




ppro



Western and Central Europe

Payments and
e-commerce report 2022



E-commerce and payments in Western and Central Europe

Western and Central Europe is one of the richest, highest spending and best-connected e-commerce markets in the world. Even post-pandemic, the region's online retail sector continues to grow at a more than a healthy pace.

The average online shopper in Western and Central spends US\$1,939 a year with e-commerce merchants, that's 42% higher than average for the fastest growing and most affluent e-commerce markets worldwide. By 2026, that average will have grown to almost US\$3,200 — more than a 60% increase over just four years.

The most popular categories vary widely from market to market. For instance, Germans love to buy electronics more than anyone else. Twenty-seven percent of all their online purchases are electronic gadgets and gizmos. The Austrians, on the other hand, right next door and also German speakers, prefer to buy clothes and shoes, which account for 28% of their online purchases.

This underlines one of the key facts about the Western and Central European e-commerce market: its diversity. Despite most of the states here being members of the EU and the euro area — something which greatly simplifies cross-border trading — there are significant, and often unpredictable differences between markets. This is only to be expected in an area containing nineteen states whose inhabitants speak almost as many different languages.

European payment preferences: diverse and unpredictable

Nowhere is this diversity more evident than in how Europeans like to pay. In France, for instance, consumers pay for 52% of online purchases using a credit or debit card. In Belgium this drops to 45%, in Portugal just 23% and in the Netherlands just 13%. On average, Western and Central Europeans use credit and debit cards in just 45% of all online transactions.

For the remaining 55%, the region's online shoppers use what many payments and e-commerce professionals think of reflexively as “alternative” payment methods. In fact, these so-called alternatives are the norm for most European shoppers and in most of the region's online transactions.

These payment types include e-wallets, bank-transfer apps, local credit cards, cash-based online payment schemes and a range of other local payment methods. Which of these shoppers prefer varies greatly from one market to the next. Dutch shoppers, for instance, used the bank-transfer app iDEAL in 70% of online transactions during the first half of 2021. In neighbouring Belgium, all bank-transfer payments combined only account for 19% of e-commerce transactions.

Getting the payment mix right for each market is important. Studies by PPRO show up to 44% of shoppers abandoning their cart if they get to the checkout and don't find a payment method they know and trust. In a region as

diverse as Western and Central Europe, the only way to ensure you have the right payment methods for every market (and each audience in that market) is to work with experts who know each of those markets inside out.

For Europe, mobile optimisation is key

Eighty-one percent of Western and Central Europeans have a smartphone. And consumers complete 44% of all e-commerce transactions on a mobile device. Within this average, national rates of m-commerce range from 55% of all e-commerce purchases (UK) down to 36%, in Belgium.

According to the International Telecoms Union (ITU), the region has an average of 105 mobile-broadband subscriptions for every 100 inhabitants. Nowhere in the region can merchants or their service providers safely ignore the need to optimise for mobile devices.

As you'd expect in a region with very few barriers to commerce, Europeans are keen cross-border shoppers. Austrians lead the way, with 83% saying they have shopped with e-commerce merchants in other countries at least once. The Poles are the least keen on bagging bargains from abroad. Even so, 37% have still shopped cross-border at least once.

According to Eurostat, the official European statistics agency, over 80% of Europeans have shopped at some point with online merchants based in their country. A little over 30% have

shopped with merchants based in another European country. And just over 20% have shopped with a merchant based outside of Europe. According to PPRO's own research, by far the most non-European shopping destination, at least to date, is China.

Online grocery shopping boomed during lockdown and continues to thrive in its wake. A recent survey by McKinsey found that in leading markets such as the UK and France, close to more than 10% of all grocery purchases now happen online.

By 2030, e-commerce merchants are expected to snap up a third of all the region's grocery purchases. This new willingness to buy food, drink and household goods online is already attracting the interest of investors. In 2021 alone, investors sank US\$4.5 billion into European online-grocery start-ups.

Europe has the infrastructure merchants need

We've already mentioned how common Internet-connected smartphones are in Europe. The region is also well served by its fixed-line broadband providers, with almost 80% of Europeans having Internet at home. When you take fixed and mobile Internet connections together, Internet penetration for the region sits at over 90%.

More than 440 million Western and Central Europeans are connected to the Internet. Ninety percent of Europeans in the region — at least those in EU countries, covered by

EU statistical reports — live in areas where the infrastructure supports what the EU calls “next-generation” bandwidth and 66% live in areas with 5G coverage.

Financial exclusion in the region is almost unknown. Ninety-six percent of people have a bank account, though only 47% have a credit card. Even this may be an overestimate of the number of unbanked people in Western and Central Europe. One recent study estimated that the number of unbanked Europeans dropped to just 4% during the pandemic.

Logistics in the region are good, by global standards, but do vary significantly from one country to the next. On the World Bank Global Logistics Performance Index, the countries in Western and Central Europe rank from number one (Germany), through to number 53 (the Slovak Republic). There are 160 countries on the index in total, so by any measure Europe is doing well to cluster in the top 60. The region's logistics market is also attracting seriously investment, with Blackstone recently sinking US\$21 billion into building out its last-mile logistics offering for the region.

Headwinds global and local

No one who has been watching the news will be surprised to learn that there are headwinds which will complicate the life of any expanding business, e-commerce merchants and providers included. After years of the European Central Bank (ECB) struggling in vain to hit its inflation target of 2% or just above, euro area inflation is now

running at 9.1%. In the UK, it's 9.9%. To no one's great surprise, increasing the money supply at the same time as supply chains came crunching to a halt and the labour market dried up has fuelled inflation. Central bankers are still arguing whether this is transitory or persistent.

Unfortunately, while they were working this out, Russia invaded Ukraine and cut gas supplies to Europe. Neither move has helped with the effort to bring inflation under control. Whether inflation is persistent or not, any business plan which doesn't factor it in is likely to run into problems quickly, at least in the medium term.

The same is true with the fall out from the war in Ukraine. Although Western and Central Europe hasn't been affected directly, consumer confidence in the region has taken a significant hit. In mid-2022, consumer confidence dropped to its lowest level since the pandemic. Despite this, however, a September ECB bulletin listed consumer spending as one of the drivers of growth in the euro area.

Despite these challenges, Western and Central Europe is one of the most lucrative and well-connected e-commerce markets in the world. With the right strategy, the right technology and the right approach to localisation, merchants and other e-commerce providers can still expect to prosper in this diverse and thriving region.



Western and Central Europe

Payment type breakdown

Global	WE & CE	
11%	18%	Bank transfers
32%	39%	Card-based payment
4%	3%	Cash-based payment
45%	27%	Wallets
6%	13%	Other

Card scheme breakdown

Global	WE & CE	
24%	41%	Visa
14%	27%	Mastercard
2%	2%	American Express
59%	29%	Local schemes
1%	1%	Other

Austria

	Austria	WE & CE	World
Population	9.0 m	523.0 m	7,974.9 m
Population 15+	7.7 m	442.7 m	5,967.9 m
GDP (\$US bn)	481.2	20,175	94,045
GDP per capita (\$US)	53,766	41,639	12,804
Banked population (%)	99	96	71
Credit card penetration (%)	50	47	27
Internet penetration (%)	88	92	84
Smartphone penetration (%)	86	81	80
Online population	7.8 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	13.8	768	4,269
E-commerce spending per capita (\$US)	1,543	NA	NA
E-commerce as % of total retail	15	17	24
E-commerce spending as % of GDP	3.0	NA	NA
E-commerce completed on a mobile device (%)	37	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

16.2	2022
18.4	
20.6	
22.7	
24.7	



E-commerce spending per capita (\$US)

1,798	2022
2,037	
2,268	
2,495	
2,696	



E-commerce spending as % of GDP

3.4	2022
3.7	
3.9	
4.2	
4.3	



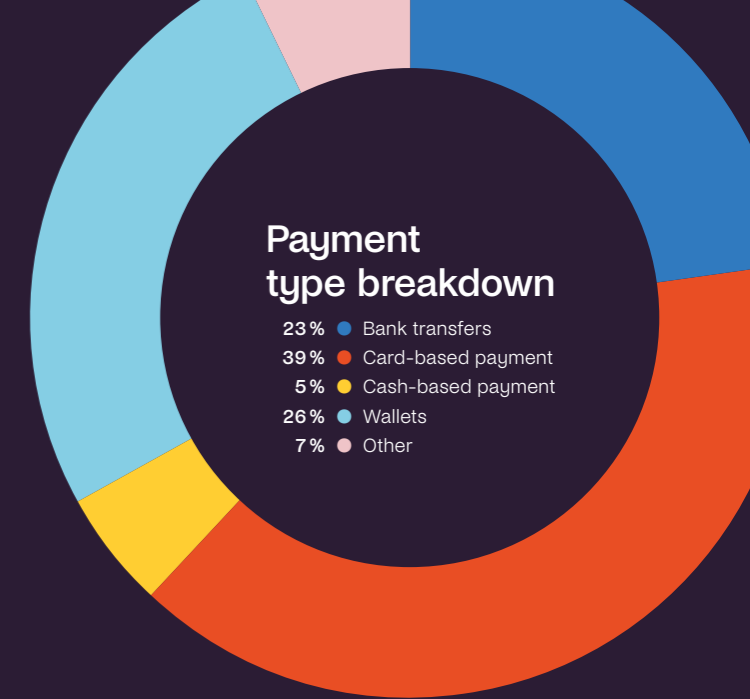
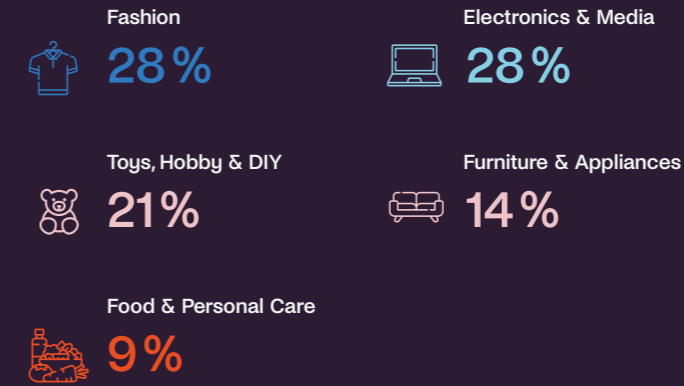
14.0% e-commerce growth (YOY)

- Cross border e-commerce in Austria is huge, with the country having the 4th highest number of cross-border shoppers in Europe. 83% of all Austrian online shoppers have shopped cross-border with more than half of their purchases coming from outside the country.
- Despite ongoing external factors, Austria's GDP is forecast to grow by 3.6% in 2022 and 1.4% in 2023 with private consumption driving the growth.
- Whilst inflation is running at 8.7% at present, with energy, food and fuel being the main drivers, the Austrian National Bank believes that inflation will drop in 2023 – if the situation in the Ukraine does not carry on into next year.
- Social commerce in Austria is taking off, with an expected CAGR of 23.9% from 2022 – 2028, reaching a value of USD 2,776m in 2028.

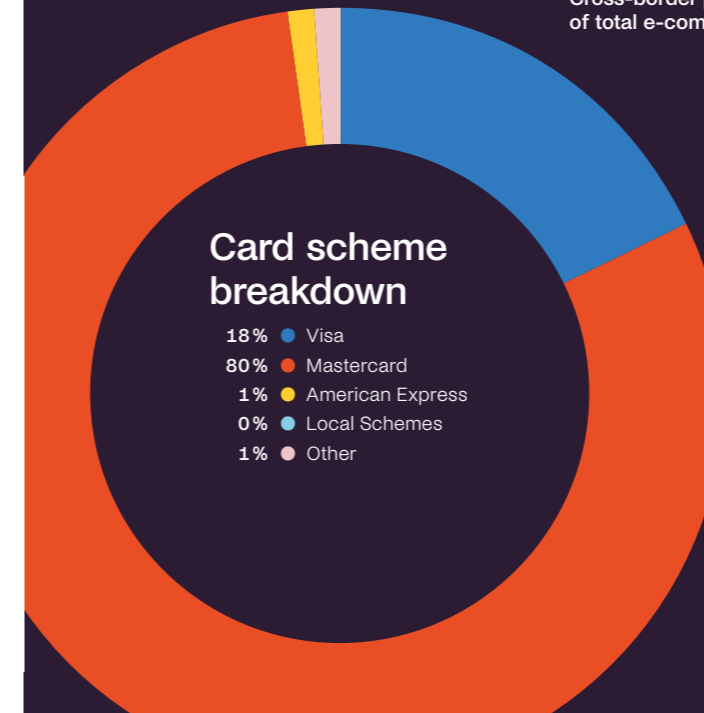
Popular LPMs



Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Belgium

	Belgium	WE & CE	World
Population	11.5 m	523.0 m	7,974.9 m
Population 15+	9.6 m	442.7 m	5,967.9 m
GDP (\$US bn)	581.8	20,175	94,045
GDP per capita (\$US)	40,420	41,639	12,804
Banked population (%)	100	96	71
Credit card penetration (%)	51	47	27
Internet penetration (%)	94	92	84
Smartphone penetration (%)	84	81	80
Online population	10.8 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	13.8	768	4,269
E-commerce spending per capita (\$US)	1,193	NA	NA
E-commerce as % of total retail	9	17	24
E-commerce spending as % of GDP	2.4	NA	NA
E-commerce completed on a mobile device (%)	36	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

15.2	2022
16.6	
18.2	
19.7	
21.4	

E-commerce spending per capita (\$US)

1,309	2022
1,431	
1,555	
1,684	
1,815	

E-commerce spending as % of GDP

2.6	2022
2.7	
2.9	
3.0	
3.2	

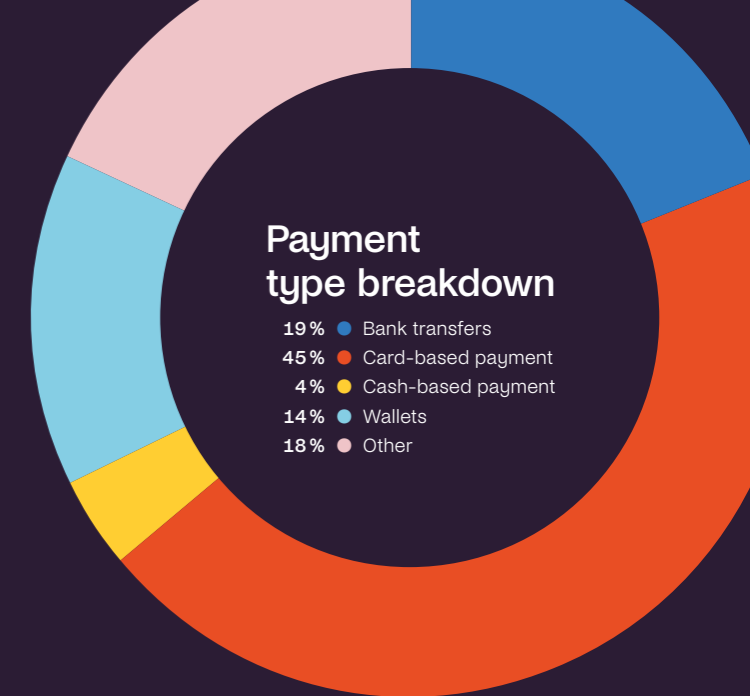
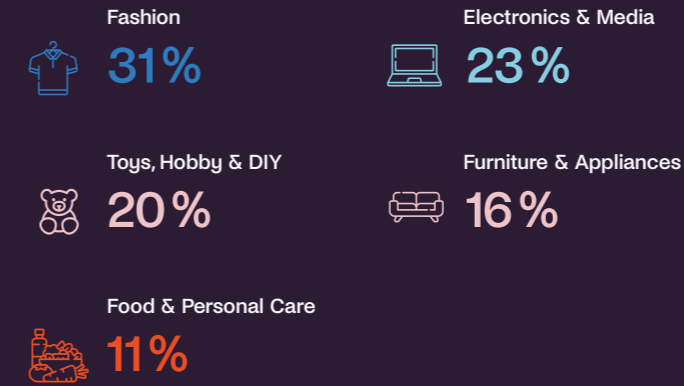
17.9% e-commerce growth (YOY)

- 4.8m Belgians shopped cross border to Amazon.de in July 2022.
- Growth is forecast to remain high in 2022 at 2.4% with the rebound from the Pandemic still working its way through the economy, but the situation in Ukraine will affect growth causing it to drop to 1% in 2023.
- Inflation in Belgium, like the rest of Europe, is running high at 10% in July 2022. Food and fuel are the main drivers.
- The two most popular social media platforms for e-commerce in Belgium are Facebook (57%) and Instagram (40%).

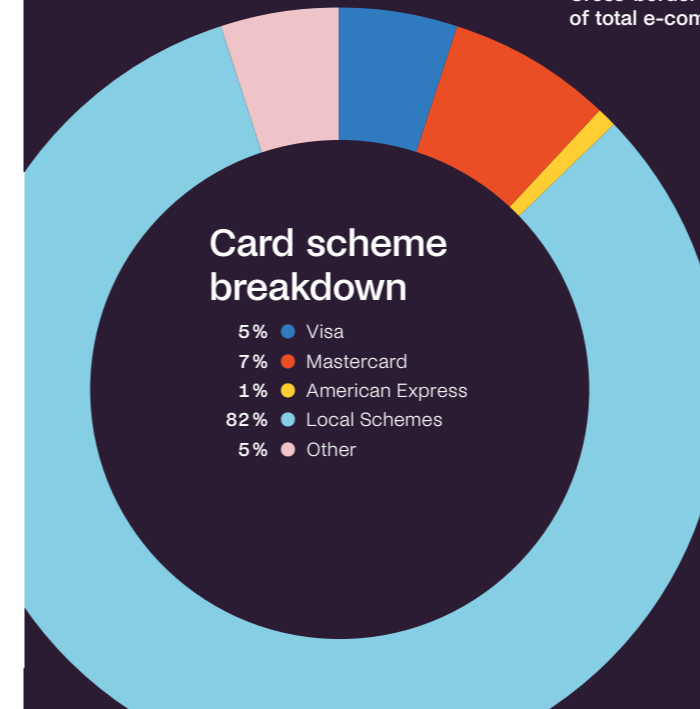
Popular LPMs



Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Czech Republic

	Czech Rep.	WE & CE	World
Population	10.7 m	523.0 m	7,974.9 m
Population 15+	9.0 m	442.7 m	5,967.9 m
GDP (\$US bn)	276.9	20,175	94,045
GDP per capita (\$US)	25,807	41,639	12,804
Banked population (%)	83	96	71
Credit card penetration (%)	27	47	27
Internet penetration (%)	88	92	84
Smartphone penetration (%)	75	81	80
Online population	9.4 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	13.0	768	4,269
E-commerce spending per capita (\$US)	1,212	NA	NA
E-commerce as % of total retail	14	17	24
E-commerce spending as % of GDP	4.7	NA	NA
E-commerce completed on a mobile device (%)	43	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

14.6	2022
16.2	
17.8	
19.4	
21.0	



E-commerce spending per capita (\$US)

1,359	2022
1,505	
1,650	
1,803	
1,950	



E-commerce spending as % of GDP

4.9	2022
5.1	
5.3	
5.5	
5.7	



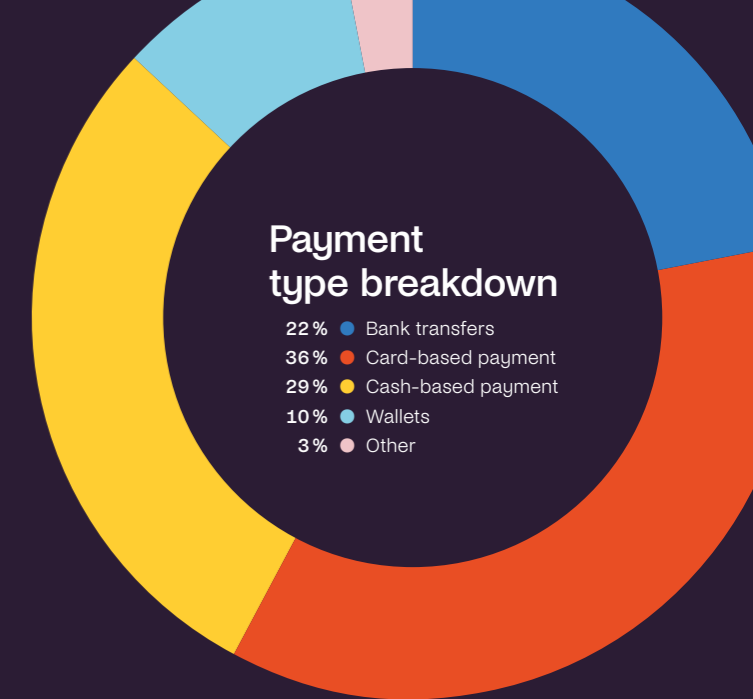
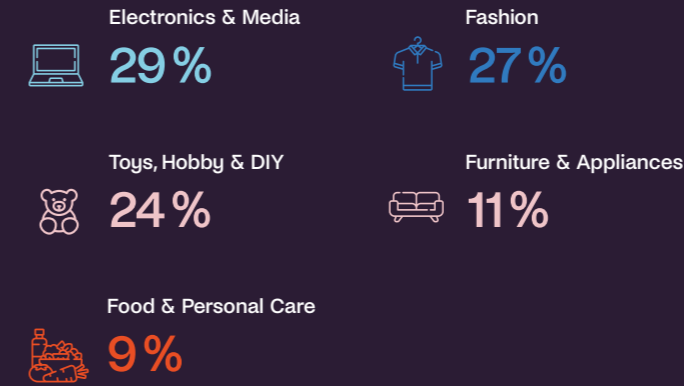
13.1% e-commerce growth (YOY)

- The Czech Republic's economy is slowing down under the twin burden of inflation and the Ukrainian situation, with GDP being marked down 0.1% to 2.0% for 2022 and 2.9% in 2023.
- Inflation, like in the rest of Europe, rose in 2022, with July seeing an eye-watering 17.5% but analysts believe this will slow through 2022 to 6.3 in 2023.
- The e-commerce marketplace bazos.cz is the most popular online shopping site with Czechs, with 19.7m visits in July 2022.
- The Czech Association for E-commerce forecasts that e-commerce will make up 25% of Czech retail by 2030, up from 1.6% in 2005.

Popular LPMs



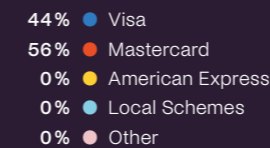
Top e-commerce segments



Cross-border e-commerce



Card scheme breakdown



Denmark

	Denmark	WE & CE	World
Population	5.8 m	523.0 m	7,974.9 m
Population 15+	4.9 m	442.7 m	5,967.9 m
GDP (\$US bn)	396.7	20,175	94,045
GDP per capita (\$US)	67,922	41,639	12,804
Banked population (%)	100	96	71
Credit card penetration (%)	45	47	27
Internet penetration (%)	98	92	84
Smartphone penetration (%)	93	81	80
Online population	5.7 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	27.8	768	4,269
E-commerce spending per capita (\$US)	4,742	NA	NA
E-commerce as % of total retail	18	17	24
E-commerce spending as % of GDP	7.3	NA	NA
E-commerce completed on a mobile device (%)	37	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

30.8	2022
34.0	
37.4	
40.9	
44.5	



E-commerce spending per capita (\$US)

5,244	2022
5,769	
6,320	
6,897	
7,484	



E-commerce spending as % of GDP

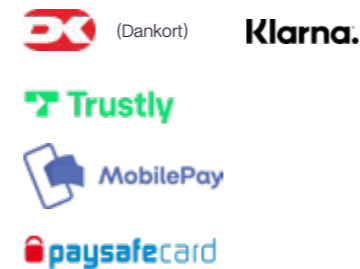
7.8	2022
8.3	
8.7	
9.2	
9.6	



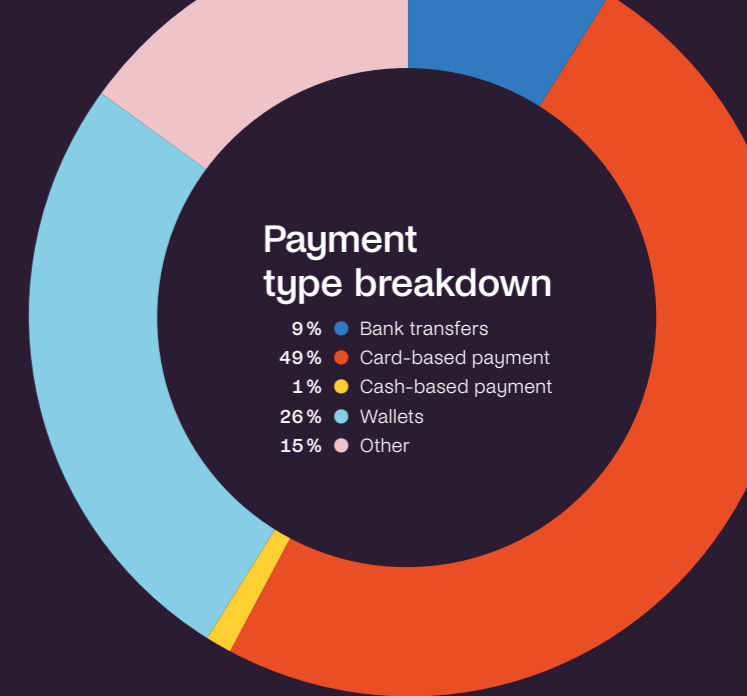
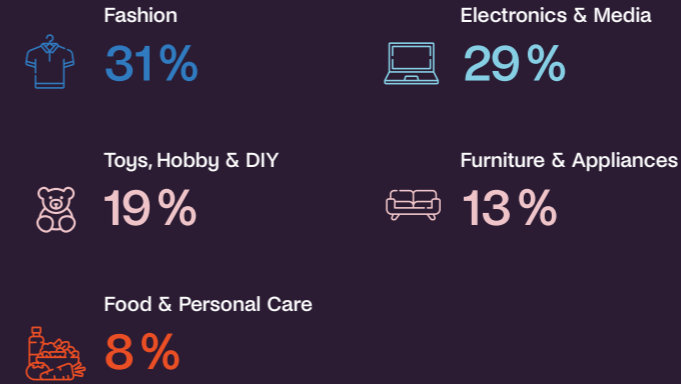
17.6% e-commerce growth (YOY)

- Danish GDP is forecast to grow 3% in 2022 and 1.4% in 2023 partially due to Denmark's low reliance on fossil fuel imports, however if there is further disruption in the energy market this could slow growth.
- Core inflation in Denmark has climbed from 1.9% at the beginning of 2022 to 5.49% in July 2022, slightly higher than the average for the EU of 4.89%.
- Denmark is the fourth most popular country in Europe to shop from by cross border shoppers. The most popular store for cross border shoppers is Lego.
- Social commerce is expected to grow by CAGR 27.5% between 2022 and 2028, being worth USD945.2m in 2022 and USD3,955m in 2028.

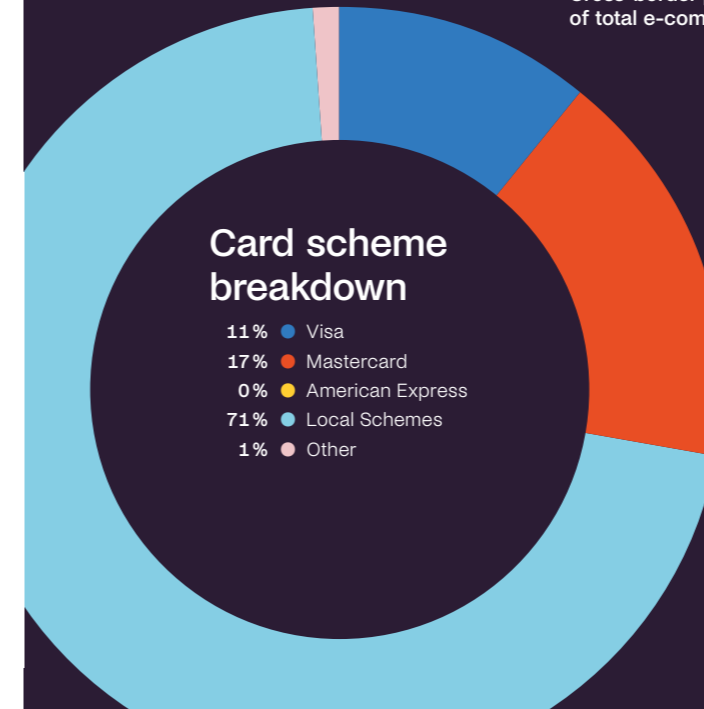
Popular LPMs



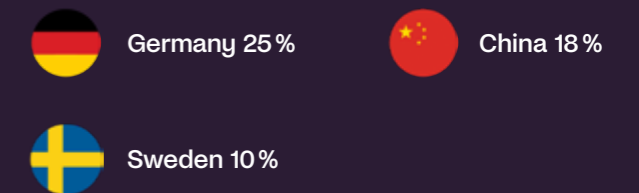
Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Finland

	Finland	WE & CE	World
Population	5.6 m	523.0 m	7,974.9 m
Population 15+	4.7 m	442.7 m	5,967.9 m
GDP (\$US bn)	296.0	20,175	94,045
GDP per capita (\$US)	53,529	41,639	12,804
Banked population (%)	100	96	71
Credit card penetration (%)	65	47	27
Internet penetration (%)	96	92	84
Smartphone penetration (%)	89	81	80
Online population	5.3 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	14.8	768	4,269
E-commerce spending per capita (\$US)	2,659	NA	NA
E-commerce as % of total retail	18	17	24
E-commerce spending as % of GDP	5.2	NA	NA
E-commerce completed on a mobile device (%)	35	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)	E-commerce spending per capita (\$US)	E-commerce spending as % of GDP
16.3	2,928	5.5
17.7	3,184	5.8
19.2	3,442	6.1
20.7	3,704	6.3
22.1	3,965	6.6

9.2% e-commerce growth (YOY)

- The Russo-Ukrainian war is having an impact on the Finnish economy according to the Bank of Finland. Finnish GDP is expected to grow by 1.7% in 2022 and 0.5% in 2023 and there are concerns that there is a recession ahead.
- A new law brought in in 2022 by the EU, product guarantees have been extended to two years after purchase. However, in Finland and the Netherlands, products have longer guarantees but companies also charge a small fee for each year of use if the product has to be replaced – which has been determined illegal.
- The top e-commerce site in Finland is tori.fi with 20.8m visits in July 2022.
- Finland is getting close to becoming a cashless society, with the Bank of Finland announcing that they expect the use of banknotes to end completely by 2029.

Popular LPMs

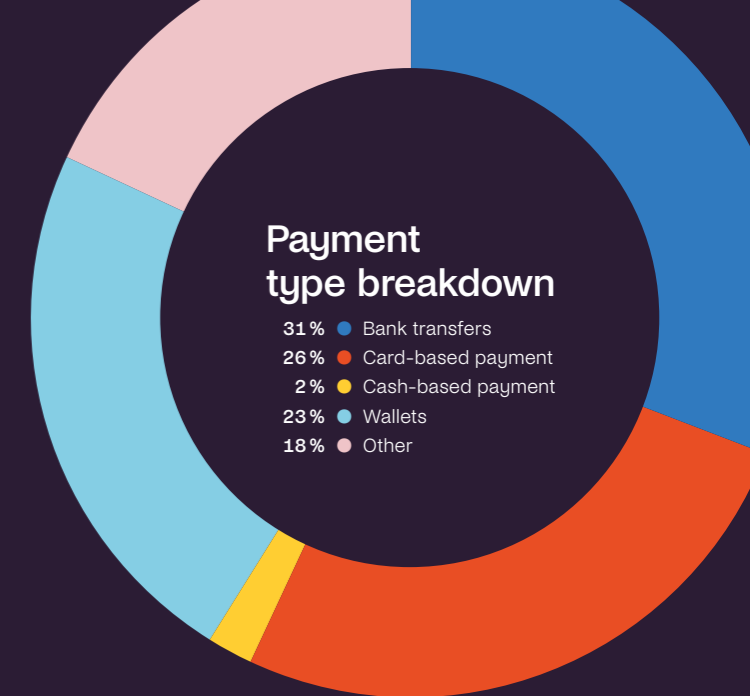
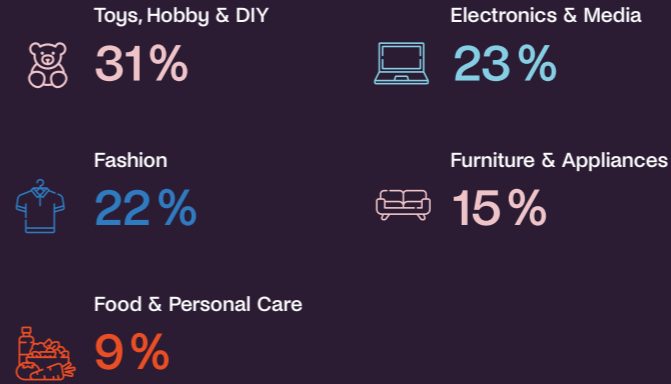
Klarna.

Trustly

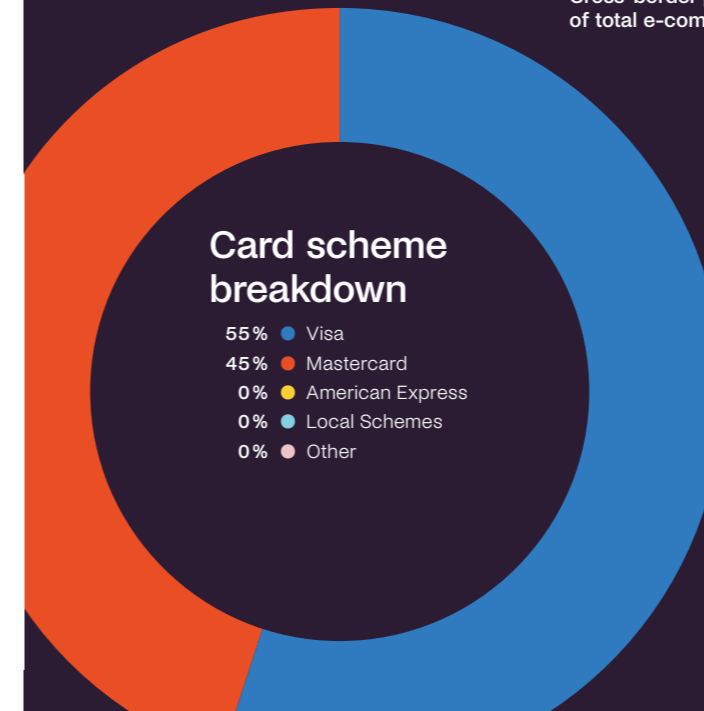
zimpler

paysafecard

Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



France

	France	WE & CE	World
Population	67.4 m	523.0 m	7,974.9 m
Population 15+	55.6 m	442.7 m	5,967.9 m
GDP (\$US bn)	2,940.4	20,175	94,045
GDP per capita (\$US)	43,620	41,639	12,804
Banked population (%)	96	96	71
Credit card penetration (%)	43	47	27
Internet penetration (%)	92	92	84
Smartphone penetration (%)	79	81	80
Online population	62.2 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	146.8	768	4,269
E-commerce spending per capita (\$US)	2,174	NA	NA
E-commerce as % of total retail	15	17	24
E-commerce spending as % of GDP	5.2	NA	NA
E-commerce completed on a mobile device (%)	39	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

161.9	2022
176.9	
192.0	
207.1	
222.0	



E-commerce spending per capita (\$US)

2,392	2022
2,608	
2,823	
3,039	
3,251	



E-commerce spending as % of GDP

5.5	2022
5.8	
6.1	
6.4	
6.7	



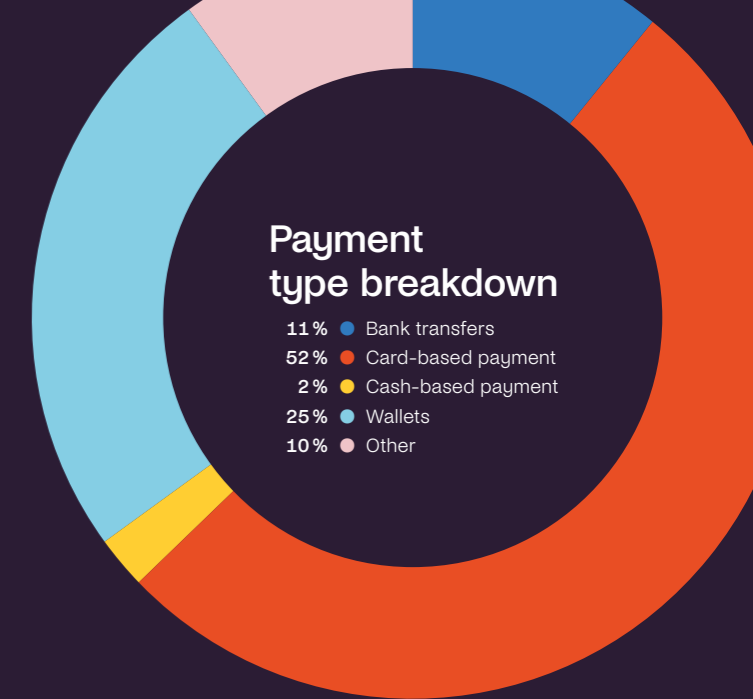
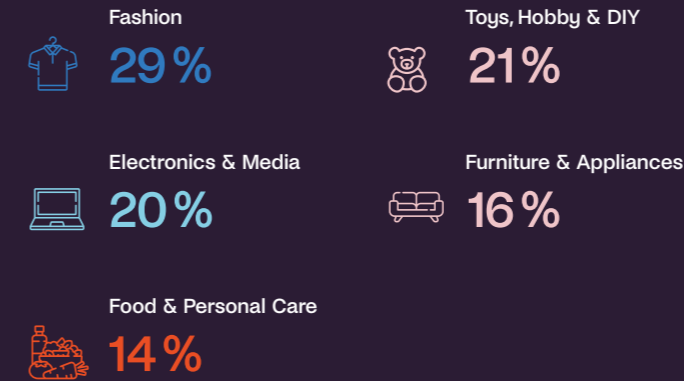
15.2% e-commerce growth (YOY)

- Many French consumers don't see themselves returning to their pre-Covid ways of shopping with 23% saying they expect to visit bricks-and-mortar stores less, while 27% said that they would spend less time in the physical store.
- France has surprised the economists by reporting a 0.5% increase in their GDP in July 2022 instead of the 0.2% forecast. The French finance minister believes that France will meet its forecast of 2.5% GDP growth for the year.
- With French inflation reaching 6.5% in July 2022, the French government has voted in a EUR 20bn package to help households cope with rising food and energy prices.
- Amazon.fr was the most popular French e-commerce site in May 2022 with 166.8m visits.

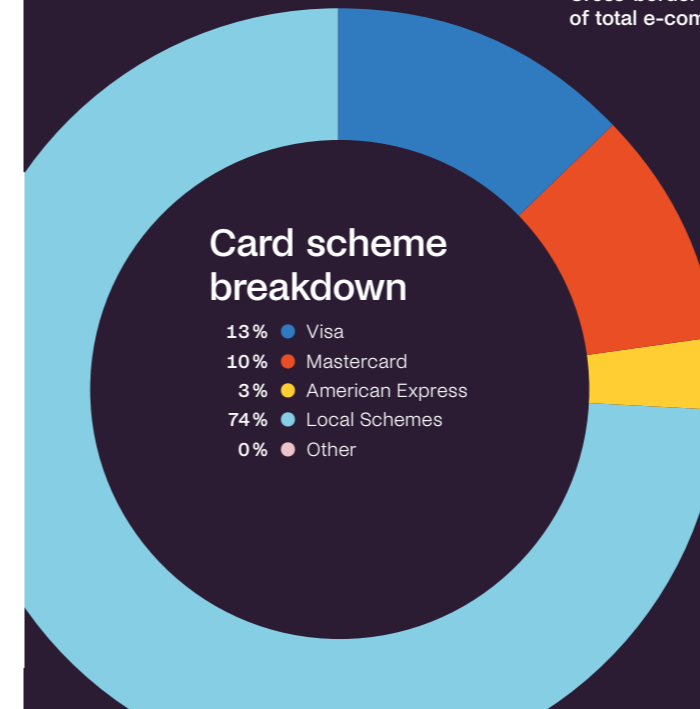
Popular LPMs



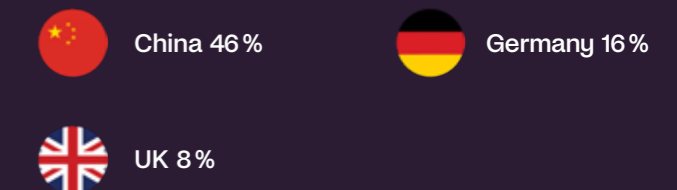
Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Germany

	Germany	WE & CE	World
Population	83.9	523.0 m	7,974.9 m
Population 15+	72.1	442.7 m	5,967.9 m
GDP (\$US bn)	4,230.2	20,175	94,045
GDP per capita (\$US)	50,419	41,639	12,804
Banked population (%)	100	96	71
Credit card penetration (%)	54	47	27
Internet penetration (%)	96	92	84
Smartphone penetration (%)	79	81	80
Online population	80.5 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	121.8	768	4,269
E-commerce spending per capita (\$US)	1,462	NA	NA
E-commerce as % of total retail	20	17	24
E-commerce spending as % of GDP	3.0	NA	NA
E-commerce completed on a mobile device (%)	41	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

134.3	2022
147.2	
159.9	
171.9	
183.5	



E-commerce spending per capita (\$US)

1,610	2022
1,764	
1,915	
2,059	
2,197	



E-commerce spending as % of GDP

3.1	2022
3.3	
3.5	
3.6	
3.7	



15.8% e-commerce growth (YOY)

- Economists are watching Germany closely as signs that the country is entering a recession are getting stronger. Business confidence has dropped from 85.8 in June to 80.3 in July according to the Ifo Institute.
- There are 67 million e-commerce users in Germany, rising to 68 million over the next few years. Of those 67 million, 94% used PayPal to shop on-line over the past year.
- More Europeans shop cross border into Germany than any other country in Europe. Germany has 115 cross border online stores in the Top 500 e-commerce stores.
- In May 2022, the most popular e-commerce store was the marketplace Amazon.de with 298m visits in July 2022.
- A new law came into force on 28 May 2022 making it easier for individuals to ensure that reviews left on e-commerce websites have been left by real users, and that they are made aware that dynamic pricing is in place on sites that use it.

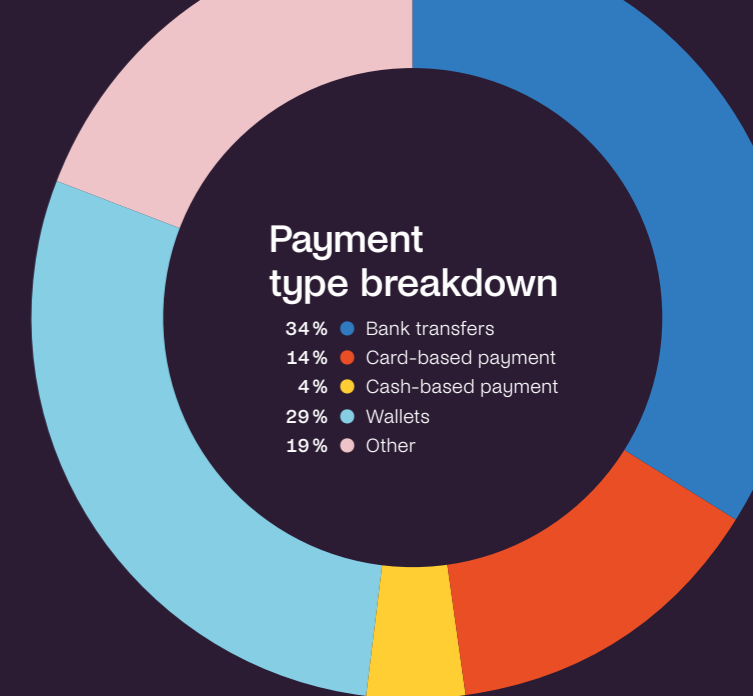
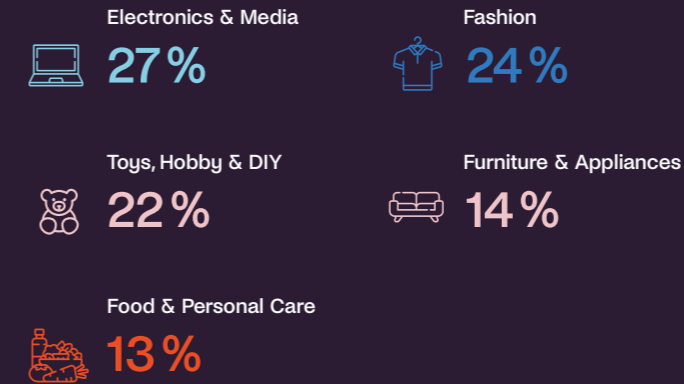
Popular LPMs



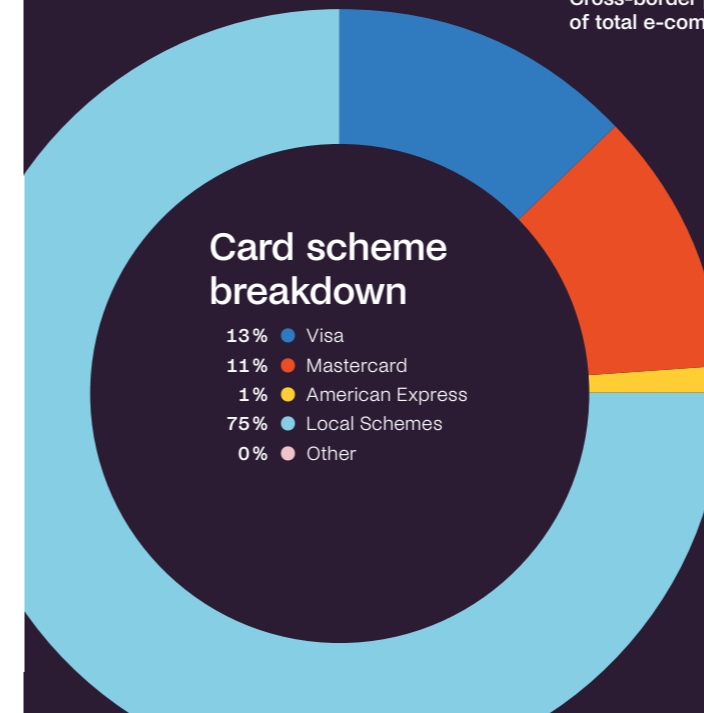
Klarna.



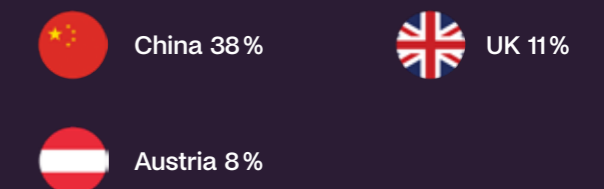
Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Greece

	Greece	WE & CE	World
Population	10.7 m	523.0 m	7,974.9 m
Population 15+	9.3 m	442.7 m	5,967.9 m
GDP (\$US bn)	211.6	20,175	94,045
GDP per capita (\$US)	19,743	41,639	12,804
Banked population (%)	87	96	71
Credit card penetration (%)	14	47	27
Internet penetration (%)	73	92	84
Smartphone penetration (%)	66	81	80
Online population	7.8 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	11.6	768	4,269
E-commerce spending per capita (\$US)	1,094	NA	NA
E-commerce as % of total retail	6	17	24
E-commerce spending as % of GDP	5.9	NA	NA
E-commerce completed on a mobile device (%)	39	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

14.2	2022
17.0	
19.8	
22.6	
25.3	



E-commerce spending per capita (\$US)

1,340	2022
1,614	
1,888	
2,157	
2,422	



E-commerce spending as % of GDP

6.8	2022
7.9	
8.9	
9.8	
10.7	



19.2% e-commerce growth (YOY)

- The economy in Greece is still strong although starting to slow. GDP for 2022 is forecast to be 4%, falling to 2.4% in 2023. Like other countries in Europe, inflation is forecast to rise in 2022 to 8.9% before returning to 3.5% in 2023.
- The Hellenic Development Bank is offering funds to SMEs to help them develop digitally through two schemes – 4th Industrial Revolution and Business Innovation Greece.
- Social commerce will see an increase of CAGR 63.5% 2022-2028, worth USD1220.3m in 2022 and USD21,844.8m in 2028.
- The most popular Greek online store in July 2022 is skroutz.gr with 77.5m visitors.

Popular LPMs

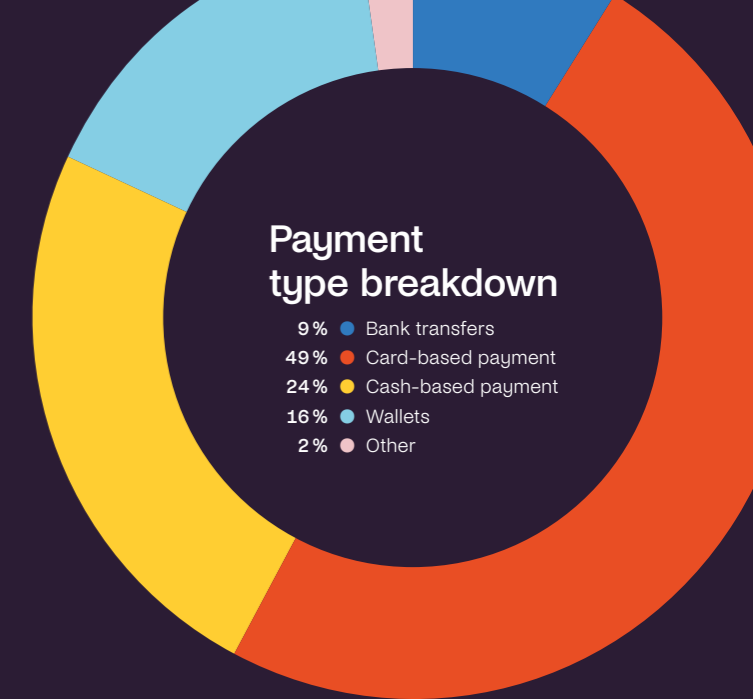
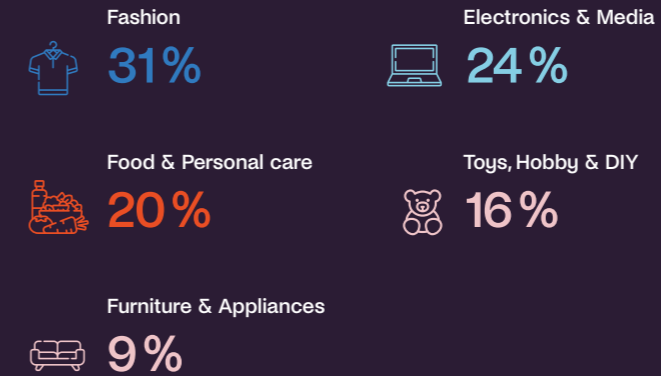
SEPA SEPA Direct Debit

Trustly

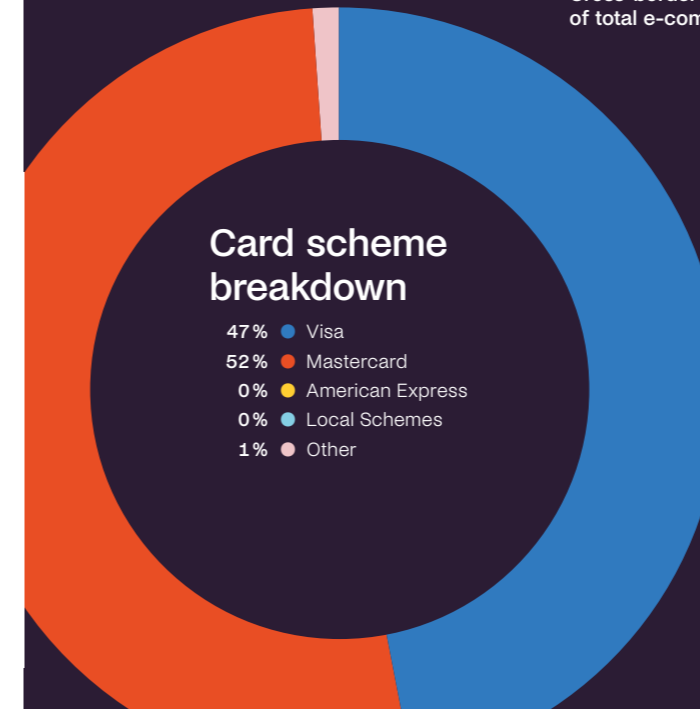
paysafecard

Paysafe:cash

Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Hungary

	Hungary	WE & CE	World
Population	9.6 m	523.0 m	7,974.9 m
Population 15+	8.2 m	442.7 m	5,967.9 m
GDP (\$US bn)	181.0	20,175	94,045
GDP per capita (\$US)	18,791	41,639	12,804
Banked population (%)	77	96	71
Credit card penetration (%)	13	47	27
Internet penetration (%)	89	92	84
Smartphone penetration (%)	74	81	80
Online population	8.6 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	4.8	768	4,269
E-commerce spending per capita (\$US)	495	NA	NA
E-commerce as % of total retail	10	17	24
E-commerce spending as % of GDP	3.0	NA	NA
E-commerce completed on a mobile device (%)	41	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

5.9	2022
7.0	
8.1	
9.2	
10.3	

E-commerce spending per capita (\$US)

606	2022
721	
838	
957	
1,067	

E-commerce spending as % of GDP

3.3	2022
3.7	
4.0	
4.3	
4.6	

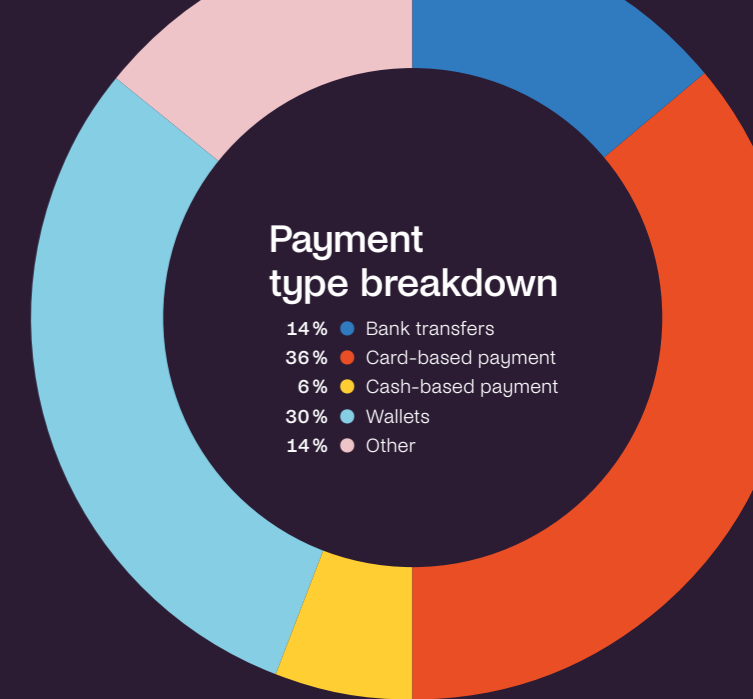
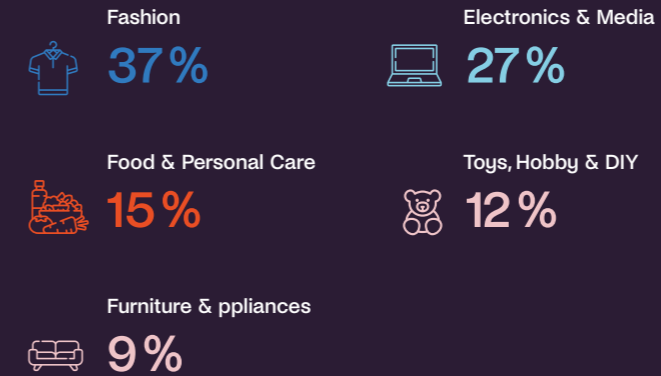
19.1% e-commerce growth (YOY)

- Hungarian GDP reached 7.1% in 2021, is expected to level out at 5.2% in 2022, and drop to 2.1% in 2023. Core inflation rose to a 25 year high of 16.7% in July 2022. It is expected to drop in 2023 if the Russo-Ukrainian war ends in 2022.
- According to a recent study carried out by EVO, the most popular payment methods in Hungary are cash, payment cards and bank transfer. Hungarians are less likely to use Buy Now Pay Later schemes that other European countries (35% compared to 46%).
- In a recent survey of European countries and their digital progress shows that whilst Hungary's broadband connectivity progress is strong, they are lagging behind in integrating digital technology – coming 25th in the category.
- Jofogas.hu is the most popular online shopping site for Hungarians, totting up 4.5m visits in July 2022.

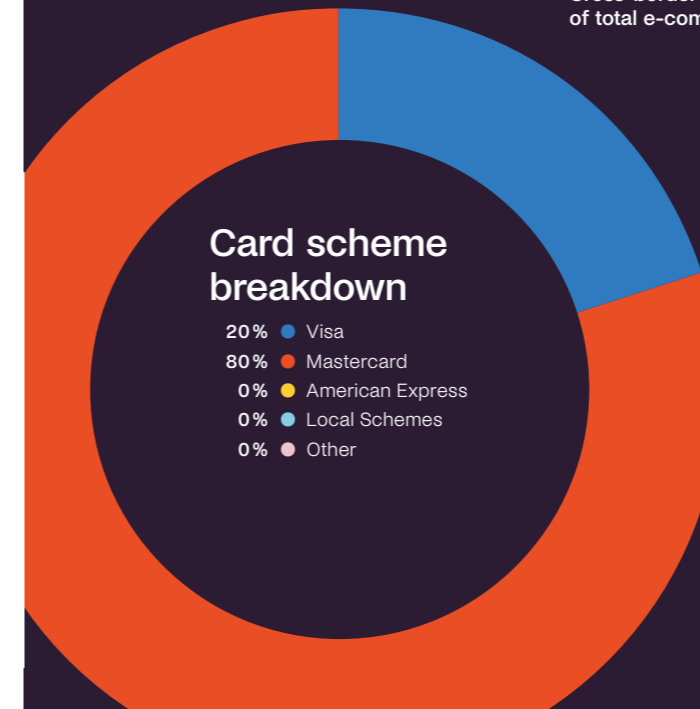
Popular LPMs



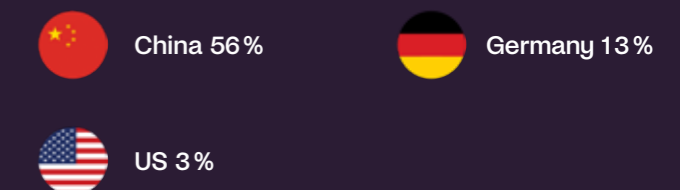
Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Italy

	Italy	WE & CE	World
Population	60.4 m	523.0 m	7,974.9 m
Population 15+	52.6 m	442.7 m	5,967.9 m
GDP (\$US bn)	2,120.2	20,175	94,045
GDP per capita (\$US)	35,122	41,639	12,804
Banked population (%)	95	96	71
Credit card penetration (%)	46	47	27
Internet penetration (%)	93	92	84
Smartphone penetration (%)	77	81	80
Online population	55.8 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	44.8	768	4,269
E-commerce spending per capita (\$US)	758	NA	NA
E-commerce as % of total retail	8	17	24
E-commerce spending as % of GDP	2.2	NA	NA
E-commerce completed on a mobile device (%)	39	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

51.2	2022
57.3	
63.0	
68.7	
74.4	



E-commerce spending per capita (\$US)

867	2022
972	
1,072	
1,172	
1,272	



E-commerce spending as % of GDP

2.4	2022
2.6	
2.8	
3.0	
3.2	



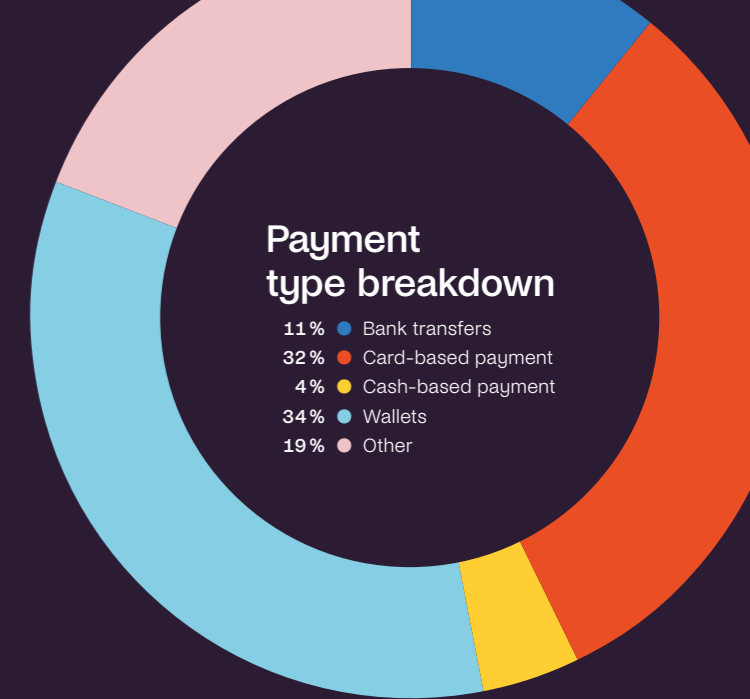
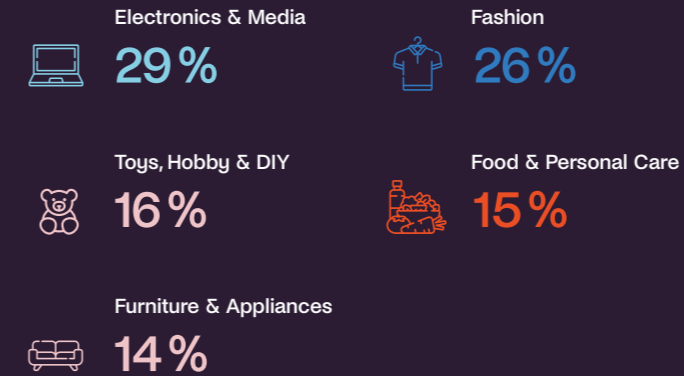
21.5% e-commerce growth (YOY)

- The IMF in their most recent forecast at the beginning of August, saw the Italian GDP rising by 3% in 2022 before dropping back to 0.75% in 2023. They also see Italy as surfing the inflation wave with a high of 6.75% in 2022 then dropping in 2023.
- Italy ranks in the top ten for cross border shopping in a recent survey by CB Commerce, with 52% of Italians buying from other countries.
- 82% of Italians are online, but only 59% shop in online stores. Of those that do 51% have only shopped once or twice in the previous three months to being surveyed.
- In May 2022, Amazon.it was the most popular website for Italian internet users, clocking up 40.09% of visits that month.

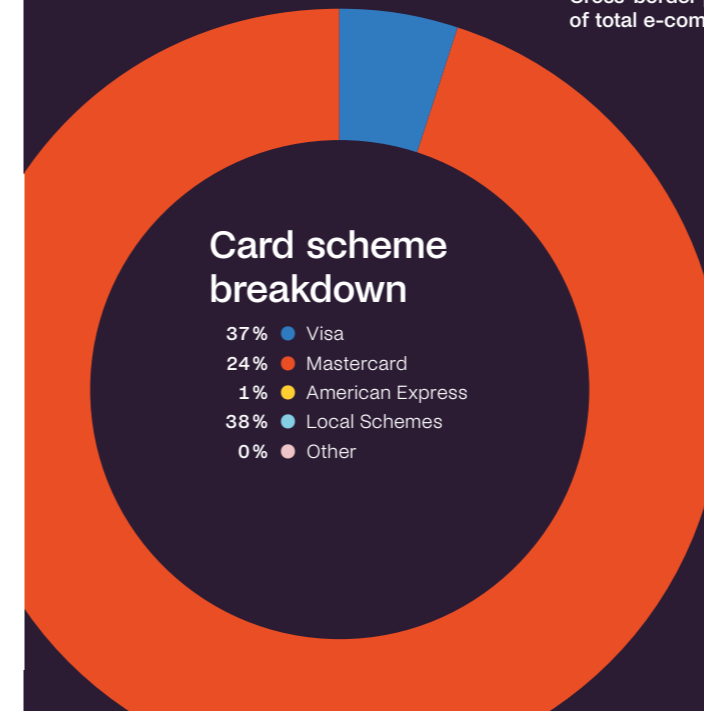
Popular LPMs



Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Netherlands

	Netherlands	WE & CE	World
Population	17.2 m	523.0 m	7,974.9 m
Population 15+	14.5 m	442.7 m	5,967.9 m
GDP (\$US bn)	1,007.6	20,175	94,045
GDP per capita (\$US)	58,671	41,639	12,804
Banked population (%)	100	96	71
Credit card penetration (%)	41	47	27
Internet penetration (%)	96	92	84
Smartphone penetration (%)	87	81	80
Online population	16.4 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	34.8	768	4,269
E-commerce spending per capita (\$US)	1,982	NA	NA
E-commerce as % of total retail	17	17	24
E-commerce spending as % of GDP	3.6	NA	NA
E-commerce completed on a mobile device (%)	37	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

39.1	2022
43.4	
47.7	
52.2	
56.9	

E-commerce spending per capita (\$US)

2,217	2022
2,453	
2,689	
2,932	
3,184	

E-commerce spending as % of GDP

3.8	2022
4.1	
4.3	
4.6	
4.8	

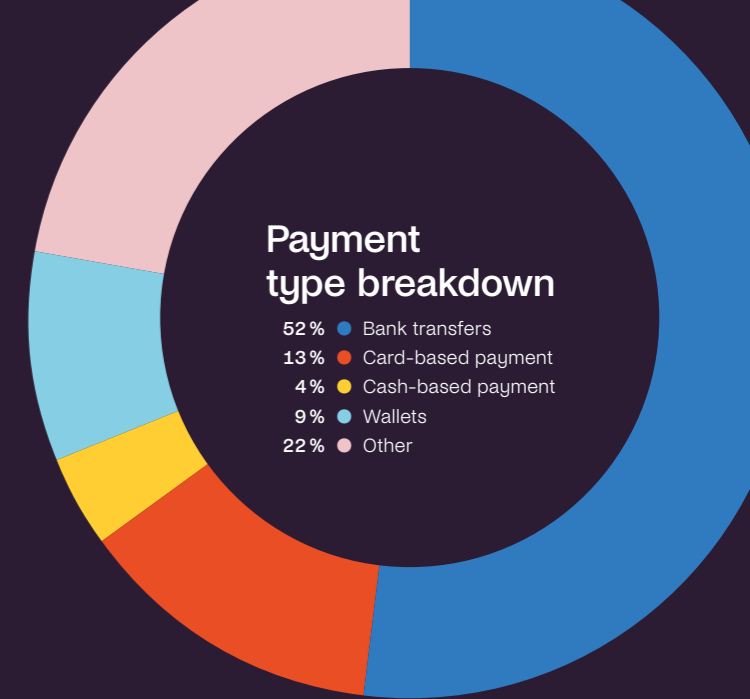
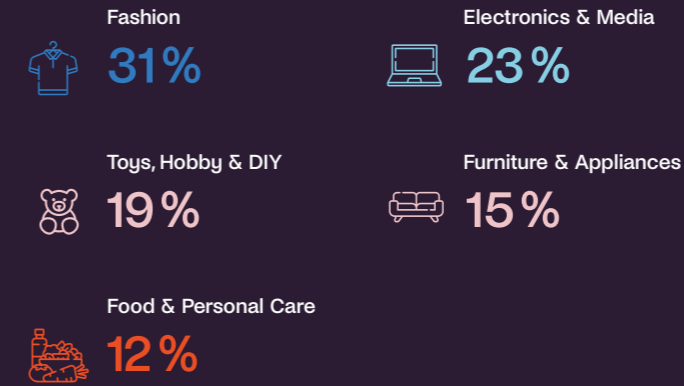
15.0% e-commerce growth (YOY)

- The Dutch economy is forecast to grow by 2.9% in 2022 and 1.1% in 2023 with an average inflation level of 9.2% before it returns to a more normal average level of 4.8 % in 2023.
- iDeal is the favourite way to pay in the Netherlands, followed by digital wallets and cards, with Mastercard, Visa and PayPal being the most commonly used.
- The Social commerce market in the Netherlands is forecast to grow by CAGR 26.7% in the period of 2022 – 2028, bringing the sector's earnings to USD12,877.2m in 2028.
- The most popular e-commerce website in the Netherlands in July 2022 was bol.com with 89m visits that month.

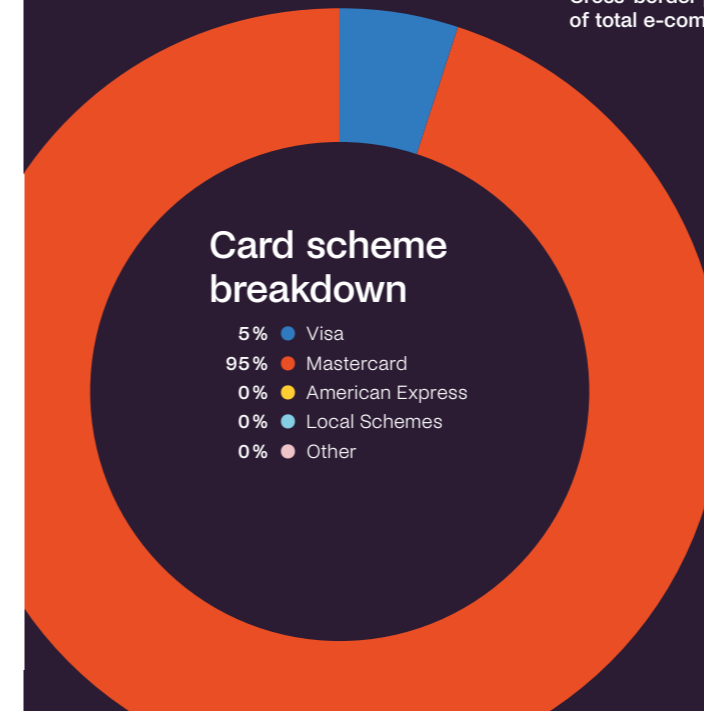
Popular LPMs



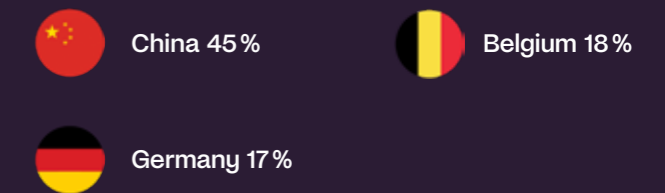
Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Norway

	Norway	WE & CE	World
Population	5.5 m	523.0 m	7,974.9 m
Population 15+	4.5 m	442.7 m	5,967.9 m
GDP (\$US bn)	445.5	20,175	94,045
GDP per capita (\$US)	81,520	41,639	12,804
Banked population (%)	100	96	71
Credit card penetration (%)	70	47	27
Internet penetration (%)	98	92	84
Smartphone penetration (%)	92	81	80
Online population	5.4 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	19.9	768	4,269
E-commerce spending per capita (\$US)	3,667	NA	NA
E-commerce as % of total retail	18	17	24
E-commerce spending as % of GDP	4.6	NA	NA
E-commerce completed on a mobile device (%)	38	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

23.0	2022
26.1	
29.2	
32.4	
35.5	

E-commerce spending per capita (\$US)

4,223	2022
4,764	
5,313	
5,865	
6,392	

E-commerce spending as % of GDP

5.0	2022
5.5	
6.0	
6.5	
6.9	

6.8% e-commerce growth (YOY)

- Norwegian consumers are considered to be very tech savvy and highly literate in e-commerce. The rate of m-commerce is gaining popularity so any retailer considering moving into this market must take this into consideration.
- 98% of the population has access to the internet and 92% have used it to go shopping, with 35% making purchases more than 6 times in the three months before being surveyed.
- Norway looks very well placed to avoid the energy crisis in the rest of Europe but is still being affected by inflation – running at 4.5% in 2022, compared to 1% in 2021.
- finn.no was the most popular e-commerce website in Norway in July 2022 with 45.1m visits that month.

Popular LPMs

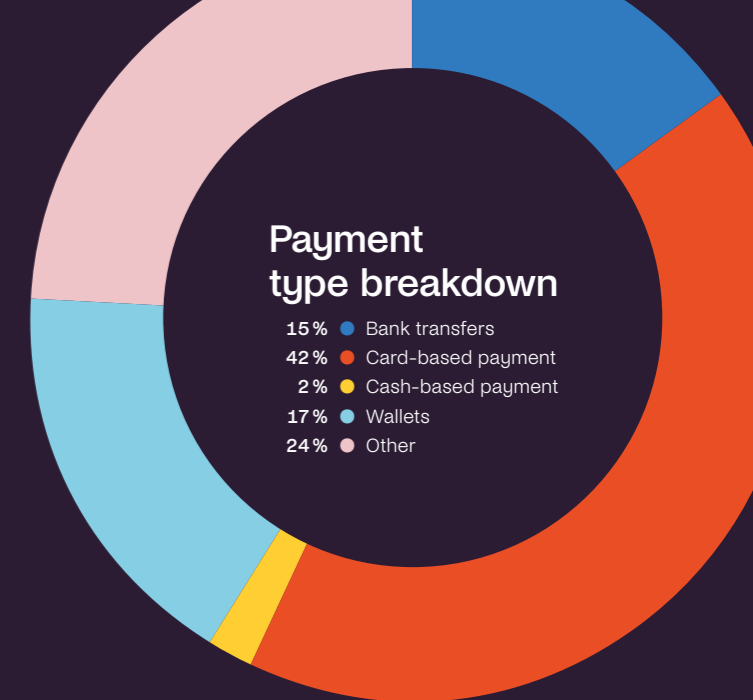
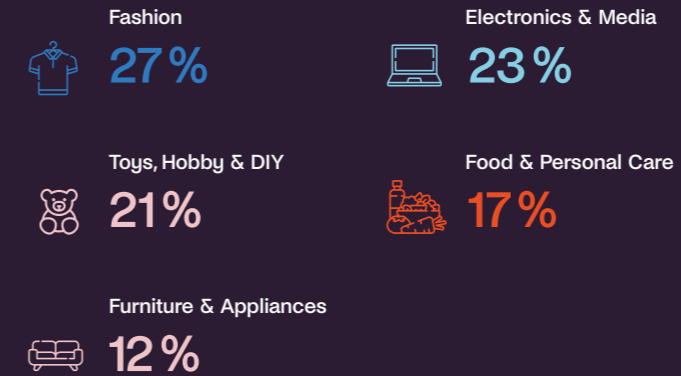
Klarna.

Trustly

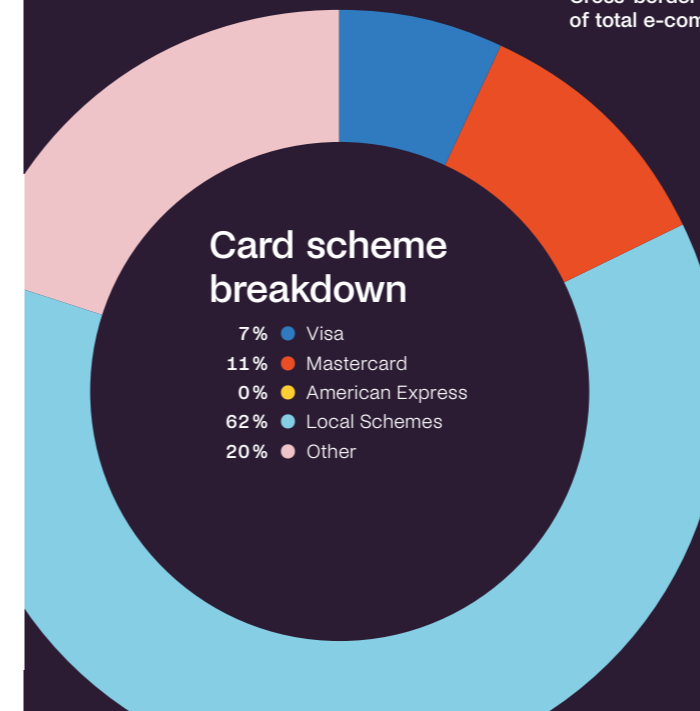
vopps (VIPPS)

paysafecard

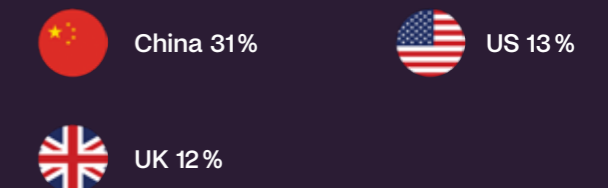
Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Poland

	Poland	WE & CE	World
Population	37.8 m	523.0 m	7,974.9 m
Population 15+	32.0 m	442.7 m	5,967.9 m
GDP (\$US bn)	655.3	20,175	94,045
GDP per capita (\$US)	17,337	41,639	12,804
Banked population (%)	89	96	71
Credit card penetration (%)	19	47	27
Internet penetration (%)	78	92	84
Smartphone penetration (%)	65	81	80
Online population	29.6 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	27.8	768	4,269
E-commerce spending per capita (\$US)	727	NA	NA
E-commerce as % of total retail	7	17	24
E-commerce spending as % of GDP	4.4	NA	NA
E-commerce completed on a mobile device (%)	42	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

32.1	2022
36.3	
40.6	
44.9	
49.1	

E-commerce spending per capita (\$US)

841	2022
953	
1,069	
1,186	
1,300	

E-commerce spending as % of GDP

4.7	2022
5.0	
5.3	
5.5	
5.7	

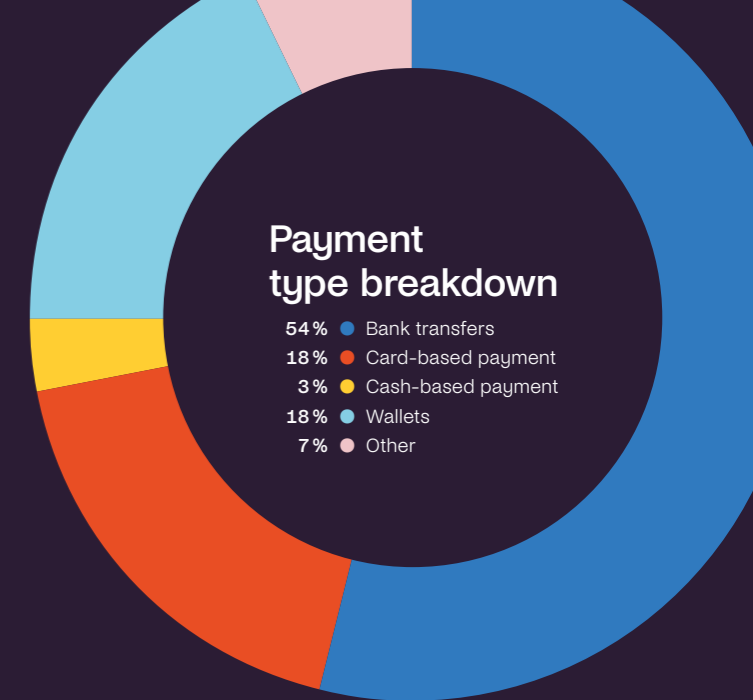
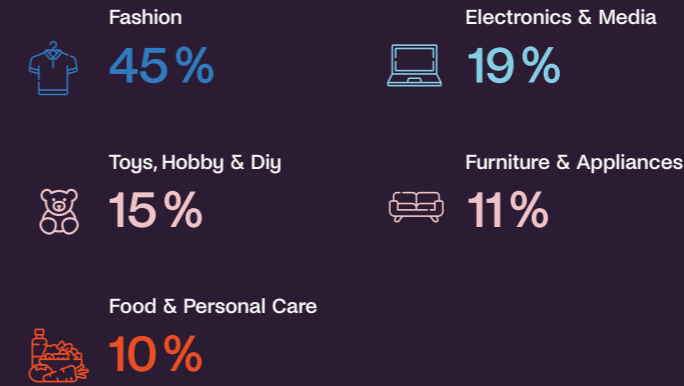
21.9% e-commerce growth (YOY)

- Cash is still the most common form of payment in Poland, with 94% using it, followed by payment cards (92%) and bank transfer (80%). Digital wallets are not as popular as in other European countries with 57% versus 70%.
- The Polish economy started to slow in the second quarter of 2022, with GDP growth dropping from 8.5 to 5.3%. Like most of Europe, Poland is grappling with rising prices and a very tight labour market.
- Social commerce is forecast to grow by CAGR 57.2% between 2022 and 2028, rising from USD 2,760.1m to USD 39,362.1m in 2028.
- allegro.pl was Poland's most popular e-commerce store in July 2022 and had 187.7m visits that month.

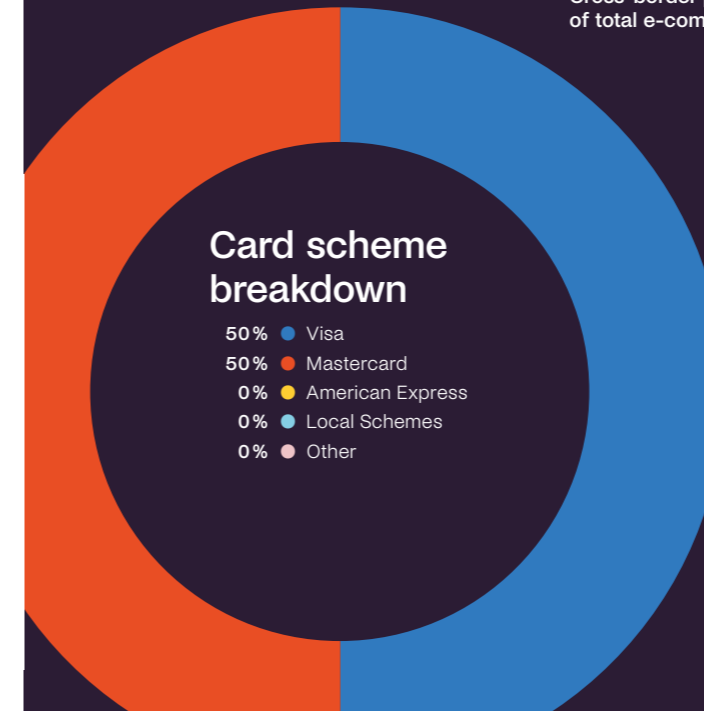
Popular LPMs



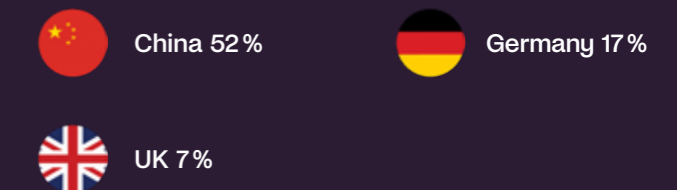
Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Portugal

	Portugal	WE & CE	World
Population	10.2 m	523.0 m	7,974.9 m
Population 15+	8.9 m	442.7 m	5,967.9 m
GDP (\$US bn)	251.7	20,175	94,045
GDP per capita (\$US)	24,757	41,639	12,804
Banked population (%)	100	96	71
Credit card penetration (%)	37	47	27
Internet penetration (%)	78	92	84
Smartphone penetration (%)	72	81	80
Online population	8.0 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	11.4	768	4,269
E-commerce spending per capita (\$US)	1,106	NA	NA
E-commerce as % of total retail	5	17	24
E-commerce spending as % of GDP	4.8	NA	NA
E-commerce completed on a mobile device (%)	39	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

13.9	2022
16.3	
18.6	
20.7	
22.6	



E-commerce spending per capita (\$US)

1,352	2022
1,588	
1,816	
2,030	
2,217	



E-commerce spending as % of GDP

5.5	2022
6.1	
6.7	
7.3	
7.7	



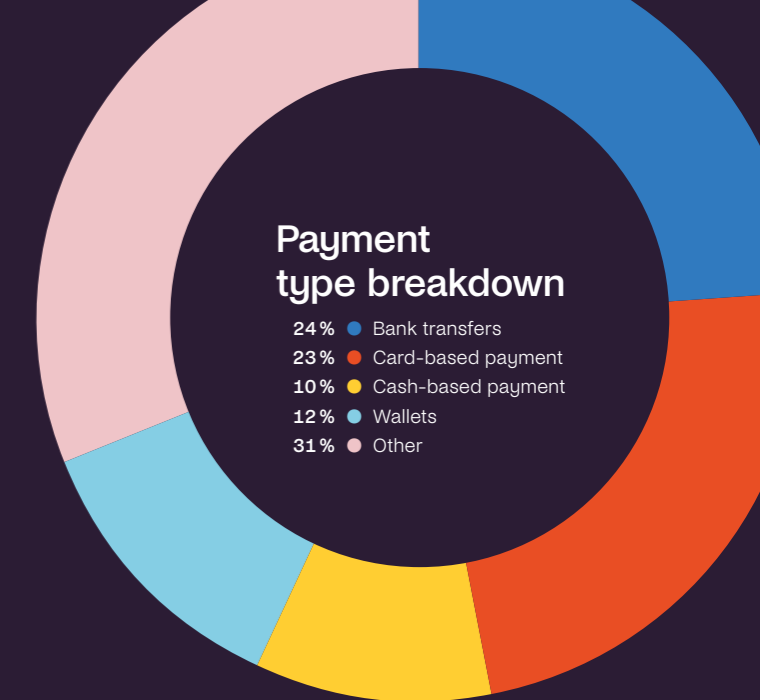
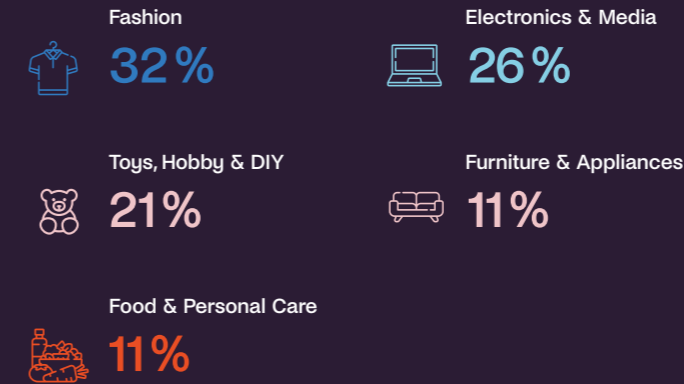
25.1% e-commerce growth (YOY)

- Cash and payment cards are the most popular form of payment in Portugal with both sharing a 93% share of the market. Cash is used more often than cards when it comes to how regularly both categories are in use.
- The Portuguese economy has started to slow after GDP growth dropped from 2.5% to 2.3% and core inflation rose to 6.2%.
- The Portuguese central bank Banco de Portugal released their payments report in Spring showing that contactless payment methods increased in usage by 102.2% in volume and 130.9% in value over the past year.
- The top Portuguese e-commerce website in July 2022 was olx.pt with 18.7m visits that month.

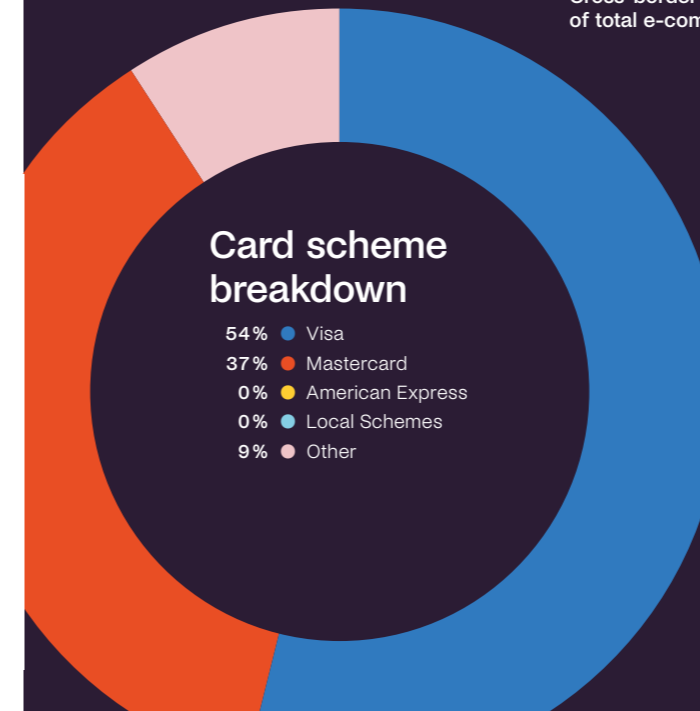
Popular LPMs



Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Slovakia

	Slovakia	WE & CE	World
Population	5.5 m	523.0 m	7,974.9 m
Population 15+	4.6 m	442.7 m	5,967.9 m
GDP (\$US bn)	116.7	20,175	94,045
GDP per capita (\$US)	21,382	41,639	12,804
Banked population (%)	85	96	71
Credit card penetration (%)	24	47	27
Internet penetration (%)	85	92	84
Smartphone penetration (%)	72	81	80
Online population	4.6 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	2.2	768	4,269
E-commerce spending per capita (\$US)	395	NA	NA
E-commerce as % of total retail	12	17	24
E-commerce spending as % of GDP	2.0	NA	NA
E-commerce completed on a mobile device (%)	40	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

2.6	2022
3.0	
3.4	
3.7	
4.1	



E-commerce spending per capita (\$US)

471	2022
544	
617	
685	
748	



E-commerce spending as % of GDP

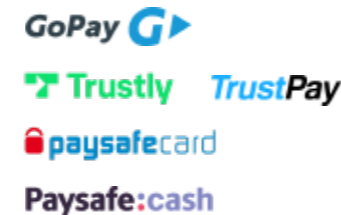
2.2	2022
2.4	
2.5	
2.7	
2.8	



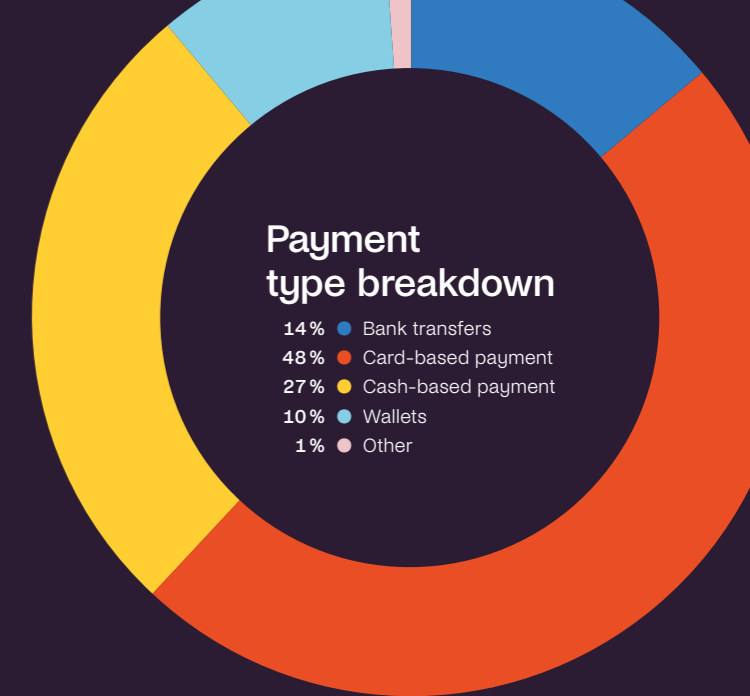
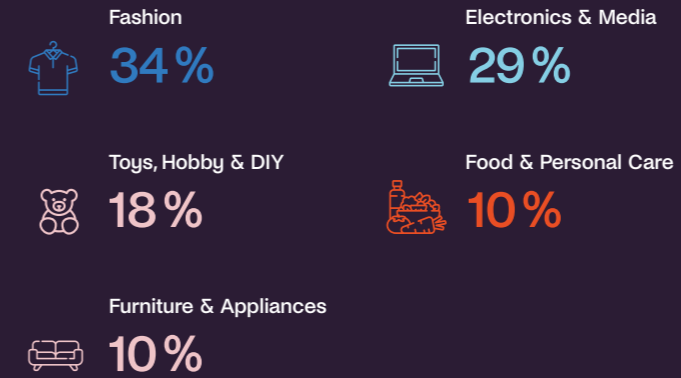
14.0% e-commerce growth (YOY)

- M-commerce is becoming increasingly popular so merchants thinking of entering the Slovakian market must ensure their site is optimised for mobile.
- 85% of Slovaks have access to the internet and 84% have shopped online with almost a quarter shopping more than six times in the three months previous to being surveyed.
- The Slovak economy is forecast to grow by 2.3% in 2022 and 3.4% in 2023, however due to the Russo-Ukrainian war, high inflation and disruptions in energy there is uncertainty over growth for the next year.
- The most popular e-commerce store in Slovakia in July 2022 is bazos.sk with 19.7m visits that month.

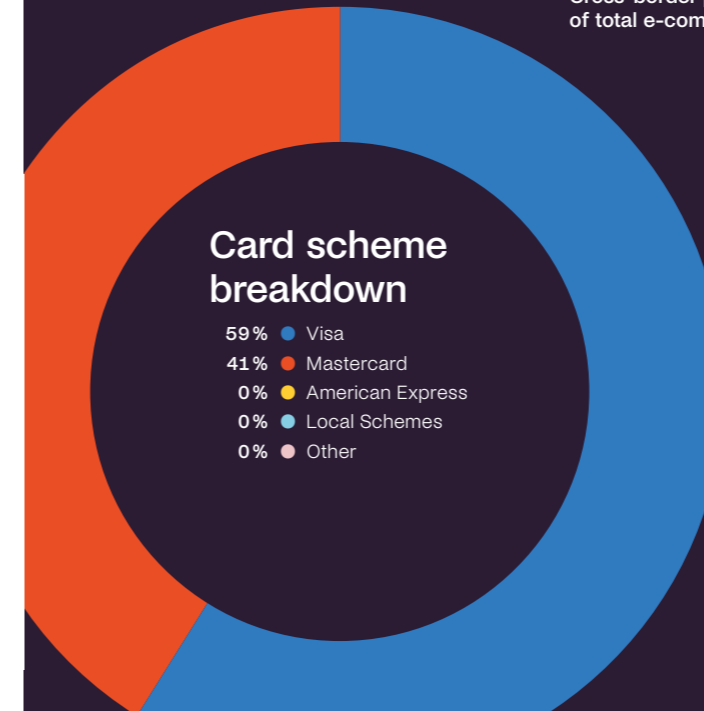
Popular LPMs



Top e-commerce segments



Cross-border e-commerce



Spain

	Spain	WE & CE	World
Population	46.7 m	523.0 m	7,974.9 m
Population 15+	40.1 m	442.7 m	5,967.9 m
GDP (\$US bn)	1,430.0	20,175	94,045
GDP per capita (\$US)	30,805	41,639	12,804
Banked population (%)	94	96	71
Credit card penetration (%)	56	47	27
Internet penetration (%)	93	92	84
Smartphone penetration (%)	85	81	80
Online population	43.2 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	77.1	768	4,269
E-commerce spending per capita (\$US)	1,621	NA	NA
E-commerce as % of total retail	13	17	24
E-commerce spending as % of GDP	5.7	NA	NA
E-commerce completed on a mobile device (%)	40	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

87.7	2022
98.2	
108.5	
118.8	
128.6	



E-commerce spending per capita (\$US)

1,836	2022
2,051	
2,261	
2,469	
2,670	



E-commerce spending as % of GDP

6.0	2022
6.5	
6.9	
7.4	
7.8	



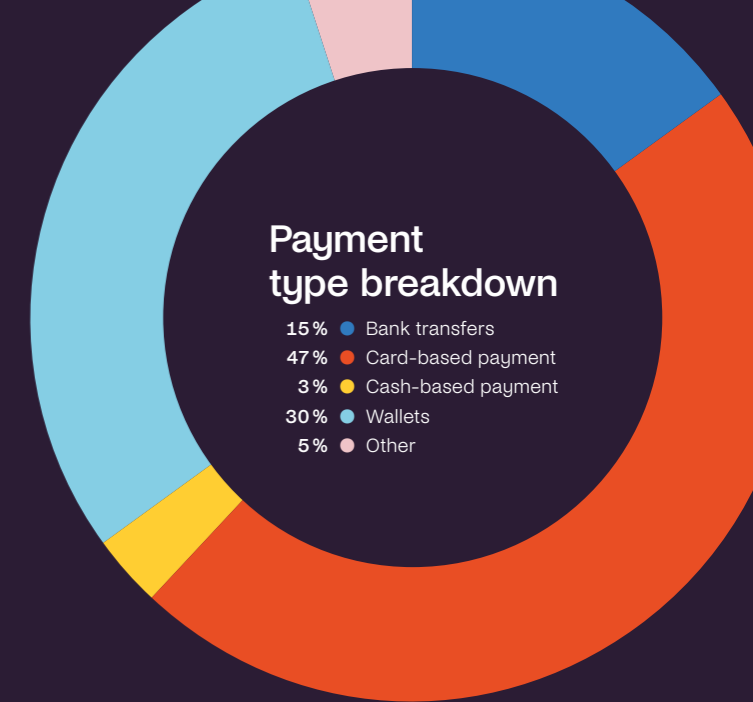
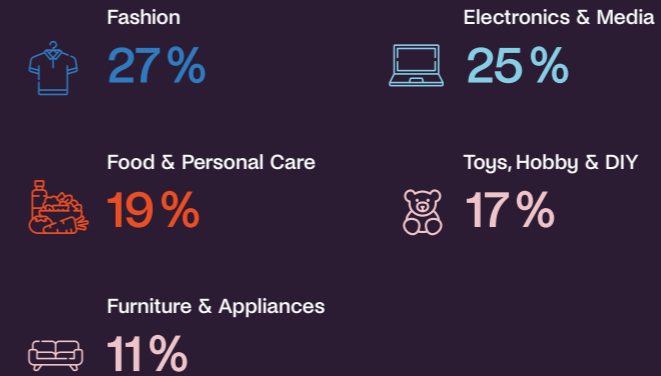
15.3% e-commerce growth (YOY)

- 33% of Spaniards say they shop at particular marketplaces because they had previous good experiences with it, followed by good reviews (20%) and recommendations from friends or family (17%).
- Data published by the Salesforce Shopping Index showed e-commerce revenues dropped by 3% globally over the first quarter of 2022, with the exception in Europe of Spain, where e-commerce continued to grow at a rate of 6%.
- A recent study by the OCU found that 90% of Spaniards feel embarrassed to speak English, showing how important the option of allowing customers to communicate in their own language can be.
- Amazon.es was the most popular e-commerce website in July 2022, with 203.3m visits that month.

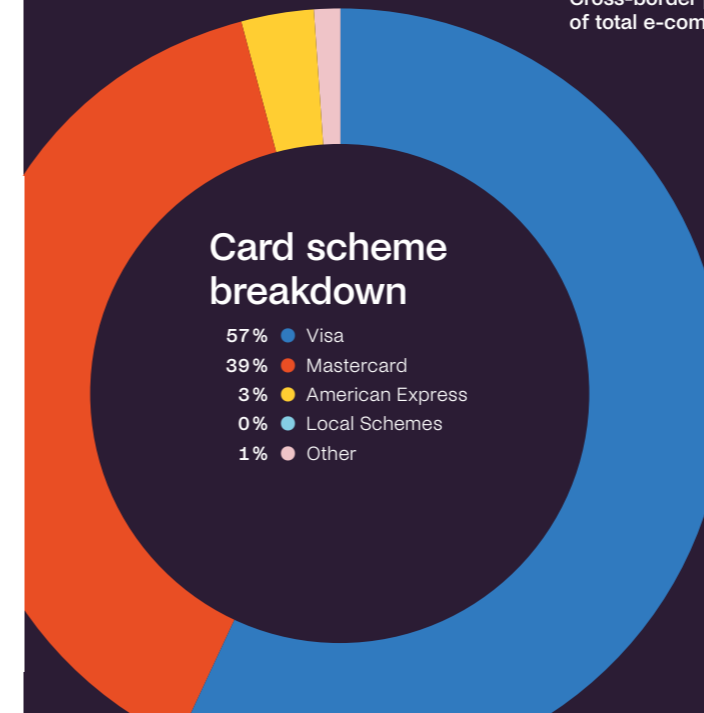
Popular LPMs



Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Sweden

	Sweden	WE & CE	World
Population	10.2 m	523.0 m	7,974.9 m
Population 15+	8.4 m	442.7 m	5,967.9 m
GDP (\$US bn)	622.4	20,175	94,045
GDP per capita (\$US)	61,256	41,639	12,804
Banked population (%)	100	96	71
Credit card penetration (%)	45	47	27
Internet penetration (%)	96	92	84
Smartphone penetration (%)	91	81	80
Online population	9.8 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	34.5	768	4,269
E-commerce spending per capita (\$US)	3,308	NA	NA
E-commerce as % of total retail	21	17	24
E-commerce spending as % of GDP	5.8	NA	NA
E-commerce completed on a mobile device (%)	40	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

39.5	2022
44.3	
49.2	
54.0	
58.9	

E-commerce spending per capita (\$US)

3,768	2022
4,241	
4,652	
5,088	
5,524	

E-commerce spending as % of GDP

6.3	2022
6.8	
7.3	
7.7	
8.1	

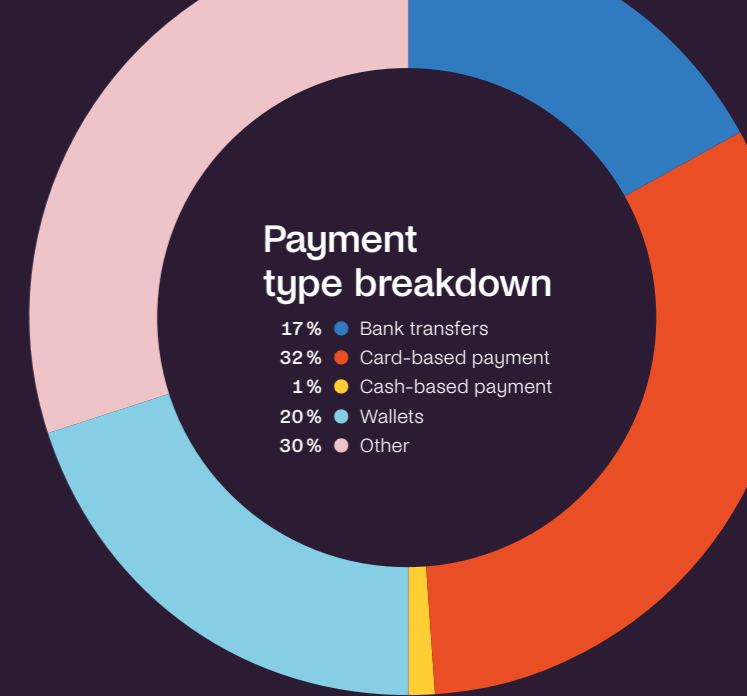
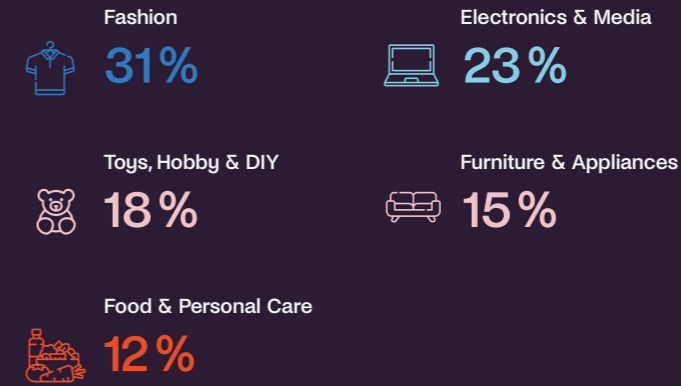
9.7% e-commerce growth (YOY)

- Sustainability is very important to Swedes when they research products online, particularly for women aged 65 to 79 years old. 60% of this age group report always keeping sustainability in mind when shopping online.
- According to a survey carried out during the first quarter of 2022, the most sought after innovation for e-commerce, was across all age groups, frictionless payments.
- In May 2022 the Swedish central bank, Riksbank, launched a new service RIX-INST which allows banks to make payments between each other in real time, 24 hours a day, 365 days a year. This will create opportunities for Swedish payment companies to create new services.
- The most popular e-commerce website in Sweden in July 2022 was blocket.se with 32m visits.

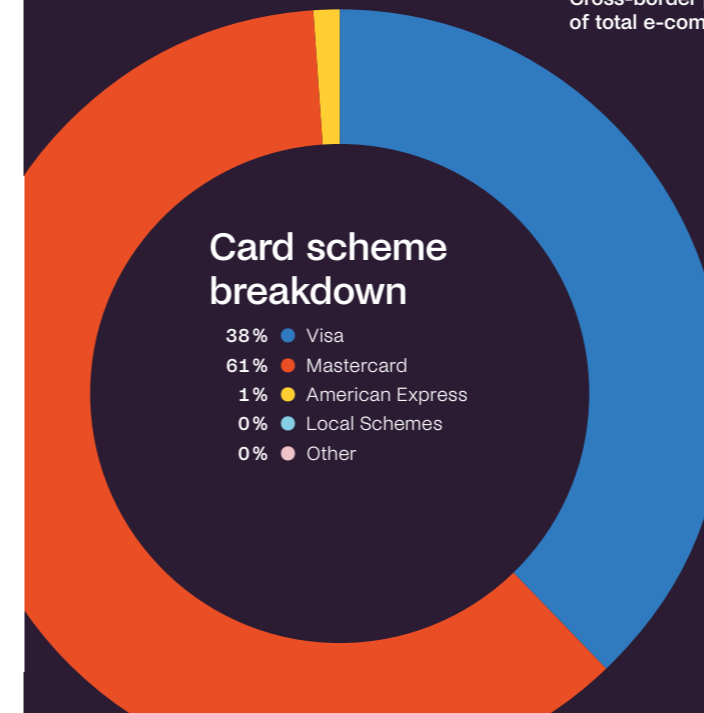
Popular LPMs



Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets



Switzerland

	Switzerland	WE & CE	World
Population	8.7 m	523.0 m	7,974.9 m
Population 15+	7.4 m	442.7 m	5,967.9 m
GDP (\$US bn)	810.8	20,175	94,045
GDP per capita (\$US)	93,038	41,639	12,804
Banked population (%)	99	96	71
Credit card penetration (%)	63	47	27
Internet penetration (%)	94	92	84
Smartphone penetration (%)	87	81	80
Online population	8.2 m	444.0 m	6,551.1 m

B2C e-commerce market size (\$US bn)	20.5	768	4,269
E-commerce spending per capita (\$US)	2,348	NA	NA
E-commerce as % of total retail	14	17	24
E-commerce spending as % of GDP	2.5	NA	NA
E-commerce completed on a mobile device (%)	33	44	57

Future trends (2022 – 2026)

E-commerce market size forecast (\$US bn)

24.2	2022
27.7	
31.3	
34.8	
38.0	



E-commerce spending per capita (\$US)

2,749	2022
3,134	
3,518	
3,894	
4,227	



E-commerce spending as % of GDP

2.9	2022
3.2	
3.5	
3.9	
4.1	



15.4% e-commerce growth (YOY)

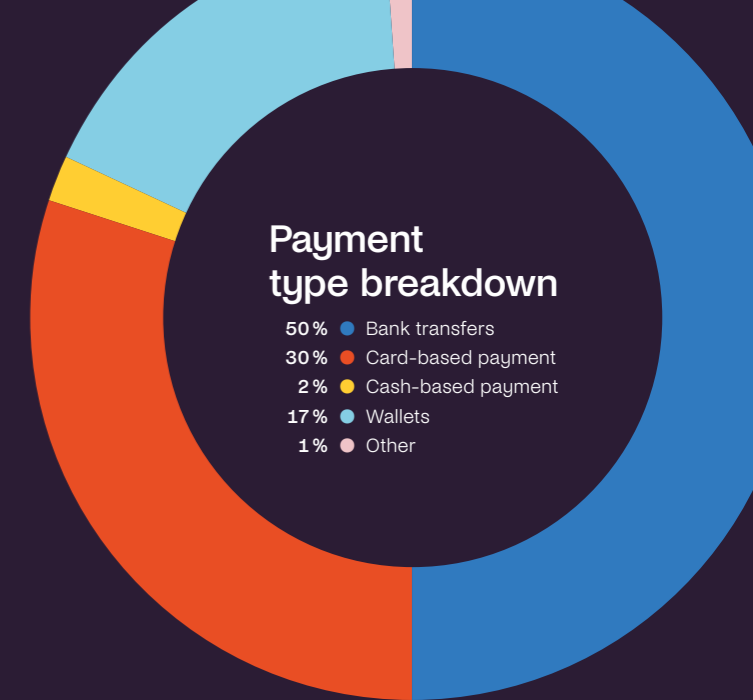
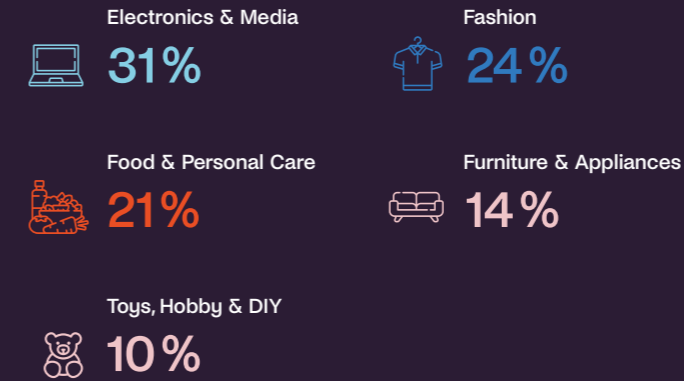
- The Swiss social commerce sector is forecast to grow from USD2,299.3m in 2022 to USD11,941.1 in 2028, a CAGR of 32.5%.
- The most popular mobile payment method in Switzerland is Twint which is used by 64% of Swiss in store and 56% online.
- Swiss consumers are slowly moving away from using cash. In 2017 70% of transactions were paid for by cash, by 2020 that had dropped to 43%.
- The most popular Swiss e-commerce store in July 2022 was ricardo.ch with 13.2m visits.

Popular LPMs

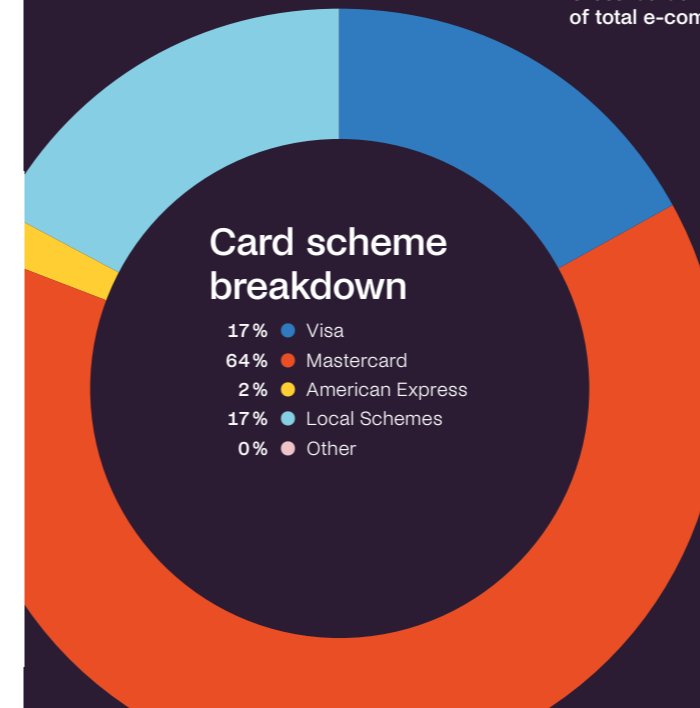
Klarna.



Top e-commerce segments



Cross-border e-commerce



Top cross-border shopping origin markets

