Trend in e-commerce set to slow down

Contributed by GFK
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GfK survey forecasts total sales of EUR 4.7 billion for 2002

Nuremberg, 14 November 2002 - Excluding services such as home banking, online transactions by private households in Germany are expected to total over EUR 4.7 billion in 2002. Although this represents a marked increase on the previous year's volume of EUR 4.3 billion, growth is not proportional to the increase in the number of Internet users in the same period. These are the results of forecasts by GfK Panel Services Consumer Research, based on data relating to the first eight months of 2002 and the time series analyses of the previous years.

In the first eight months of 2002, private households have continued to purchase mainly two types of products online. These are media products such as books, audio tapes/CDs and videos and consumer durables such as computers and peripherals and telecommunications products. Increasingly, used telecommunications products are also being purchased through online auctions. Conversely, like travel arrangements via traditional channels, online travel bookings are down on the same period in the previous year.

A time series analysis shows that there is stability in terms of purchasing frequency and the price per purchase. As a result, the overall average spending per online shopper has also remained stable. This means that growth in sales is mainly attributable to the increase in the number of Internet shoppers.

Currently, there is only a slight increase in the number of private households going online for the first time. In view of this trend, future growth in online sales will depend on whether online providers achieve an increase in both purchasing frequency and average transaction amount per purchase by offering new services and enhancing their range of goods and/or services.

GfK Web*Scope survey

The above data, which was collected as part of the GfK Web*Scope survey, is based on online and offline continuous written data collection from a representative sample of 10,000 Internet users. GfK Panel Services Consumer Research uses GfK Web*Scope to collect continuous data on the online purchasing behaviour of private consumers.

The GfK Group

The GfK Group, a leading international market research organization, achieved sales totalling EUR 265.1 million in the first six months of 2002 (2001: EUR 225.3 million) in its four business divisions, Consumer Tracking, Non-Food Tracking, Media and Ad Hoc Research. In addition to 16 German subsidiaries, the company has over 110 subsidiaries and affiliates located in 50 countries. Of a total of almost 4,700 employees, around 1,400 are based in Germany. For further information, visit our website: www.gfk.com.

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