

NEW ZEALAND ONLINE RETAIL SALES REPORT

JULY 2020

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CHANGE IN ONLINE SPENDING

TOTAL SPENDING
VS. LAST YEAR

2.8%

SPEND AT DOMESTIC
SITES VS. LAST YEAR

16.2%

SPEND AT INT'L SITES
VS. LAST YEAR

-16.1%

CATEGORY CHANGE VS. JULY 2019

-2%	Groceries & Liquor (incl health food and supplements)
42%	Furniture, Housewares and Hardware
-4%	Electrical & Electronic goods (incl computers & appliances)
3%	Recreation, Toys, Games, Entertainment media, Books
10%	Clothing, Footwear and Accessories
-1%	Variety, Department and Other*
1%	Pharmacy, Cosmetics, Stationery, Antiques, Flowers

EXCHANGE RATES

vs. LAST YEAR (average)

USD \$

-1.3%

GBP £

-3.5%

AUD \$

-2.1%

MONTH IN REVIEW

New Zealanders' online spending was up just 2.8% over the same month last year. While still an increase, it is the lowest monthly growth rate since February this year, which was incidentally the last full month before Level 4 Lockdown in March. It is also interesting to see the growth at physical retailers this month (+9.9%) outpace online spending. That hasn't often been the case over the last couple of years. That said, online spending is still solid, with the domestic online offering up 16.2% compared to July 2019.

When comparing July 2020 to June 2020, online spending was down 7.3%. This is the second consecutive month where spend online has shown a decrease when compared to the previous month. In a way it's not too surprising given the heights of online spending in Lockdown.

As we now learn of another round of Lockdown, it will be interesting to monitor the shifts in online behaviour. New Zealanders look to have been out there supporting their local retail over the last couple of months with great fervour. But knowing how useful online shopping was during the original Lockdown period, it would seem sensible to expect another wave of much increased online activity.

Growth Rates	Total Online			Domestic Online Purchases			International Online Purchases		
	May-20	Jun-20	Jul-20	May-20	Jun-20	Jul-20	May-20	Jun-20	Jul-20
Month ended >>>									
Monthly spending vs Same month prior year	51%	14%	3%	95%	32%	16%	-9%	-11%	-16%
3-monthly average vs Same period prior year	35%	38%	23%	70%	72%	48%	-12%	-9%	-12%

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 \$50 billion. Exchange rates are sourced from Interest.co.nz

*Categories included in the Online Retail Sales Report 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.

*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.



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Financial

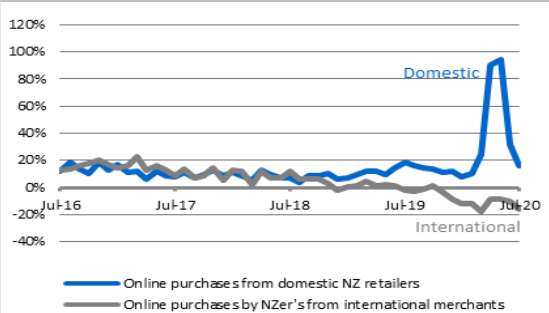
Marketview

NEW ZEALAND ONLINE RETAIL SALES | JULY 2020

SUPPLEMENTARY CHARTS | JULY 2020

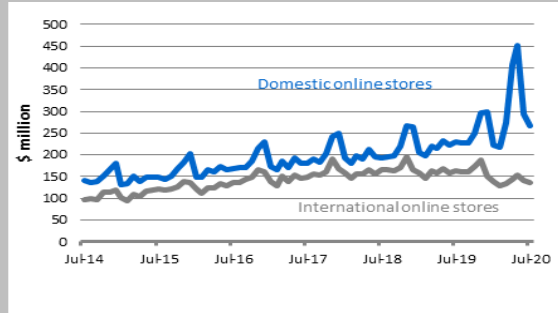
Growth in NZ online sales by retailer location

Monthly spending compared to the same month in prior year



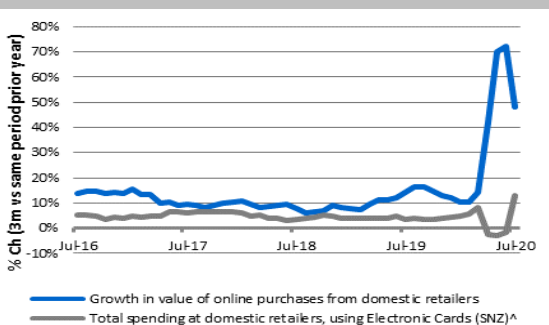
Monthly Online Retail spending by New Zealanders

\$ million

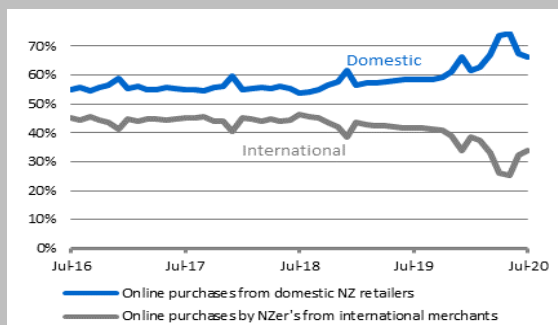


NZ Domestic Online vs SNZ Electronic Card Transactions[^]

3-monthly spending compared to same period in prior year

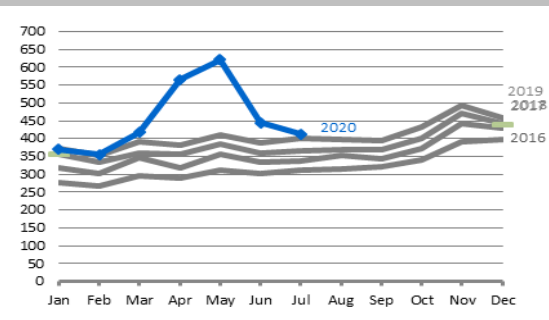


Monthly share of NZ Online Retail Sales, by retailer location



Index of Total NZ Online Retail Sales

January 2010 = 100



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