# AN OVERVIEW OF E-COMMERCE TRENDS IN GERMANY



BASIC ELEMENTS TO CONSIDER FOR SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)
DOING BUSINESS IN GERMANY VIA E-COMMERCE CHANNELS

#### **QUICK FACTS**

Population

82.1M

Gross domestic product per capita

US\$42,181

Internet population

69.9M
Internet users

85.9%
of households have access to the Internet.

All online purchases US \$93.2B



With a growth rate of **10%** from 2013 to 2016.



Consumer spending (2016)

Total online consumer spending:

**US \$1,333.33** per Internet user

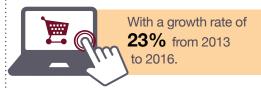
Total online grocery\* consumer spending:

US \$16.57 per Internet user

\*Total online grocery data only includes food and drinks

**Total online grocery purchases** 

**US \$1.2B** 



Total online packaged food purchases

**US \$474.4M** 



With a growth rate of **9%** from 2013 to 2016.

## **TOP DEVICES USED FOR MAKING ONLINE PURCHASES**



US \$75.5B
Personal computer
purchases

Most online grocery sales are made from personal computers or laptops, because consumers are more likely to be thinking about groceries while at home, and prefer using a bigger screen.



US \$10.7B
Tablet purchases

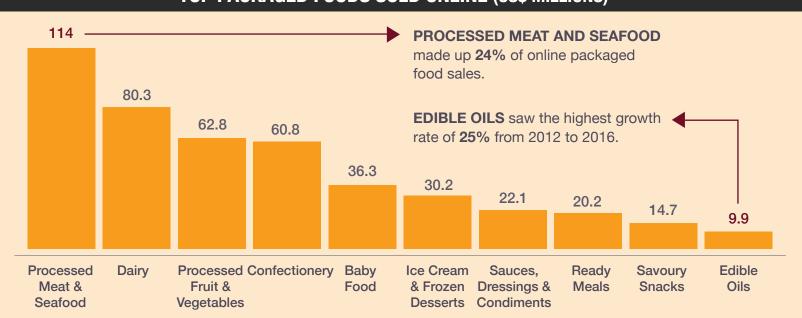


US \$7B
Mobile purchases

The number of mobile Internet subscriptions continued to increase at a double-digit rate of 20% from 2012 to 2016.

**M-commerce** is forecast to account for **16**% of all Internet retail sales by 2021, with a **growth rate of 22**% from 2017 to 2021. This growth is due in part to larger phone screens and improved payment security.

## **TOP PACKAGED FOODS SOLD ONLINE (US\$ MILLIONS)**



### **GERMAN CUSTOMER BEHAVIOUR & TRENDS**

Although Internet sales in the food and drink category were relatively low in 2016, it was still the best performing category. German consumers are increasingly going online to purchase beverage products such as coffee pods, tea bags, and coffee beans, as well as specialized food products that are not available in local supermarkets.



- A variety of brands and prices.
- Easy-to-understand return policies.
- Well-functioning and user-friendly mobile platforms.
- Free and fast delivery options.
- Convenient and trustworthy payment options.
- Fast and interactive online customer service.

Germany has the highest Internet and mobile subscriber base in Western Europe.

### **UNDERSTANDING GERMANY'S ONLINE MARKETPLACE**

- Recently improved fresh food logistics have encouraged German grocery retailers to extend their delivery areas.
- ▶ Rewe and Edeka are the largest store-based grocery retailers in Germany and are also key online grocery players.
- Rewe has recently launched a grocery shopping app.
- Online sales in Germany are expected to increase at a compound annual growth rate of 10% from 2016 to 2021. Consumers' growing interest in online shopping is due to increasing trust in methods of payment, and a growing number of mobile shopping apps.
- Payment methods are still a deterrent for German consumers shopping from a mobile device due to security reasons.

## **GERMANY'S TOP ONLINE RETAILERS\* US\$ MILLIONS**



\*Note: Only includes top retailers that sell groceries online. Data represents total e-commerce sales (i.e. food and other products).

Source: Euromonitor International, 2017.

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