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Our Report Partners

This report is created with help from the following partners

The Ecommerce Foundation is a non-profit organization founded by Ecommerce Europe. It conducts research and studies in the field of e-commerce and provides for benchmarking and reports on e-commerce facts and figures. It also serves as Ecommerce Europe’s research institute. In this role, the Ecommerce Foundation was commissioned by Ecommerce Europe to develop the European B2C E-commerce Report and more than forty national e-commerce reports.

Ingenico is the most knowledgeable global Payment Service Provider in the world, processing international e-commerce payments for more than 600 of the world’s most recognized e-commerce brands in the digital goods and services, travel, retail and video gaming industries, among many others. Ingenico’s business intelligence tools, Managed Fraud Services and more than 400 payments experts help our clients elevate their payment strategies to become a strategic asset to their companies.

Webhelp is a global business process outsourcer (BPO), specializing in customer experience and payment management in addition to sales and marketing services across voice, social and digital channels. From 21 countries with a 30,000-strong team, our focus is on engineering performance improvements and delivering a real and lasting transformation in our clients’ operating models to generate financial advantage. We partner with some of the world’s most progressive brands.
Asendia is one of the world’s top three international mail, shipping and distribution organizations, delivering your packages, parcels and documents to more than 200 destinations across the globe. Formed as a partnership between La Poste and Swiss Post in 2012, the Asendia business employs more than 1,000 people worldwide, has offices in 15 countries and a global network of delivery partners to get your package where it needs to be, when it needs to get there.

MarketShare, A Neustar Solution, helps marketers grow revenue. Combining advanced analytics technology, scientific leadership and deep domain expertise, MarketShare enables large companies to measure, predict and dramatically improve Marketing’s impact on revenue—typically generating a 20%-30% improvement in marketing effectiveness and 3%-4% revenue increase, yielding a 3x-50x first-year ROI. Widely considered the market leader, MarketShare helps direct tens of billions of marketing investment dollars globally.
Ecommerce Foundation

At the Ecommerce Foundation, we believe that sharing knowledge is essential for the continuous growth of the e-commerce industry. For this reason we have recently developed two initiatives with the aim of helping e-commerce companies improve. The EcommerceWiki is an international platform on which we strive to gather as much relevant e-commerce content as possible, with the help of many experts worldwide. In addition, we have set up the Ecommerce Benchmark, a useful tool for companies to compare their e-commerce performance with their direct competitors in a safe and anonymous way.

Through this report we want to share our knowledge on B2C e-commerce in Japan. We have gathered these facts, figures and insights through thorough desk research and with the help of various partners. This results in an elaborate report which will definitely offer valuable information to parties that trade cross-border in Japan or have intentions to do so.

Naturally, we could not have realized these reports without the help of others. Therefore we want to use this opportunity to express our gratitude to Asendia, Ingenico and Webhelp, who have enabled us to make our reports widely available and to GfK for their close cooperation and involvement.

For any additional information about the Ecommerce Foundation and its products, please contact us through our website www.ecommercefoundation.org or send us an email at info@ecommercefoundation.org.

Director of Ecommerce Foundation
Jorij Abraham

Chief Editor at Ecommerce Foundation
Richard van Welie
Japan 2015 Key E-commerce Facts at a Glance

110.3mn people are over the age of 15

100.3mn people use the Internet (91%)

76.9mn people shop online (70%)

Total GDP of $4,123.3bn

E-commerce GDP of 2.80%

54% of the population uses a smartphone

Share of mobile in online sales

B2C e-commerce revenue and average spending per e-shopper

2013: $92.9bn
2014: $106.1bn
2015: $114.4bn

100mn people use the Internet

110.3mn people are over the age of 15

Country report sponsored by:
Demographic indicators

Country Report Japan

Total population: 126,958,000
Median age: 46.5 years
  Male: 45.2 years
  Female: 47.9 years

Population growth: -0.14%

Area: 177,955 km²
Capital: Tokyo
Currency: Yen (JPY)

Institution: A parliamentary government with a constitutional monarchy
Internet access: 91%
URL country code: .jp
Official languages: Japanese
Dialing Code: +81

AGE STRUCTURE
Population by age category, 2016

0-14: 13.1%
15-24: 9.7%
25-54: 37.9%
55-64: 12.7%
65+: 26.6%

Sources: World Factbook, 2016

Sources: Worldbook and Wikipedia, 2016
**Japan’s total GDP continued to decline in 2015**

Country Report Japan

### TOTAL GROSS DOMESTIC PRODUCT

GDP at market prices, 2011-2015

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP (in millions of US dollars)</th>
<th>GDP (in millions of Japanese Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$4,123,258</td>
<td>JPY578,702,072</td>
</tr>
<tr>
<td>2014</td>
<td>$4,596,157</td>
<td>JPY618,074,920</td>
</tr>
<tr>
<td>2013</td>
<td>$4,908,863</td>
<td>JPY750,077,362</td>
</tr>
<tr>
<td>2012</td>
<td>$5,957,250</td>
<td>JPY744,000,828</td>
</tr>
<tr>
<td>2011</td>
<td>$5,909,989</td>
<td>JPY692,343,560</td>
</tr>
</tbody>
</table>

Source: IMF and Worldbank, 2016

### GROSS DOMESTIC PRODUCT REAL GROWTH RATE

Percentage change of GDP, 2011 - 2015

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP per capita (in US dollars)</th>
<th>GDP per capita (in Japanese Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$32,477</td>
<td>JPY4,551,985</td>
</tr>
<tr>
<td>2014</td>
<td>$36,153</td>
<td>JPY4,853,790</td>
</tr>
<tr>
<td>2013</td>
<td>$38,550</td>
<td>JPY5,880,124</td>
</tr>
<tr>
<td>2012</td>
<td>$46,701</td>
<td>JPY5,820,816</td>
</tr>
<tr>
<td>2011</td>
<td>$46,230</td>
<td>JPY5,405,978</td>
</tr>
</tbody>
</table>


**E-commerce share of GDP**

2.80%

**Explanation**

The Japanese GDP grew by 0.5% in 2015. This real growth rate takes the inflation rate into account.
Japan’s unemployment rate declined to less than 4% in 2015

Country Report Japan

**Unemployment Rate**
Percentage of the total labor force, 2011-2015

- 2011: 4.6%
- 2012: 4.3%
- 2013: 4.3%
- 2014: 4.2%
- 2015: 3.4%

Source: Ministry of Internal Affairs and Communication, 2016

**Inflation Rate**
Annual change on Consumer Price Index (CPI), 2011-2015

- 2011: 1.7%
- 2012: 2.0%
- 2013: 1.9%
- 2014: 0.6%


**Consumer Confidence Index**
CCI on a three-month basis, 2014-2015

- Jan-14: -9.5
- Apr-14: -13.0
- Jul-14: -8.5
- Oct-14: -11.1
- Jan-15: -8.5
- Apr-15: -8.5
- Jul-15: -9.7
- Oct-15: -8.5

Source: Tradingeconomics, 2016
Japan ranks sixth on the global E-Government Index

**Logistical Performance Index**
The LPI overall score reflects perceptions of a country's logistics based on, among other things, efficiency of customs clearance process, quality of trade- and transport-related infrastructure and ease quality of logistics services.

**Ease of Doing Business Index**
A high ease of doing business ranking means the regulatory environment is more favorable for the starting and operation of a local firm. The rankings are determined by sorting the aggregate distance to frontier scores on 10 equal topics.

**E-government Index**
The UN’s E-Government Index provides a comparative assessment of the e-government development of UN Member States. Important factors contributing to a high level of e-government development are concurrent past and present investments in telecommunication, human capital and provision of online services.

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**Japan**

- **10th**: Logistics Performance Index
- **34th**: Ease of Doing Business Index
- **6th**: E-government Index
The number of Internet users and e-shoppers is growing slowly

Country Report: Japan

### People aged 55+ spend the most time on the Internet of all age groups

**Country Report Japan**

AVERAGE ONLINE HOURS OF INTERNET USERS  
Monthly online usage in Japan, by gender and age group, May 2015

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>19.5</td>
<td>14.6</td>
</tr>
<tr>
<td>25-34</td>
<td>21.8</td>
<td>13.9</td>
</tr>
<tr>
<td>35-44</td>
<td>16.9</td>
<td>15.0</td>
</tr>
<tr>
<td>54-54</td>
<td>20.8</td>
<td>17.6</td>
</tr>
<tr>
<td>55+</td>
<td>19.6</td>
<td>18.9</td>
</tr>
</tbody>
</table>

Source: ComScore, 2016
What are the greatest challenges for foreign companies when they want to enter Japan’s market?
Regionally, Japan is a relatively big market, but it is still dwarfed by other global economies when it comes to e-commerce volumes. In terms of payments, Japanese consumers were early and enthusiastic adopters of credit cards, which remain the most popular form of payment.

Japanese consumers are especially keen on e-commerce marketplaces: Rakuten has 95 million registered users in the country, for instance, and a market share of around 28%. Being comfortable working within the marketplace environment is therefore a major advantage for any business keen to sell in Japan.

Do you have any tips for (online) merchants in terms of delivery and returns?
According to a recent survey, many brands and retailers in Japan are not transparent about the return process. “While all luxury brands in the survey offered return instructions, 83% of appliance and furniture retailers did not. Overall half the firms surveyed did not offer a return label in the shipment,” it said.

Click and collect is still an underdeveloped option in Japan, as is locker pick-up, although Rakuten is making strides in developing its network. As for home delivery, customers now expect to be able to set the delivery time and date for the majority of purchases, so retailers need to take that into account.

What developments and aspects related to delivery and returns should they take into account in Japan?
Japanese consumers have famously high expectations of online retailers. Given the size of the country, typical shipping distances involved are small for domestic retailers. As a result, and given that Japan’s transport and postal infrastructure is superb, retailers are expected to expedite fast, reliable delivery.

Japan has historically had a low returns rate, which consequently helps to keep operating costs down for most retailers, and allows them to sell on the large marketplaces with little difficulty. While international and luxury brands enforce high free shipping thresholds, the addition of Amazon and its effect on shipping rates is likely to be downwards. Amazon now offers same-day delivery to just under 80% of Japan’s population – about 100 million people – and next-day delivery to 95.1%.

Anyone shipping to Japan from overseas must make it clear to customers that the order will take longer to arrive. In a country where many consumers expect to receive goods the same day of purchase, managing those expectations is critical.

Expert opinion

“Japanese-speaking support is important when managing customer orders. Some platforms even demand that retailers offer support in Japanese in order to sell”

Alexey Loginov
Business Intelligence Manager, Asendia
The B2C e-commerce growth rate decreased considerably in 2015

Country Report Japan

B2C E-COMMERCE REVENUE AND GROWTH RATE
Total online sales of goods and services, in millions of US dollars, 2012-2016 (f)

<table>
<thead>
<tr>
<th>Year</th>
<th>B2C e-commerce revenue (in millions of US dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$78,755</td>
</tr>
<tr>
<td>2013</td>
<td>$92,848</td>
</tr>
<tr>
<td>2014</td>
<td>$106,112</td>
</tr>
<tr>
<td>2015</td>
<td>$114,402</td>
</tr>
<tr>
<td>2016 (f)</td>
<td>$124,350</td>
</tr>
</tbody>
</table>

Source: Ministry of Economy, Trade and Industry and Ecommerce Foundation, 2016

B2C E-COMMERCE SALES
Total online sales of goods and services, 2012-2016 (f)

<table>
<thead>
<tr>
<th>Year</th>
<th>B2C e-commerce turnover (in millions of Japanese Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 (f)</td>
<td>JPY15,000,000</td>
</tr>
<tr>
<td>2015</td>
<td>JPY13,800,000</td>
</tr>
<tr>
<td>2014</td>
<td>JPY12,800,000</td>
</tr>
<tr>
<td>2013</td>
<td>JPY11,200,000</td>
</tr>
<tr>
<td>2012</td>
<td>JPY9,500,000</td>
</tr>
</tbody>
</table>

Source: Ministry of Economy, Trade and Industry, 2016

The B2C e-commerce growth rate decreased considerably in 2015.
Clothing maintains its position as leading product group

OVERVIEW OF POPULAR PRODUCT GROUPS
Estimated online sales of popular product groups in millions of US dollars, 2015

- Clothing
- Information technology
- Media & entertainment
- Shoes and personal lifestyle
- Telecom
- Home & Garden
- Household electronics
- Toys
- Food/Nearfood
- Consumer Electronics
- Health & Beauty
- Sports and recreation
- Others

MARKET SHARE
Market share of the most popular product categories in 2015

- Clothing
- Information technology
- Media & entertainment
- Shoes and personal lifestyle
- Telecom
- Home & Garden
- Household electronics
- Toys
- Food/Nearfood
- Remaining categories

Source: Ecommerce Foundation and Statista, 2016

For the complete overview of the product groups, please order your full report here (€95)

Source: Ecommerce Foundation, 2016
Travel is by far the most popular online service group

Estimated online sales of popular service groups in millions of US dollars, 2015

Source: Ecommerce Foundation and Statista, 2016

NUMBER OF E-SHOPPERS AND AVERAGE SPENDING PER E-SHOPPER
2013-2015

Source: Ecommerce Foundation and Statista, 2016

OVERVIEW OF POPULAR SERVICE GROUPS

MARKET SHARE
Market share of the most popular service categories in 2015

Source: Ecommerce Foundation, 2016

Country Report Japan

For the complete overview of the service groups, please order your full report here (€95)
Japanese consumer mostly buy their travel services online

Country Report Japan

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel: Leisure Flights</td>
<td>91%</td>
</tr>
<tr>
<td>Travel: Hotel Stays</td>
<td>86%</td>
</tr>
<tr>
<td>Music</td>
<td>79%</td>
</tr>
<tr>
<td>Car Insurance</td>
<td>67%</td>
</tr>
<tr>
<td>Clothing &amp; Footwear</td>
<td>54%</td>
</tr>
<tr>
<td>Laptop/Tablet</td>
<td>52%</td>
</tr>
<tr>
<td>Home Furnishings</td>
<td>51%</td>
</tr>
<tr>
<td>Make-up</td>
<td>48%</td>
</tr>
<tr>
<td>Cinema Tickets</td>
<td>41%</td>
</tr>
<tr>
<td>TV Sets</td>
<td>39%</td>
</tr>
<tr>
<td>Home Appliances</td>
<td>38%</td>
</tr>
<tr>
<td>Do It Yourself (DIY)</td>
<td>31%</td>
</tr>
<tr>
<td>Hair Care</td>
<td>24%</td>
</tr>
</tbody>
</table>

Sources: Google Barometer, 2016

Explanation
Of all purchases in the Home Furnishings category, 51% were made online in Japan
Whether their business is online, in physical stores or both, all retailers face similar challenges. They have to deliver a seamless customer experience at every touchpoint, maximize sales across every channel and device, and live up to their promises regarding product availability and delivery. In order to create a strong retail brand to which consumers will return, they must turn shopping into retail therapy – effortless, relaxing and ultimately enjoyable.

Customer experiences should not happen by accident, but must be engineered. This means that one should really understand his customer’s journey and its moments of truth, and base his next best actions on smart and predictive data analytics. An omni-channel approach to service and sales is powering the retailers’ ability to win hearts, minds and revenue share.

An omni-channel approach is insuperable

Gert-Jan Morsink
Member Executive Board at Webhelp Group
Japanese smartphone usage is growing rapidly

Country Report Japan

OVERVIEW OF SMARTPHONE USAGE
Percentage of population that uses a smartphone, 2012-2015

Total mobile sales of $16,130mn

WEEKLY SMARTPHONE ACTIVITIES
By smartphone users

- Check email: 40%
- Use search engines: 35%
- Visit social networks: 22%
- Watch online videos: 15%
- Look up maps and directions: 10%
- Look for product information: 10%
- Play games: 10%

Source: Google Barometer, 2016

WEEKLY SMARTPHONE ACTIVITIES

Source: Google Barometer, 2016
Better availability is the main reason to shop online abroad

Country Report Japan

Reasons why Japanese e-shoppers are hesitant to buy cross-border

- Not trusting foreign sites: 23%
- Assuming delivery takes longer: 23%
- Assuming returning is difficult/costly: 25%
- Assuming to struggle with the language: 26%
- Own country meet my needs: 50%

Source: Google Barometer, 2016

Reasons why Japanese e-shoppers buy cross-border

- Trustworthiness: 7%
- Appealing offer: 9%
- Broader range of products: 13%
- Better quality: 17%
- Better conditions: 38%
- Better availability: 45%

Source: Google Barometer, 2016

Most popular products for cross-border shopping

- Books, CDs, DVDs or Video games: 27%
- Cosmetics: 21%
- Clothing and Footwear: 20%
- Food: 14%
- Digital Cameras: 12%
- Mobile Phones: 10%

Source: Google Barometer, 2016

Explanation

20% of Japanese e-shoppers have bought clothing and footwear in a foreign online shop at least once.
Credit and debit cards clearly form the most popular online payment method in Japan.

Country Report Japan

**VAT OVERVIEW**
Information on Japanese VAT

<table>
<thead>
<tr>
<th>VAT overview</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold for registration</td>
<td>JPY 10,000,000</td>
</tr>
<tr>
<td>Standard VAT rate</td>
<td>8%</td>
</tr>
<tr>
<td>Where to register</td>
<td>National Tax Agency Japan</td>
</tr>
<tr>
<td>Relevant websites</td>
<td><a href="http://www.mof.go.jp/english/index.htm">http://www.mof.go.jp/english/index.htm</a></td>
</tr>
</tbody>
</table>

Source: PwC, 2016

**TOP ONLINE PAYMENT METHODS**
In percentage of total online purchases

- **61%** Credit & Debit Cards
- **19%** Bank Transfer
- **13%** Cash
- **6%** Wallets
- **1%** Others
- **61%** Others

Source: Worldpay, 2015

**Explanation**
61% of Japanese online purchases were made through credit and debit cards.
Japanese payment market is dominated by credit and debit cards

Japan’s online payment market is dominated by credit and debit cards. However, besides Visa and MasterCard, merchants should also consider to offer JCB as a credit card payment option. JCB is the strong domestic card brand (it is also issued in other countries but their share is limited there compared to MasterCard and Visa).

Besides cards, Japanese shoppers pay through their Internet banking (19%) and by means of cash or “in-store” payments (13%). The most common alternative payment solutions in Japan are “Pay-Easy” (bank transfer, ATM payment) and “Konbini”. By checking out with Konbini, the shopper can pay at participating convenience stores throughout Japan (such as 7eleven, Lawson and FamilyMart) by means of cash or card.

Internationally operating merchants – without a local Japanese presence – can tap into Japan by simply using an international payment provider offering MasterCard, Visa and JCB. There seems to be no additional benefit of having local card processing (no substantial impact on approval rates). In order to accept Pay-Easy and Konbini for more conversion, a local business registration is required.
iOS is clearly the most-used operating system on mobile devices.
Amazon is the most visited online retailer, followed by Rakuten

**MOST POPULAR ONLINE RETAILERS**
Based on number of unique visitors, May 2015

- Amazon Sites: 31.95
- Rakuten: 28.81
- Kakaku: 17.96
- Yahoo Japan Auctions: 16.60
- Yahoo Shopping: 16.28
- DMM.com: 7.66
- Apple: 6.83
- DMM Online Shopping: 6.21
- DMM PC Software: 3.82
- Yodobashi Camera: 3.32

Source: Comscore, 2016
Facebook surpassed Twitter as the most-used social media platform in 2015

SOCIAL MEDIA USAGE
Share of the total population, Q4 2015

Facebook: 17%
Twitter: 15%
Mixi: 5%
Ameblo: 3%
Instagram: 2%
Google+: 2%

NUMBER OF SOCIAL MEDIA USERS
Number of social media users in millions, 2012-2018

2012: 45.0
2013: 48.2
2014: 51.0
2015: 52.7
2016 (f): 54.4
2017 (f): 55.7
2018 (f): 57.1


Source: Statista, 2016

Country Report Japan
General tips and tricks

Country Report Japan

Every country has its own social habits and rules. Therefore, when doing business in a foreign country, you should be aware of the DOs and DON’Ts of that particular nation.

Below, you will find some tips and tricks that might help you when doing business in Japan.

- A hard-sell approach will not succeed in Japan. Replace the high-pressure, confrontational approach with a more gentle, persuasive presentation that showcases the virtues of what you are proposing.
- Make sure you do not express anger or aggression. These traits are equated with losing face in Japan, which is something you do not want to happen. Also stick to neutral subjects in conversations; private lives are kept private.
- Remember to use last names with the honorific -san when addressing people. Also, hierarchy matters to the Japanese, so make sure your job title and/or rank is indicated on your card.
- Understand that the Japanese prefer not to use the word “no”. If you ask a question, they may simply respond with a “yes” but clearly mean “no”. Understanding this is critical in the negotiation process.
- Never flick, throw, slide, lob or otherwise push your Japanese business card across the table – always present your Japanese business card holding it with both hands.
- Always arrive 10 minutes early for a meeting, and even more if the meeting will be with senior executives.
Below, you will find some practical tips for online merchants who want to sell products and/or services in Japan.

**Tips for online merchants**

- Brand name, quality and product features have traditionally been considered the most important aspects when making a purchasing decision. As economic conditions have become more difficult, price has become an increasingly important consideration for Japanese consumers.
- Customer service aspects, such as technical explanations and adherence to delivery dates, are important elements in a sale.
- While Japanese consumers have been rather reluctant to buy foreign products in the past, they have become progressively more open to them over time. Japanese consumers are highly diverse in their interests and tastes, which range from traditional needs to more westernized desires.
- The physical packaging of products should be of high quality, with the product meticulously presented. A product’s instructions for use should be included and highly detailed.
- In case of foreign entrepreneurs (not having an presence in Japan), it is exempted from consumption tax obligation in a Taxable Period if its taxable sales in the Base Period for the Taxable Period are equal to or less than 10 million yen, since it will not pay any salary to resident employees in Japan.

Source: Ecommerce Foundation, PwC and Santander, 2016
Opportunities and Threats
Country Report Japan

Opportunities and barriers
Naturally, Japan offers both opportunities and threats for e-commerce companies. Below, we provide a short overview of some important opportunities and threats that you have to take into account when you are thinking about opening an online shop in Japan.

Opportunities:
- One of the largest e-commerce markets worldwide. Japan has the highest e-commerce turnover, and is only behind China and the USA.
- Japan has a good geographical location, with important markets such as China and Korea in its vicinity.

Threats:
- A very ageing population, with an average age of 46.5 years. With this, Japan has one of the oldest populations worldwide. In general, older people shop online less often, due to trust issues, for instance.
- A satisfied Internet penetration and a slowly growing number of e-shoppers. As a result, there is little to no growth in the number of Internet users.
About Ecommerce Foundation

Information about the Ecommerce Foundation and its Reports
Ecommerce Foundation

The Ecommerce Foundation is an independent non-profit organization, co-founded by Ecommerce Europe and working in partnership with national e-commerce associations worldwide. In addition, the Ecommerce Foundation cooperates with online and omnichannel selling companies from industries such as retail, travel & finance. Its mission is to facilitate the development of practical knowledge, insights and learnings for which individual institutions, associations and B2C selling companies do not have the (financial) resources and/or capabilities.

By combining collective goals and efforts, the Ecommerce Foundation is able to realize e-commerce research, reports, benchmarks and studies that could not have been possible on an individual basis.
Ecommerce Benchmark allows companies to compare & improve their e-commerce activities. Compare your performance with that of others in your industry at www.ecommercebenchmark.org

Custom research is performed for a diverse set of companies, both co-branded and white-labeled. For more information, please go to www.ecommercefoundation.org

EcommerceWiki is the online e-commerce guide for online retailers, corporate digital experts and students. Read all about e-commerce-related topic at www.ecommercewiki.org

Our E-commerce Reports provide facts & figures on the most important e-commerce markets in the world. Download the light version or order the full versions through www.ecommercewiki.org
About the reports

The B2C E-commerce Reports are published by the Ecommerce Foundation. They provide overviews of the mature and emerging markets and of the major European and global statistics in the field of e-commerce.

In total, the Ecommerce Foundation will publish 12 country reports, covering the most important e-commerce markets worldwide. These include the United States of America, the United Kingdom, China and Brazil. In addition, it will publish a European and global overall report. For publication dates and prices, please see the table on the right.

Personalized report
It is also possible to have a tailor-made e-commerce report made, completely based on your wishes and requirements. This can be ordered through info@ecommercefoundation.org.

Light reports
Ecommerce Europe also publishes light reports, which contain a summary of the full reports. These light reports can be downloaded for free through www.ecommercewiki.org.

Information about the Reports

About Ecommerce Foundation

2016 prices and publication schedule

European overview report (€790)
- May 30

Global overview report (€790)
- September 29

Country reports (€95)
- The Netherlands April 7
- Belgium April 14
- United Kingdom April 21
- United States April 28
- Germany May 12
- France May 19
- Australia June 23
- Russia July 7
- Japan July 21
- China September 15
- Brazil October 13
- India October 27

*The reports are free of charge for all company members and business partners, as well as for the members of our Nationals Associations.

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GOMSEC aims to provide guidelines for measuring and monitoring B2C e-commerce. As a result, all countries worldwide are able to provide data with respect to the penetration of B2C e-commerce in a standardized way. All Ecommerce Foundation figures and estimates are based on GOMSEC, unless stated otherwise. The data and research by GfK is also in accordance with GOMSEC.

The GOMSEC reports on sales figures for the total B2C e-commerce worldwide and for each country separate in the country profiles, based on total sales of goods and services.

These total sales of goods and services are based on the areas/sectors/classification of areas and sectors, as stated on the next few pages.

All data reported in the national currency of the country involved is converted into euros according to the average (annual) rate of exchange as provided by, preferably, the European Central Bank (ECB) or the national bank of the particular country. The reference period that is used for this was from 1 January 2015 to 31 December 2015. Growth rates are calculated and measured by the B2C e-commerce sales in the national currency.

Definition of B2C e-commerce sales

“Any B2C contract regarding the sale of goods and/or services, fully or partly concluded by a technique for distance communication.”

Technique for distance communication: means that can be used for communication regarding the offer made by the trader and the conclusion of a contract, without the necessity of the consumer and trader being in the same place at the same time.

Contract: a contract whereby use is made, either solely or in part, of one or more techniques for distance communication within the framework of a system organized by the trader for the distance sale of goods and/or services, up to and including the moment that the contract is concluded;

Classification of B2C e-commerce

The following classification on the next few pages provides an overview of areas and sectors included in GOMSEC.

Online purchases of the following items are excluded from GOMSEC:

- Transactions between private individuals/consumers (C2C), such as auctions and marketplaces, and between businesses (B2B)
- Online gambling and gaming
- Cars and other motor vehicles
- Houses and real estate
- Utilities (e.g. water, heating and electricity)
- Mortgages, loans, credit cards and overdrafts
- Savings accounts, funds, stocks&shares and bonds

B2C e-commerce therefore includes all online transactions between businesses and consumers using desktop computers, laptops, tablets, smartphones, point-of-sales and smart-wearables, for instance through online shops, physical stores (“online instore”), email, QR codes, catalogs, etc. B2C e-commerce includes Value Added Tax (VAT) or other sales tax, delivery costs and apps, but excludes returns.

www.ecommercefoundation.org
<table>
<thead>
<tr>
<th>Media &amp; Entertainment</th>
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<tbody>
<tr>
<td>Music (physical, download &amp; streaming)/Spotify based on new subscriptions</td>
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<tr>
<td>Video (DVD, Blu-ray, downloads)</td>
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<tr>
<td>Games hardware &amp; games software</td>
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<tr>
<td>Books &amp; e-books</td>
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<tr>
<td>Apps</td>
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<tr>
<td>New subscriptions newspapers and magazines (no single copy sales)</td>
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<td>Nightwear &amp; legwear</td>
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<td>Articles for camping and recreation</td>
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<td>Photo equipment</td>
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<tr>
<td>Audio equipment</td>
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<tr>
<td>TV/video equipment</td>
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<tr>
<td>Car electronics (navigation, audio, etc.)</td>
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### Home & Garden
- Furniture and kitchens
- Floor and window coverings (e.g. curtains and blinds)
- Home textiles
- Cookware (sets), kettles and oven equipment
- Table and kitchen articles
- Articles for cleaning, wash and store
- Decoration
- Lamps and fixtures
- DIY-articles
- Garden articles
- Flowers and plants (in home)

### Food/Nearfood/Health

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<thead>
<tr>
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<th>Health &amp; Beauty</th>
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<tbody>
<tr>
<td>Food &amp; Beverages</td>
<td>Personal care &amp; Hygiene</td>
</tr>
<tr>
<td>Fresh produce</td>
<td>Baby care</td>
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<tr>
<td>Packaged consumer goods</td>
<td>Perfume</td>
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<tr>
<td>Detergents/household cleaning</td>
<td>OTC</td>
</tr>
<tr>
<td>Animal feed</td>
<td></td>
</tr>
<tr>
<td>Tobacco</td>
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### Telecom
- Smartphones, mobile phones & mobile devices
- Telefax and answering machines
- Headsets & Accessories (mobile) phones
- Prepaid cards and tariffs of new phone subscriptions

### Other: Products
- Cars components
- Glasses and contact lenses
- Stationery
- Pictures and photo albums
- Pet supplies
- Erotica
### Insurance

<table>
<thead>
<tr>
<th>Liability insurance</th>
<th>ANW-gap insurance (insurance for receiving a payment in addition to a survivor's allowance)</th>
<th>Health Insurance – Base...</th>
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<tbody>
<tr>
<td>Car insurance</td>
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<tr>
<td>Fire and theft insurance</td>
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<tr>
<td>Bike/caravan/motorbike/ Scooter insurance</td>
<td>Annuity insurance Pension</td>
<td>Disability insurance – entrepreneurs</td>
</tr>
<tr>
<td>Accident insurance</td>
<td>Life insurance Funeral insurance Endowment insurance based on savings</td>
<td>Disability insurance – private</td>
</tr>
<tr>
<td>Boat insurance</td>
<td>Endowment insurance based on investments Mixed insurance (=endowment insurance + life insurance)</td>
<td>Mortgage-related disability insurance</td>
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<tr>
<td>Legal assistance insurance</td>
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<tr>
<td>Home insurance</td>
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<tr>
<td>Travel insurance (continuous/annual + short term)</td>
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<tr>
<td>Insurance package</td>
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### Travel

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<th>Package Travel</th>
<th>Flight Tickets &amp; Accommodations</th>
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<tbody>
<tr>
<td>Package travel</td>
<td>Flight Tickets</td>
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<tr>
<td>Private transport if booked through a tour operator</td>
<td>Hotel stays</td>
</tr>
<tr>
<td>-&gt; all of the above not booked in combination with other travel-parts</td>
<td>Apartment/bungalow/camping site</td>
</tr>
</tbody>
</table>

### Event Tickets

- Tickets for concerts and festivals
- Tickets for (movie) theaters
- Tickets for zoos and amusement parks
- Tickets for museums
- Tickets for sports games

### Other: Services

- New subscriptions to dating service
- Other services
Definitions related to the Internet, E-commerce and Online Retailing

About Ecommerce Foundation

• **Broadband access**: the availability of broadband is measured by the percentage of households that are connectable to an exchange that has been converted to support DSL technology, to a cable network upgraded for Internet traffic, or to other broadband technologies. It includes fixed and mobile connections (source: Eurostat).

• **Cross-border e-commerce**: percentage of e-commerce purchased at foreign sites.

• **Ease of Doing Business Index**: The Ease of Doing Business Index is developed by the World Bank, and averages the country's percentile rankings on nine topics. It is made up of a variety of indicators, giving equal weight to each topic. The rankings for all economies are benchmarked to June 2010. The Index covers 185 countries.

• **E-commerce (or electronic commerce), a subset of e-business**: any B2C contract on the sale of products or services fully or partly concluded by a technique for distance communication.

• **E-commerce GDP**: total amount of goods and services online divided by the total Gross Domestic Product (GDP).

• **Economic Freedom Index**: the Index of Economic Freedom is an annual guide published by The Wall Street Journal and The Heritage Foundation, Washington's No. 1 think tank. For over a decade, the Wall Street Journal and The Heritage Foundation have tracked the march of economic freedom around the world with the influential Index of Economic Freedom. There are 5 categories, ranking from Free (with a score between 80 and 100) to Repressed (between 40 and 49.9).

• **E-households**: number of households that use the Internet for personal gain.

• **E-household expenditure**: expenditure per household that bought goods or services in the past year.

• **Global Online Measurement Standard for B2C E-commerce (GOMSEC)**: aims to provide guidelines to measure and monitor B2C e-commerce in order to enable all European countries to provide data with respect to the penetration of B2C e-commerce in a standardized way.

• **E-Government Index**: The UN's E-Government Index provides a comparative assessment of the e-government development of UN Member States. One of the primary factors contributing to a high level of e-government development is concurrent past and present investment in telecommunication, human capital and provision of online services.

• **Gross Merchandise Volume**: the total sales facilitated by a third party, such as a market place.

• **E-services or electronic services**: “Deeds, efforts or performances whose delivery is mediated by information technology. Such e-service includes the service element of e-retailing, customer support, and service delivery.” This definition reflects three main components: service providers, service receivers and the channels of service delivery (i.e. technology). (Jennifer Rowley, Professor Information and Communications, Manchester Metropolitan University, UK)

• **Inactive online population**: users that have access to the Internet but have not (yet) purchased goods or services online in the past year.
Definitions related to the Internet, E-commerce and Online Retailing

About Ecommerce Foundation

• **Market place**: online platform on which companies (and consumers) sell goods and/or services.

• **Logistics Performance Index (LPI)**: The Logistics Performance Index (LPI) measures the “logistics friendliness” of 155 countries. It helps countries identify the challenges and opportunities they face in their trade logistics performance and what they can do to improve this. The Index is developed by the World Bank and is based on a worldwide survey of operators, such as global freight forwarders and express carriers.

• **Mobile commerce (or m-commerce)**: the ability to conduct commerce using a mobile device e.g. a mobile phone, a PDA, a smartphone, a tablet or other (emerging) mobile equipment.

• **Mobile subscriptions**: mobile cellular telephone subscriptions are subscriptions to a public mobile telephone service using cellular technology, which provide access to the public switched telephone network. Post-paid and prepaid subscriptions are included (source: Eurostat).

• **Networked Readiness Index (NRI)**: The NRI measures the tendency for countries to exploit the opportunities offered by information and communications technology (IT). The NRI comprises three components: the environment for IT offered by a given country or community, the readiness of the country’s key stakeholders to use IT, and the usage of IT among these stakeholders.

• **Online buyer (or e-shopper, e-buyer)**: an individual who regularly bought or ordered goods or services through the Internet.

• **Online expenditure**: spending per user who purchased goods or services online.

• **Online Retail (or e-retail, electronic retail or retailing or even e-tailing)**: the selling of retail goods and services on the Internet. In the limited sense of the word, sectors such as online leisure travel, event tickets, downloading music or software are not included. Online-only retail shops are often referred to as pure players.

• **Penetration levels**: the percentage of a population using the Internet, mobile phones, smartphones or tablet devices.

• **Real economic growth rate**: a measure of economic growth from one period to another expressed as a percentage and adjusted for inflation. The real economic growth rate is a measure of the rate of change that a nation’s gross domestic product (GDP) experiences from one year to another.

• **Retail sales**: the selling of mainly goods from businesses to individuals from a traditional or so-called bricks-and-mortar shop.

• **Statcounter research method**: Statcounter is a web analytics service and their tracking code is installed on more than three million sites globally. These sites cover various activities and geographic locations. Every month, Statcounter records billions of page views to these sites. For each page view, they analyze the browser/operating system/screen resolution used and they establish if the page view is from a mobile device. They calculate their Global Stats on the basis of more than fifteen billion page views per month, by people from all over the world onto more than three million member sites.
This report could only be realized by consulting a great number of valuable sources. These were available in various countries and regions in Europe and around the globe. The wide variety of sources include public domain publications, blogs, websites, industry and financial specialist publications, regional and local news, annual reports, and press releases.

Sometimes the information sources are contradictory and sometimes different figures and data were given by varying sources within the same country, for example due to different definitions. In our reports we have mentioned the different sources, definitions and outcomes of such reports, studies and interpretations.

This report is based on information that we consider reliable, but we cannot vouch for it being completely accurate or complete, nor should it be relied upon as such. Opinions expressed are our current opinions as of the date of this report.
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