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PRESS RELEASE

France E-commerce Report 2019: E-commerce passed the 100-billion-euro mark in 2019

The study released today by Fevad (France's e-commerce federation) to the Ministry of the Economy and Finance, in the presence of Mr Cédric O, Minister of State for Digital Affairs, provides an outlook of online purchases in 2019.

Total sales were up 11.6%.

E-commerce passed the historic 100-billion-euro mark last year, with Internet sales in France totalling 103.4 billion euros in 2019. This amount includes both sales of services and products, the latter accounting for 45% of the total. Despite a slowdown in growth observed in the last quarter, sales rose by 11.6% over 2018.

Over the last 12 months, more than 1.7 billion transactions were recorded by e-commerce sites, reflecting an annual increase of 15.7%. This increase was accompanied by a decline in the average basket, which fell below the 60 euro mark, the lowest level ever observed.

Online services continued to expand with over 190,000 identified merchant sites, an increase of 15% over one year. A majority of these sites carried out less than 100 transactions per month.

In 10 years, sales of products and services on the Internet have increased fourfold. However, product online sales still only represent an average of 10% of the total retail trade, compared to 90% of sales that are still made in store. Moreover, over half of all online product sales are thought to be made through store brand sites.

For 2020, Fevad anticipates comparable growth to that of 2019. E-commerce sites should achieve a turnover of 115 billion euros from nearly two billion transactions this year.

Leading sites grew by 5.5% over the year

The annual growth of BtoC product sales sites recorded by iCE 100 (an index that measures the growth of the leading sites, on a like-for-like basis) was 5.5%. This was against a backdrop of only modest growth in household consumption, despite the government's measures to boost purchasing power (up 0.8% in 2019; source: Banque de France, excluding foodstuffs and cars).

There was also a slowdown in iCE 100 index growth during the last quarter. The index rose more slowly (by 3.2%) than last year over the same period, and less quickly than over the first nine months, showing that there was no transfer of sales from stores to the Internet. This was due to the social unrest in the fourth quarter.

Mobile and marketplace sales continued to grow strongly

The iPM index, designed to measure the volume of sales made on marketplaces (sales made by merchants hosted on iCE marketplaces), maintained its pace of development in 2019 with 14% growth. A third of the iPM sites' sales volume was generated by third-party merchants, i.e. up by three points in one year (33% vs. 30%).

The iCM index, which measures sales on the mobile Internet (smartphones and tablets, mobile sites and apps excluding app downloads and marketplace sales) grew even faster. Mobile sales went up by 18%, almost four times faster than the overall index. These sales now account for 39% of iCM index site revenues, up four points in one year. They are expected to become the main sales driver in two years' time. Finally, it is significant that for the first time in 2019, visitors on mobile devices to the sites featured in the TOP 15 Fevad/Médiamétrie e-commerce sites outnumbered visitors on computers.

Methodology

The data collected by Fevad from merchant sites is based on the following definitions:

E-commerce index (iCE 100): Turnover generated by the iCE 100 index sites on the fixed and mobile Internet. Marketplace sites do not count the volume of business conducted on the marketplace or the commission generated, only orders delivered in France. All delivery locations are taken into account (including in-store collections). The total turnover from the order-taking date rather than the delivery date is taken into account. Cancellations, exchanges and returns are deducted, including shipping costs and VAT for sales to individuals, but excluding VAT for sales to professionals.

Marketplace index (iPM): All sales made on marketplace sites in the iCE100 index.

Mobile commerce index (iCM): Turnover achieved directly by the company on smartphones and digital tablets via mobile sites and apps (excluding app downloads)

Make-up of the iCE 100 index: Over 100 sites: consumer products (100 sites), e-tourism (15 sites) and sales to professionals (20 sites).

Make-up of the PSP index: Nine secure payment platforms: Adyen, Dalenys, Ingenico Payment Services, Monetico Paiement, Monext, PayPal, PayZen, Verifone and Worldline.

Estimated total market: The calculation of the overall market estimate is obtained by aggregating data collected from iCE 100 index sites and the value of electronic payments, (excluding iCE 100 index members) reported by providers participating in the PSP index and estimated offline payments (Fevad survey of iCE 100 merchants).

ABOUT FEVAD

Fevad includes 600 companies and 800 websites. It is the representative organisation of the e-commerce and distance selling sector. Fevad's mission is to gather and distribute information to improve knowledge of the sector and act in favour of sustainable and ethical development of e-commerce and distance selling in France.

To find out more, visit www.fevad.com / Follow us on Twitter: @FevadActu

Presse contact: Nathalie Lainé – Communication Manager
+33 1 42 56 38 86 nlaine@fevad.com

This study is based on data collected by Fevad from leading sites in their sector and data collected from secure online payment platforms. The permanence of the methodology and data processing were confirmed by KPMG.
