

## Kiwis spend \$7.67 billion online in 2021

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"Another year of Covid-19 lockdown restrictions saw Kiwis spending more online than ever before,â€□ NZ Post General Manager of Business Marketing Chris Wong says

The report showed a 52% growth in online spending compared to 2019, as many new people embraced the safety and ease of online shopping.

"We started to see record parcel numbers when New Zealand went into Covid-19 lockdowns.

"Last year saw the longest sustained period of retail being closed in New Zealand, particularly in Auckland, and with buying online the only option for many, we've continued to see online shopping grow to a whole new level," Mr Wong said.

"However, there is no doubt, whether we are in a lockdown or not, that online shopping is now a major part of how Kiwis shop every day."

Published quarterly, the report shows the average online shopper spent \$3567 throughout 2021 (up from \$2913 in 2020). The average monthly spend per shopper last year was \$297.

The report also showed in the last quarter (Q4) of 2021 New Zealanders spent a massive \$2.5 billion online – up 45% than Q4 in 2020 – and 71% up on the same quarter in 2019.

"October to December is peak season for retailers and includes big sales day events like Singles' Day, Black Friday and Cyber Monday. "With lockdown restrictions firmly in place leading up to this period, we saw many retailers adopting new and different promotions, starting much earlier and running for longer periods."

Last year Singles' Day recorded a \$30.8m online spend (up 30% on 2020), followed by Black Friday at \$39.8m (up 17% on 2020) and Cyber Monday at \$39.5m (up 19% on 2020).

With an extended period of high spending leading up to Christmas, it was feared that Boxing Day might not have lived up to its reputation for driving a shopping frenzy, Mr Wong said.

"However, that was not the case. Nearly \$195m was spent on Boxing Day across both online and off. Online spend was up 29% on Boxing Day 2020, driven by nearly 184,000 online transactions for the day.

"Like the earlier big sales events, Boxing Day promotions seemed to start much earlier and extend well beyond the day and into the new year, allowing retailers to finish the year strongly."

Other eCommerce Spotlight stats for 2021

Clothing and Footwear led the way with online spending up 34% to reach more than \$1.58 billion. There was also strong growth In Dept, Variety & Miscellaneous Retail (26%), and in Recreation, Entertainment, Books &



Stationery (22%).
Physical instore retail spending was up 1% (\$654 million) on 2020.

To date it's been the 45 to 60 age group dominating online shopper spend but in recent years, we've seen the younger shoppers growing at the fastest rate. In 2021 the 15 to 29 and 30 to 45-year-olds increased their online spending by 25% meaning that their combined online spending made up 43% of 2021's total online spending.

Auckland had the largest growth in online spend, up 27%. Following closely behind is Gisborne on 26% and Northland on 20%.

Published quarterly, NZ Post's regular eCommerce Spotlight report uses the latest shopping data to highlight the changing trends in shopper behaviours that are shaping the future of online shopping. It's also the source of useful tools, tips and expert advice to help retailers grow their online business.

**Source: New Zealand Post**