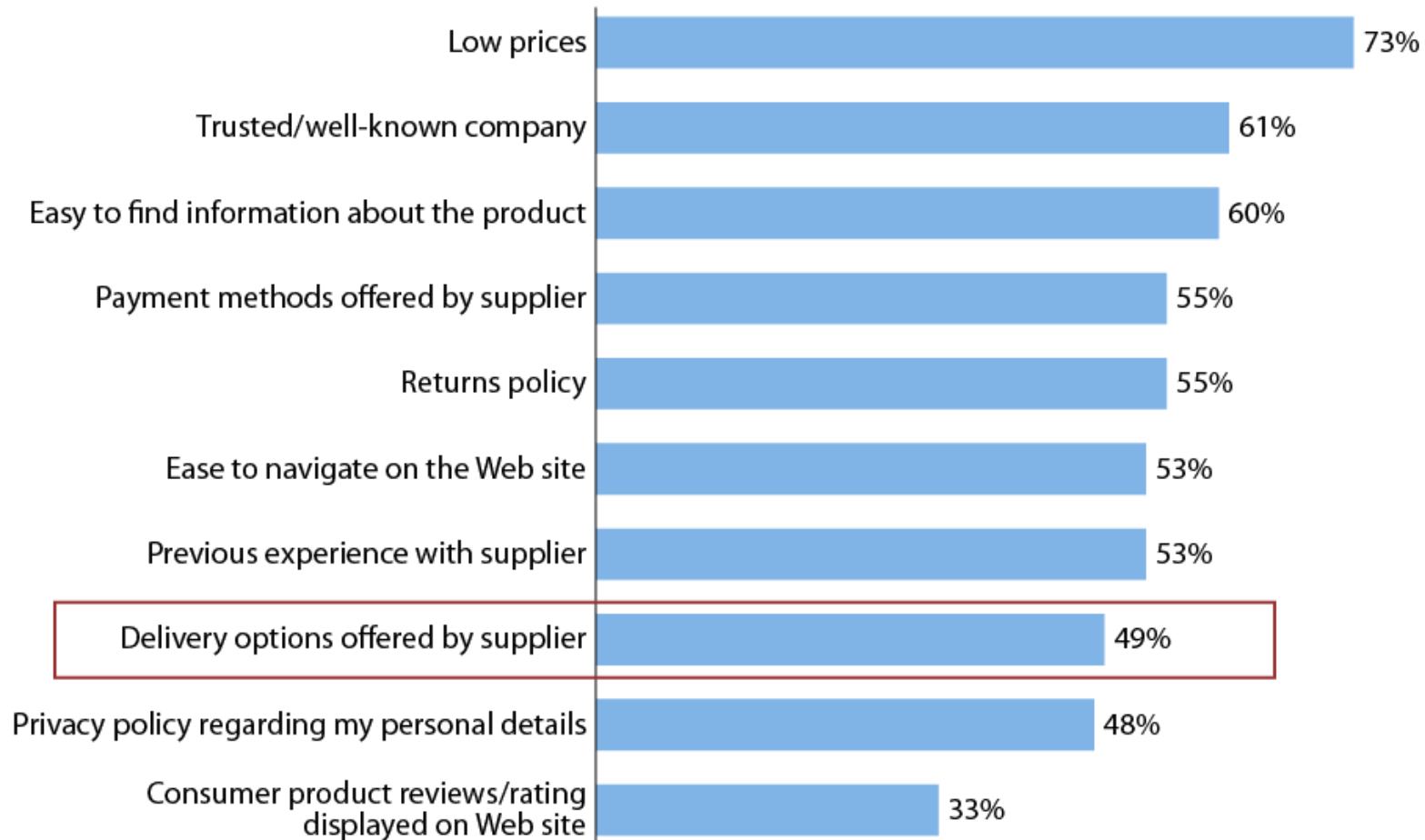
Showing: 1 - 7 of 7  Showing: 1 - 7 of 7

 <p><b>Grundig 22" LCD TV with Built in DVD Player</b> 582-951</p> <p><del>£247.00</del> <b>£225.00</b></p> <input type="button" value="Add to basket"/>	 <p><b>Grundig 26" LCD TV with Built in DVD Player</b> 584-729</p> <p><del>£360.00</del> <b>£300.00</b></p> <input type="button" value="Add to basket"/>	 <p><b>Grundig 15" HD Ready LCD TV with Freeview &amp; Built in DVD Player</b> 585-457</p> <p><del>£147.00</del> <b>£130.00</b></p> <input type="button" value="Add to basket"/>
 <p><b>Grundig 2.1 Channel HDMI DVD Home Theatre</b> 586-115</p> <p><del>£130.00</del> <b>£120.00</b></p> <input type="button" value="Add to basket"/>	 <p><b>Grundig 32" TV with Built in DVD Player</b> 586-234</p> <p><del>£495.00</del> <b>£375.00</b></p> <input type="button" value="Add to basket"/>	 <p><b>Grundig IDTV Set Top Box with HDMI Output</b> 586-108</p> <p><b>£30.00</b></p> <input type="button" value="Add to basket"/>



# Delivery options remain a significant factor for EU-7 online consumers

**"Which, if any, of the following factors are important to you in choosing a company or Web site for your online purchase?"**



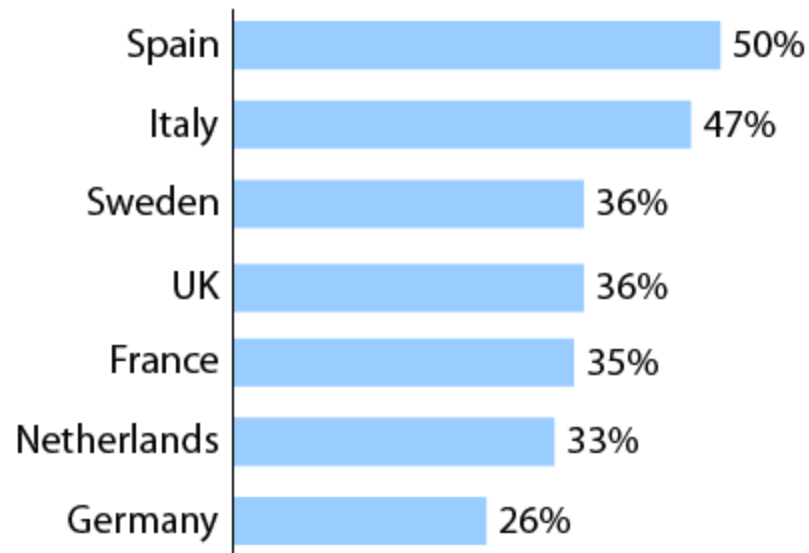
Base: 12,301 European online consumers  
(multiple responses accepted)

Source: European Technographics® Retail, Customer Experience, And Travel Online Survey, Q3 2008

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# Awareness of cross-border online shopping varies by country

**"I can buy products from other countries."**  
(4 or 5 on scale of 1 [strongly disagree] to 5 [strongly agree])

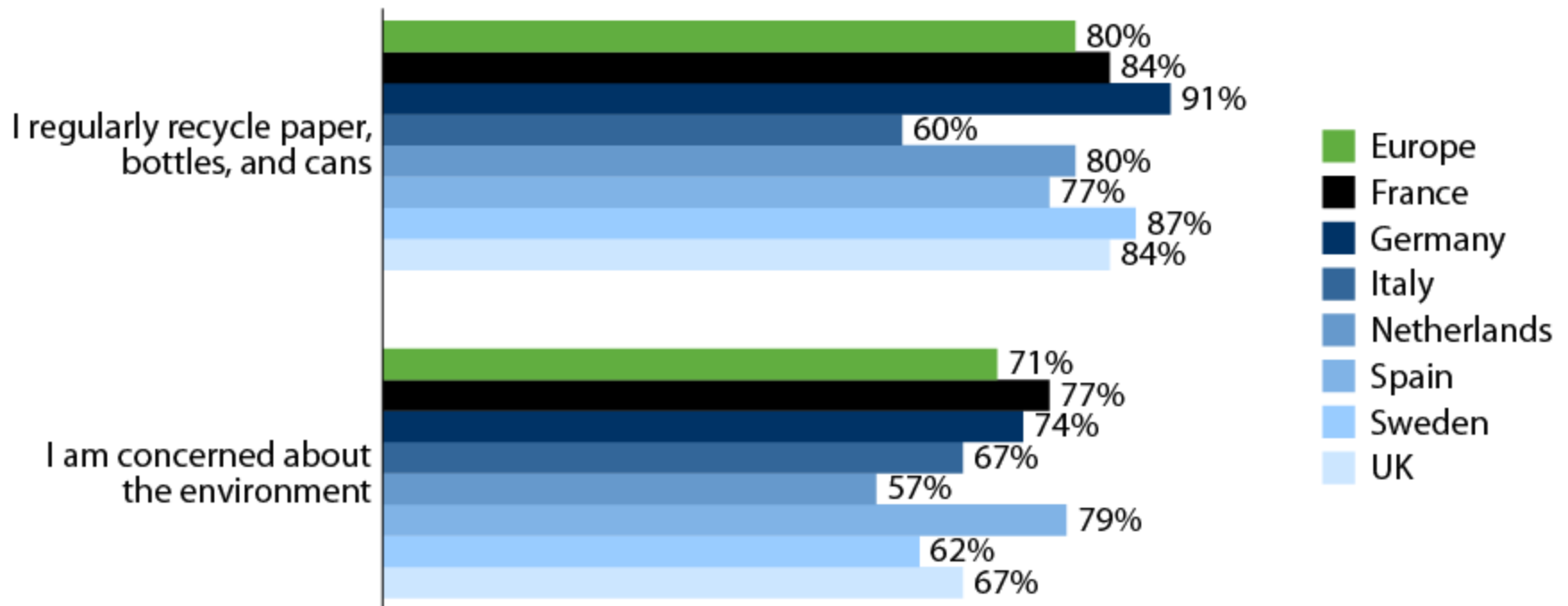


Base: European online consumers

Source: European Technographics® Retail, Customer Experience, And Travel Online Survey, Q3 2008

# Europeans concerned about the environment actively conserve

**"How much do you agree or disagree with the following statements?"**  
(4 or 5 on scale of 1 [strongly disagree] to 5 [strongly agree])



Base: European adults

Source: European Technographics® Benchmark Survey, Q2 2008

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# Darty.fr incorporates video within the product detail page

**DARTY** le CONTRAT de CONFIANCE

DARTY : qui sommes-nous ? ITALIE LUXEMBOURG SUISSE TURQUIE

Votre panier : 1 article : 149 €

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RECHERCHE :  OK

*Fête des Mères* [CLIQUEZ ICI](#)

**DARTY BOX THD** MAINTENANT, SUR DARTYBOX

Petit électroménager > Cuisson quotidienne > Friteuse

[Retour au tableau](#) | [< précédent](#) [suivant >](#)



**Friteuse SEB ACTIFRY**

- Capacité 1 kg / 1 cuillère d'huile
- Minuterie - Couvercle transparent
- Fonction sauteuse automatique
- Livre de 60 recettes

**149 €**  
dont éco-participation : 0,50 €

**En stock**

**INCLUS :**

- ✓ Garantie Darty 1 an pièces et main d'œuvre
- ✓ Frais d'envoi gratuits
- ✓ 10 jours pour changer d'avis

Vues supplémentaires

SEB ACTIFRY

[VOIR LA VIDEO](#)

**AJOUTER AU PANIER**

## Fin l'huile à vider et stocker en fin de cuisson !

Cette friteuse permet de réaliser non seulement 1 kg de frites fraîches pour seulement 1 cuillère d'huile.

Grâce à ce nouveau concept **combinez plaisir, santé et praticité** :

- A chaque utilisation vous pouvez varier les huiles (enrichie en Omega 3 ou aromatisée ...)
- Les matières grasses sont réduites à 3% pour des frites fraîches.
- Les odeurs sont limitées.

Realisez des frites mais aussi des **poêlées de légumes, nems, émincés de volaille, nuggets de poulet, sautés** Jacques...

**FlixMediaPlayer - Mozilla Firefox**

[http://www.flixfacts.co.uk/view/mediaplayer/?l=fr&demo=8&d=77&f=groupe\\_seb-](http://www.flixfacts.co.uk/view/mediaplayer/?l=fr&demo=8&d=77&f=groupe_seb-)

**Vidéo** **Vue à 360°**



## Nike Plus Multichannel/multi-product experience brings engagement and inspiration to runners

The screenshot displays the Nike Plus website's challenge creation interface. At the top, a navigation bar includes links for NIKE.COM, WELCOME RON, LOGOUT, MY ACCOUNT, and NEWSLETTER. Below this, a user profile section shows a 'Double R' avatar and a progress bar indicating 'I have completed 0 runs for a total of 0 mi. My average pace is 0'0" per mi.' To the right of the progress bar are icons for trophies, blog, and forums.

The main content area features a large green heading 'Set individual stakes'. Below this, there are several interactive elements: a 'Pick with' dropdown menu, a 'The Most Miles' challenge example (Whoever runs the most miles in 30 days wins!), a 'The Fastest' challenge, and a 'Team' challenge. There are also buttons for 'A Distance Race' and 'A Dis'. A vertical sidebar on the left contains a 'Create a Challenge' button.

A callout box on the left side of the main content area contains an exclamation mark icon and the text: 'Runners can create a challenge for themselves and others.'

A callout box on the right side of the main content area contains the text: 'An RIA acts as the centerpiece for a multichannel experience that includes physical devices (the Nike + iPod Sport Kit), a Web site, and widgets where users can find routes, manage their training goals, and track performance.'

The bottom of the page features a navigation bar with buttons for 'My Runs', 'Challenges', 'Community', 'Gear & Music', and 'Support'. Each button has an associated icon: a runner for 'My Runs', a trophy for 'Challenges', a globe for 'Community', a shoe for 'Gear & Music', and a speech bubble for 'Support'. The 'Challenges' button also displays a count of '809'.

The footer of the page includes links for 'COUNTRY SELECTOR', 'STORE LOCATOR', 'CUSTOMER SERVICE', and 'PRIVACY/TERMS OF USE', along with a copyright notice: '©2008 NIKE ALL RIGHTS RESERVED'.



# Panasonic Brings Design Ideas To Life Using A Flash RIA

Panasonic ideas for life

## PICTURE A PLASMA ON YOUR WALL



Users can drag a TV onto a wall to see how it will look in a room.

### Sample Room

#### Position your plasma

Select a size below, then drag the Panasonic plasma onto your wall

- ☐ 42"
- ☐ 50"
- ☐ 58"
- ☐ 65"
- ☒ 103"

← SELECT A NEW IMAGE

VIEW ALL MODELS →

← SELECT SAMPLE IMAGE

← UPLOAD NEW PHOTO

view all models ↓



Users can upload their own photos to visualize different rooms.

Source: Panasonic ([http://www.panasonic.com/consumer\\_electronics/plasma\\_central/pow\\_flash.asp](http://www.panasonic.com/consumer_electronics/plasma_central/pow_flash.asp))

# The luxury sector is selling online and extending into emerging markets

**PRADA**

CLIENT SERVICE

ITALIANO

PURCHASE TERMS



Source: Prada  
(<http://www.prada.com>)

CLIVE CHRISTIAN



Source: Clive Christian  
Perfume (<http://www.clive.com/boutique/>)

**BURBERRY**

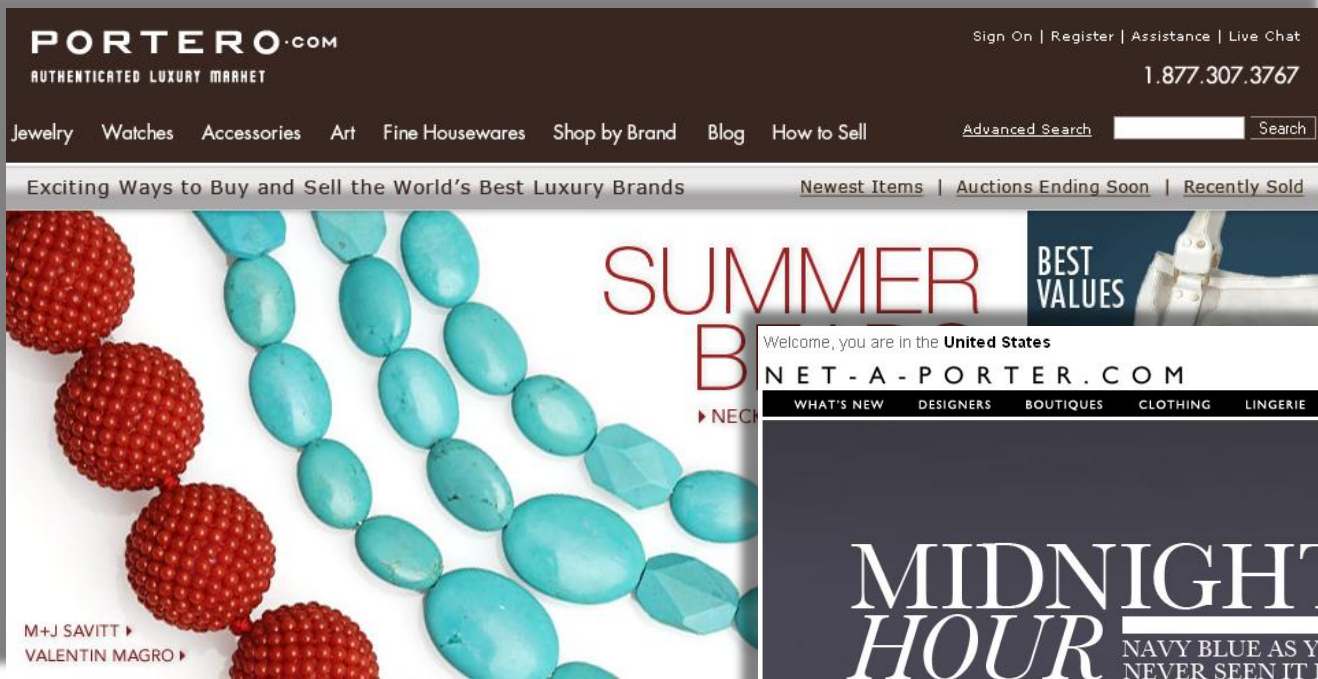
**SHOP THE SPRING  
SUMMER 2009 COLLECTION**



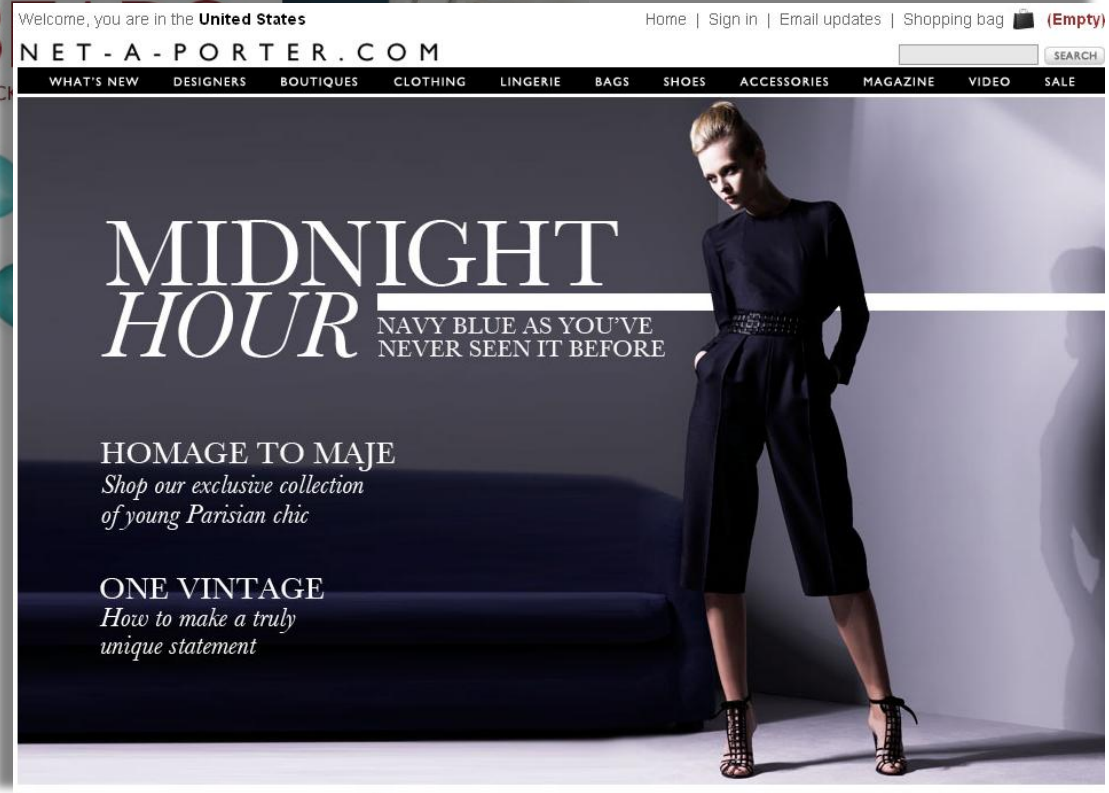
Source: Burberry (<http://www.burberry.com>)



# Luxury startups continue to popup



Source: Portero (<http://www.portero.com/>)



Source: NET-A-PORTER.COM (<http://www.net-a-porter.com/>)

# Mobile has emerged as a shopping tool

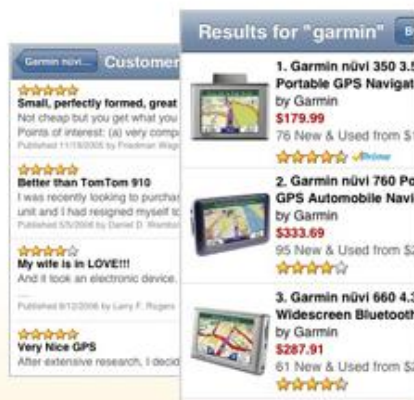
The Amazon App is now available on the iPhone App Store.



- \* **Fast:** Easy and fun access to the millions of products available from Amazon.com and over 9000 other merchants.
  - \* **Convenient:** Access to your account, settings, or membership info.
  - \* **Secure:** All transactions are routed to Amazon's secure servers.
- > [Learn More](#)



Source: [kelkoo.co.uk](http://kelkoo.co.uk)



Source: Amazon.com

## JOIN THE PRICE COMPARISON REVOLUTION!

With the power of PriceRunner on your mobile, you're free to check prices anywhere, instantly.



Source: PriceRunner

# Key Takeaways

- Western European online shopping will continue to grow strongly bucking the economic downturn trend
- Convenience and assortment drive use, physical evaluation remains inhibitor
- Regional payment preferences persist
- User-generated reviews drive conversion
- Cross-Border purchasing grows
- Rich internet experiences meant to engage customers