Latin America B2C E-commerce Report 2014


www.ecommercefoundation.org

© Ecommerce Foundation
Table of Contents

PREFACE page 4
OUR REPORT PARTNERS page 5-10
GLOBAL B2C E-COMMERCE IN BRIEF page 11-18
  Infographic page 12
  Overview of the Covered Countries page 13
  B2C E-commerce in a Global Perspective page 14
  Growth in Global B2C E-commerce Sales page 15
  Social media around the world page 16
  Worldwide Mobile Commerce page 17
  Usage of Smartphones and Tablets page 18
LATIN AMERICA E-COMMERCE IN MARKETS page 19-28
  Infographic page 20
  Latin America in Brief page 21
  Internet Penetration page 22
  Population and E-households page 23
  Gross Domestic Product page 24
  B2C E-commerce Share of Latin America page 25
  Market Share and Growth Rate page 26
  Online Spending page 27
  B2C E-commerce Turnover and Growth page 28
ARGENTINA page 29-45
BRAZIL page 46-64
CHILE page 65-80
ABOUT ECOMMERCE FOUNDATION page 81
INFORMATION ABOUT THE REPORTS page 82-83
GOMSEC page 84-86
DEFINITIONS page 87-88
SOURCES page 89
ACKNOWLEDGEMENTS page 90-91
The importance of e-commerce continuous to grow. More and more people buy their products and services online and they do so from various places, such as at home, at work, en route or in the highstreet, and sometimes even online in the store. Meanwhile, e-commerce has become a major influence on the global economy. Whereas the Global Gross Domestic Product was around $74.9trn in 2013, the eGDP accounted for 1.34% of this number. In addition, e-commerce is responsible for the creation of many new jobs and all this makes it a significant economic power around the globe.

Measuring the size and growth of the e-commerce sector worldwide is vital for understanding its economic impact and growing contribution. Ecommerce Europe strongly believes that it is with economic facts that messages in support of our industry can be heard.

The newly established Ecommerce Foundation publishes several reports. It publishes the six European reports under auspicien of Ecommerce Europe. The Ecommerce foundation also publish a global report as well as five regional reports, covering North America, Latin America, Asia-Pacific, the Middle East and Northern Africa (MENA) and the BRICS countries (Brazil, Russia, India, China and South Africa).

Through the Ecommerce Foundation B2C Research Reports we want to share our knowledge with our readers around the world. By means of figures that are based on the Global Online Measurement Standard for B2C E-Commerce (GOMSEC), interviews with e-commerce experts and clear tables and infographics, we provide online retailers and other stakeholders with practical means that can help them to optimize their businesses.

Naturally, we could not have realized these reports without the help of others. Therefore we want to use this opportunity to express our gratitude to all participating national associations and their individual research partners for providing us with the required data and information. In addition, we are very grateful to the experts across the world who selflessly invested their time and effort to share their insights. And finally, a special word of thanks goes to our sponsors GlobalCollect, Informatica Corp, RichRelevance and Salesupply, who enable us to make the reports widely available, and to GfK for their close cooperation and involvement.

If you would like to receive additional information, purchase reports or become involved with Ecommerce Foundation, please contact us via our website www.ecommerce-europe.eu or send us an email at info@ecommercefoundation.org

Jorij Abraham
Director Ecommerce Foundation

Bert Nagelvoort
Senior Researcher

© Ecommerce Foundation
www.ecommercefoundation.org
GfK is the trusted source of relevant market and consumer information that enables its clients to make smarter decisions. More than 13,000 market research experts combine their passion with GfK’s 80 years of data science experience. By using innovative technologies and data sciences, GfK turns big data into smart data, enabling its clients to improve their competitive edge and enrich consumers’ experiences and choices.

GlobalCollect is the most knowledgeable global Payment Service Provider in the world, processing international e-commerce payments for more than 600 of the world’s most recognized e-commerce brands in the digital goods and services, travel, retail and video gaming industries, among many others. GlobalCollect’s business intelligence tools, Managed Fraud Services and more than 400 payments experts help our clients elevate their payment strategies to become a strategic asset to their companies.

Informatica Corporation (Nasdaq:INFA) is the world’s number one independent provider of data integration software. Organizations around the world rely on Informatica to realize their information potential and drive top business imperatives. Informatica Vibe, the industry’s first and only embeddable virtual data machine (VDM), powers the unique “Map Once. Deploy Anywhere.” capabilities of the Informatica Platform. With regard to information technology, Informatica helps wherever possible by delivering the right data in the right way to the right users.

RichRelevance is the global leader in omni-channel personalization. More than 160 companies in 40 countries use RichRelevance to turn data into actionable insight, which delivers the most relevant experience for consumers as they shop across web, store and mobile. RichRelevance drives more than one billion decisions every day, and has delivered over $8 billion in attributable sales to its clients, which include Target, Marks & Spencer and PriceMinister.

Salesupply is a global e-business services company that enables online retailers to achieve profitable international growth faster, more efficiently and with relatively low costs. Salesupply provides a full range of solutions ranging from research and strategy, to effective localization of online shops, followed by complete operational support, traffic generation and brand management.
It is safe to say that e-commerce is always fluid. Just when e-commerce standards appear to be solidifying, something disruptive comes along to break down the status quo and move customers in another direction. A clear example of this tendency in 2013 was the rise of click and collect as a key element in many brick-and-mortar retailers. The term ‘webrooming’ became a buzz word as the physical retail sector played to their historic strengths in face-to-face customer service to claw back trade from the pure-play sector. As we approach our future e-commerce strategies, understanding how customer interactions with the many online touch points along the supply chain influence their ultimate purchase decisions is more important than ever.

Changing expectations
As the customers progress through from research, to purchase, to fulfilment stages along their purchase journey, the amount of information they possess continues to increase. Their expectations are changing fast. In order to secure trade, all businesses involved in online retail have to understand these change drivers to adapt their own proposition accordingly. The crossover space between digital and physical is increasingly complex, and while the share on sales being made online continues to march forward across the European markets, there are indicators in developed markets that shares are beginning to stabilize. Through our research, GfK seeks to understand the complex interplay between brand perception, expectation, service, and value. Gaining insights into this complex connection enables us to understand the end-to-end customer experience better.

Remainder fundamentals
While the details may change from customer to customer and location to location, the fundamentals however remain. We are aiming for getting the right product with the right value proposition to the customer quickly and efficiently for both parties, at the same time providing sufficient after sales support and service to ensure satisfaction and repeat business. Understanding the drivers and triggers of the whole interaction through data-driven insights speeds us to achieving these goals.
Europe is a mature e-commerce market, but it changes and evolves constantly. For merchants, there is still plenty of opportunity for growth by expanding into new European markets. However, the unique dynamics of the European market place do require careful consideration and planning.

While selecting the right payment mix per country is the necessary basis, successful merchants also anticipate and act on macro-trends, such as changes in the regulatory environment, or in consumer behavior and expectations. At the same time, these merchants actively analyze and optimize their businesses through aggressive fraud management and the application of big data analytics.

**Mobile first strategy**
In 2014, mobile commerce well and truly arrived in Europe. The use of mobile devices for online shopping and payments is accelerating, with Sweden and the UK in particular matching the global leaders in mobile shopper penetration. In addition, merchants that have adopted the mobile first strategy in both check out and payment pages are seeing considerably higher success rates.

**Big data to monitor risks and identify opportunities**
Another big trend that is further maturing in 2014 is the application of big data analytics and visualization to the domain of online payments. E-commerce leaders such as Amazon have been applying big data for years now with the objective of building sophisticated profiles of their consumers for Conversion Rate Optimization (CRO). And with good reason.

Cross-border payments can quickly become very complex and hard to manage. Huge volumes of data need to be analyzed in order to identify issues and opportunities. By applying analytics and visualization to payments data, merchants can track and compare performance per country, per payment method or per time period, and take appropriate steps to optimize processes.

**Combating sophisticated fraud**
Fraud is a fact of life for merchants. This is particularly true for international merchants, because cross-border payments have significantly higher fraud rates than domestic payments. Increasingly, sophisticated fraudsters also take advantage of the shift to mobile payments, where fraud losses are higher as a percentage of revenue.

However, rather than accepting fraud as a cost of doing cross-border business, merchants can take action to minimize its impact. In addition to improving the bottom line, this also limits the risk of the kind of reputation damages that go hand-in-hand with online fraud.

**The year of SEPA?**
Finally, 2014 is a watershed year for cross-border payments in the Single Euro Payments Area (SEPA). The goal of SEPA is to create a harmonized payments infrastructure throughout the SEPA countries. This is done through the use of common payment instruments and standards, supported by a regular and accepted legal structure.

© Ecommerce Foundation

www.ecommercefoundation.org
A lot is changing in the landscape of e-commerce. For example, the “e” in e-commerce is disappearing. There is no longer a strict separation between online retail and shopping at bricks-and-mortar shops, as all purchases will take place through omnichannel retailing.

By the end of 2013, 36% of in-store purchases were influenced by digital devices, for instance as consumers compared prices through comparison websites or looked for additional information. This number is expected to have increased to around 50% at the end of 2014.

Companies have to be aware of these developments and invest sufficiently in reaching customers through the several touch points. This way, they will be able to create a flawless customer experience, which is very important for attracting and holding on to customers.

**Real-time experience**
The biggest challenge for companies will be real-time experience. For customers it will not be enough to receive information tomorrow or even later today; they want it right away. In other words, fast anticipation is key. By 2017, customer experience is what buyers are going to use to make purchase decisions. Therefore, only companies that can deliver instant information will be successful.

In order to achieve this, retailers must be able to predict the next purchases of customers. When shoppers are about to make a purchase, merchants should offer enticing product and/or service bundles. In addition, once a purchase has been concluded, customers should later receive recommendations through all channels regarding products and/or services that might be interesting to them.

To be able to do this, the motto of offering the right product to the right customer, in the right place and at the right time should be in the company’s mindset. In addition, it needs to have the proper technology to execute this strategy.

**Brand-switching**
A final aspect that will be very important in the upcoming years is the apparent lack of brand loyalty. In the US, 75% of the consumers state that they easily switch between brands, and for the rest of the world this rate amounts to 60%. Consumers receive an overload of information and in combination with the total transparency of the markets, buying somewhere else is just one click away. Companies have to deal with this by ensuring that their marketing activities only contain relevant information. Commerce Relevancy is taking omnichannel to the next level for customer experience.
The United States is the largest e-commerce market in the world, and as a result, it is a frontrunner in terms of trends in this area. Already the de facto standard for location-based services in stores, iBeacon is one of the most important trends here. It will even gain popularity as the technology of choice due to its price, scalability and ease of maintenance. In order to make iBeacons and in-store technology really smart, consumers have to be willing and able to use apps. Then it will provide a massive opportunity to step up and engage with consumers through a value proposition centered on service, rather than on offers and products. Consider an iBeacon that triggers when you enter a store to pick up your click-and-collect order, enabling you to skip a 15-minute queue, or reminding you of items you might wish to replenish. This trend offers a lot of opportunities for retailers.

Service is key
Through technical developments in shops, retailers are able to optimize their services. And most retailers are realizing that their service arm is going to be a key area where they can differentiate themselves from the Amazons and Alibabas of the world. Sales associates are on the cusp of being much more intelligent and powerful, providing choice, value and time savings to the consumer when armed with the right tools. A sales associate may have an interaction with a shopper in the dressing room. Instead of pausing to think about what color looks good with her skin tone or what pants best match this top, she can access and leverage online clickstream behavior derived from similar shoppers to guide the customer with appropriate cross-sells and accessories. Combine the power of this online data with store availability and sizing, and less experienced sales associates can now provide the level of customer experience usually delivered by the best-performing associates.

Preparing for e-commerce giants
Conventional wisdom states that traditional retailers retain one enormous advantage in their battle against e-commerce superpowers, such as Amazon: the physical store. However, as price pressures have increased, retail war rooms have focused on deals and promotions. Still, no matter how many coupons they email and social media contests they run, America’s retailers cannot play the same old game and expect to win and beat Amazon in this escalated battle. To stay in the game, traditional retailers must respond quickly. The real – and only – opportunity is to let go of deals and embrace consumer data in order to make sales associates more helpful and stores more entertaining, and ultimately to save consumers time. By doing this, retailers can offer unique value to customers untouchable by e-commerce giants. For retailers gearing up for this new marketplace, the goal is to optimize the human dimension of shopping in-store. Deals and promotions remain part of the equation, but on their own they will not cut it. It is the connected cycle of discovery, meaningful experiences, human interaction, and sales connected by data crunching that will make brick-and-mortar retail more competitive.
Technology is evolving faster than ever, and the rapid pace at which peoples’ entire lives are getting increasingly more digital and connected has made globalization reality. Less than ten years ago, it was unimaginable how our social life, shopping, payments, agenda and entire communication would shift to smartphones and other mobile devices. Distances become smaller, not at the least because of improving logistics infrastructures and the availability of fast means of transport. Retailers are increasingly serving global audiences, and e-commerce is playing a leading role in this development.

The USA is often seen as the undisputed pioneer for all that is new in the digital (retail) universe - just think of Amazon, Apple, Google, same-day delivery, etc. And whereas many US companies have crossed the ocean to sell to European customers, European online retailers only recently started to explore this mature and interesting market.

With its Single Market, the European Union is already a very diverse and interesting playing field for online retailers: populated with many digitally adept, affluent shoppers and a good digital and logistical infrastructure, it is home to a number of important e-commerce markets such as the UK, Germany and France.

However, it is the emerging markets that increasingly attract the attention of many e-commerce sellers: China is expected to exceed 600 million online buyers within a few years and online spending is soaring. The government is pushing cross-border e-commerce with various projects. Still, selling to China requires a lot of research and local know-how.

Russia has long been pushed as a top destination for online cross-border selling. And even in the light of this year’s rough conditions due to sanctions and inflation, the Russian online shoppers’ cross-border spending had doubled within the past 12 months. Technological progress and the increasing penetration of broadband and mobile Internet is also enabling shoppers in markets such as India and Africa to shop more and more through the Internet.

E-commerce is an enabler of retail globalization, and with the right approach, online retailers can seize countless opportunities globally, stretching out their target market across all continents.

Henning Heesen
Cross-Border E-Commerce Specialist
and Board Member at Salesupply AG

© Ecommerce Foundation
www.ecommercefoundation.org

Top 10 e-commerce countries in turnover (USD billion)

- USA $419.0
- China $328.4
- UK $142.3
- Japan $136.7
- Germany $84.2
- France $67.8
- Australia $35.7
- Canada $23.9
- Russia $20.5
- S. Korea $20.2

* B2C & C2C goods & services, excluding insurances

7,358 million people live in the world
4,164 million people use the Internet
1,036 million people are e-shoppers

$1,552 bn Turnover E-commerce Goods & Services

Estimated share of online goods in total retail of goods

4.2%

Share of Internet users accessing the web through a mobile device*

73.4%

*Average worldwide

“1,878 million estimated social media users”

The mission of the Ecommerce Foundation is to facilitate the development of practical knowledge, insights and learnings for which individual institutions, associations and B2C selling companies do not have the (financial) resources and/or capabilities.

© EcommerceFoundation January 2015
www.ecommercefoundation.org
info: info@ecommercefoundation.org
for reports: info@ecommercefoundation.org
Twitter: @eComFound
# Overview of the Covered Countries

B2C E-commerce Worldwide

<table>
<thead>
<tr>
<th>Country</th>
<th>Capital</th>
<th>VAT</th>
<th>Currency</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>Buenos Aires</td>
<td>21.0%</td>
<td>Peso (ARS)</td>
<td>41.4mn</td>
</tr>
<tr>
<td>Australia</td>
<td>Sydney</td>
<td>10.0%</td>
<td>Dollar (AUD)</td>
<td>21.1mn</td>
</tr>
<tr>
<td>Brazil</td>
<td>Rio de Janeiro</td>
<td>17.0%</td>
<td>Real (BRL)</td>
<td>200.3mn</td>
</tr>
<tr>
<td>Canada</td>
<td>Ottawa</td>
<td>5.0%</td>
<td>Dollar (CAD)</td>
<td>35.1mn</td>
</tr>
<tr>
<td>Chile</td>
<td>Santiago</td>
<td>19.0%</td>
<td>Peso (CLP)</td>
<td>17.6mn</td>
</tr>
<tr>
<td>China</td>
<td>Beijing</td>
<td>17.0%</td>
<td>Yuan (CNY)</td>
<td>1,357.3mn</td>
</tr>
<tr>
<td>Egypt</td>
<td>Cairo</td>
<td>10.0%</td>
<td>Pound (EGP)</td>
<td>82.0mn</td>
</tr>
<tr>
<td>France</td>
<td>Paris</td>
<td>19.0%</td>
<td>Euro (EUR)</td>
<td>65.5mn</td>
</tr>
<tr>
<td>Germany</td>
<td>Berlin</td>
<td>19.0%</td>
<td>Euro (EUR)</td>
<td>82.0mn</td>
</tr>
<tr>
<td>India</td>
<td>New Delhi</td>
<td>12.5%</td>
<td>Rupee (INR)</td>
<td>1,252.1mn</td>
</tr>
<tr>
<td>Israel</td>
<td>Jerusalem</td>
<td>18.0%</td>
<td>New Shekel (ILS)</td>
<td>8.0mn</td>
</tr>
<tr>
<td>Italy</td>
<td>Rome</td>
<td>22.0%</td>
<td>Euro (EUR)</td>
<td>59.6mn</td>
</tr>
<tr>
<td>Japan</td>
<td>Tokyo</td>
<td>5.0%</td>
<td>Yen (JPY)</td>
<td>127.3mn</td>
</tr>
<tr>
<td>Jordan</td>
<td>Amman</td>
<td>16.0%</td>
<td>Dinar (JOD)</td>
<td>6.4mn</td>
</tr>
<tr>
<td>Kuwait</td>
<td>Kuwait City</td>
<td>16.0%</td>
<td>Dinar (KWD)</td>
<td>3.3mn</td>
</tr>
<tr>
<td>Mexico</td>
<td>Mexico City</td>
<td>16.0%</td>
<td>Peso (MXN)</td>
<td>122.3mn</td>
</tr>
<tr>
<td>Russia</td>
<td>Moscow</td>
<td>18.0%</td>
<td>Ruble (RUB)</td>
<td>142.5mn</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>Riyadh</td>
<td>0.0%</td>
<td>Riyal (SAR)</td>
<td>28.8mn</td>
</tr>
<tr>
<td>South Africa</td>
<td>Pretoria</td>
<td>14.0%</td>
<td>Rand (ZAR)</td>
<td>52.9mn</td>
</tr>
<tr>
<td>South Korea</td>
<td>Seoul</td>
<td>10.0%</td>
<td>Won (KRW)</td>
<td>50.2mn</td>
</tr>
<tr>
<td>Spain</td>
<td>Madrid</td>
<td>21.0%</td>
<td>Euro (EUR)</td>
<td>46.7mn</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>Abu Dhabi</td>
<td>N/A</td>
<td>Dirham (AED)</td>
<td>9.3mn</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>London</td>
<td>20.0%</td>
<td>Pound (GBP)</td>
<td>63.8mn</td>
</tr>
<tr>
<td>United States</td>
<td>Washington D.C.</td>
<td>5.0%</td>
<td>Dollar (USD)</td>
<td>315.1mn</td>
</tr>
</tbody>
</table>

**Covered countries**

This table provides you with some relevant information regarding the countries that are covered in this report.

The countries mentioned in the table are selected because they are influential in their regions. They are all discussed in brief in this report, with the exception of Egypt, Israel, Jordan, Kuwait, Saudi Arabia and the United Arab Emirates, as we will cover the MENA region as a whole. However, these countries will be dealt with in full in our regional report.
E-commerce

Total global B2C e-commerce is estimated to have reached $1,552bn in 2013, an increase of 23.6% over the preceding year. The following table shows an overview of global B2C e-commerce in 2012 and 2013 as well as the growth rates per region.

<table>
<thead>
<tr>
<th>Region</th>
<th>2012</th>
<th>2013</th>
<th>Growth*</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>$1,255.5bn</td>
<td>$1,552.0bn</td>
<td>23.6%</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>$392.6bn</td>
<td>$567.3bn</td>
<td>44.5%</td>
</tr>
<tr>
<td>Europe</td>
<td>$411.7bn</td>
<td>$482.3bn</td>
<td>17.1%</td>
</tr>
<tr>
<td>North America</td>
<td>$411.1bn</td>
<td>$452.4bn</td>
<td>10.0%</td>
</tr>
<tr>
<td>Latin America</td>
<td>$27.3bn</td>
<td>$33.2bn</td>
<td>21.4%</td>
</tr>
<tr>
<td>MENA</td>
<td>$11.1bn</td>
<td>$14.7bn</td>
<td>32.6%</td>
</tr>
</tbody>
</table>

* Growth rate based upon national currencies

Asia Pacific strongest e-commerce region in the world

In 2013, Asia-Pacific was the strongest B2C e-commerce region in the world. With a B2C e-commerce turnover of $567.3bn, it ranks ahead of Europe ($482.3bn) and North America ($452.4bn).

The top 3 was followed by Latin America, which established a growth of 21.4%, resulting in an turnover of $32.2bn. The region of the Middle East and North Africa (MENA) ranked fifth last year, with a B2C e-commerce turnover of $14.7bn. This represented a significant growth of 32.6% in comparison with the preceding year.

OVERVIEW GLOBAL B2C E-COMMERCE

Share of regions in global B2C e-commerce, 2013

- 29.2% North America
- 36.6% Asia-Pacific
- 31.0% Europe
- 2.2% Latin America
- 1.0% MENA

Sources: Ecommerce Foundation, 2014

© Ecommerce Foundation
www.ecommercefoundation.org
Growth in Global B2C E-commerce Sales

Global B2C E-commerce

Growth
The global B2C e-commerce sales have been increasing steadily since 2010. In addition, the growth rate has been quite consistent over the last few years, as you can see in the graph below. This trend is expected to continue in 2014, as a growth rate of 22.9% is forecast, resulting in a global B2C e-commerce turnover of $1,907bn.

GLOBAL B2C E-COMMERCE SALES
Total online sales of goods and services of countries covered, 2010 - 2014

GLOBAL B2C E-COMMERCE GROWTH RATE
Percentage change in B2C e-commerce turnover of countries covered, 2010 - 2014

Source: Emarketer (11), Ecommerce Foundation, 2014

E-commerce turnover is expected to grow to $1,907bn in 2014

Source: Ecommerce Foundation, 2014
Social media around the world

Global B2C E-commerce

Social media
As was the case in 2012, Facebook was again the most popular social media platform in 2013. The percentage of online adults using Facebook even increased from 67% to 71%.

The other popular social media also increased in popularity, but remained far behind Facebook. LinkedIn stayed in second place with 22% but Pinterest is catching up and is now ranked third with 21%. Twitter and Instagram ended up in fourth and fifth place, with only 1% between them.

Other social media
In addition to the global social media, several countries/regions have their own versions. Some of these are taken over or integrated in global giants, such as Orkut, which was particularly popular in India and Brazil but which has now been integrated in Facebook.

In other countries, “local” social media do survive and even attract a lot of users. For instance in China, where global websites such as Facebook and Twitter are banned by the government. Chinese companies use this to their advantage and because of the large population, there are many social media with hundreds of millions of registered users in China.

Another example is Russia, in which vKontakte and Odnoklassniki attract millions of people. In contrast with China, other social media are allowed in Russia, but these two are still the most popular ones.
M-commerce is booming

Around the world, the use of mobile Internet for searching and purchasing goods and/or services is rapidly increasing. After the confirmation of the breakthrough in 2012, last year was definitely the year of explosive growth. Not just in the mature Western European and North American markets but certainly also in the emerging markets in Asia Pacific and Latin America. More and more Internet users are using their mobile devices, especially smartphones and tablets, to go online.

All experts and forecasts agree that 2014 will be another year of rapid growth of mobile commerce. The fast pace of m-commerce growth is helping to drive overall e-commerce growth. It converts potential bricks-and-mortar sales into digital sales for consumers who use their smartphones and tablets while shopping in-store.

Continuously online

As it has been said many times before: “The consumer is always connected”. Online-only as well as multi-channel and omnichannel retailers must be aware of that on-going trend and enable consumers to use mobile integrated platforms.

The estimated growth rates come mostly from the volume of mobile buyers, and not from each shopper’s individual consumption.

<table>
<thead>
<tr>
<th>Country</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>12</td>
<td>24</td>
</tr>
<tr>
<td>Japan</td>
<td>14.1</td>
<td>22</td>
</tr>
<tr>
<td>Australia</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>Brazil</td>
<td>6.2</td>
<td>10</td>
</tr>
<tr>
<td>Germany</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>China</td>
<td>4.2</td>
<td>8.2</td>
</tr>
<tr>
<td>France</td>
<td>4.4</td>
<td>8</td>
</tr>
<tr>
<td>Russia</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Spain</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Canada</td>
<td>4.2</td>
<td></td>
</tr>
</tbody>
</table>

ESTIMATED MOBILE SALES
The estimated mobile sales as a percentage, per country B2C e-commerce sales in 2012 and 2013: (2012 figures for Japan and Canada were not available)

Source: Eurostat, Ecommerce Foundation, 2014
Smartphones continue to dominate
When we look at the use of mobile devices in global regions, we see that smartphones remain the most important mobile device with regard to shopping through the Internet.

Especially in China and MENA, the popularity of tablets lags behind. However, Europeans and North Americans are more and more embracing tablets for buying goods and/or services online. This is evident from the growing share of e-commerce turnover made through tablets, which is shown in the tables on the right.

Smartphone sales increased by 48% in the developed world, but by 164% in the emerging countries.

Source: Total market including 2014 estimation by GfK Trends and Forecasting
An overview of e-commerce markets in Latin America

Under auspices of:

www.ecommercefoundation.org
410 million people live in Latin America
206 million people use the Internet
69 million people are e-shoppers

$ 33bn
Turnover E-commerce Goods & Services

46% Services
54% Goods

Estimated share of online goods in total retail of goods

Estimated 72% of active Internet users are on social media

$ 629
Average spending per e-shopper

43mn e-households

Key B2C E-commerce Data of Goods and Services at a Glance

Latin America
North America $452.4 bn +10.1%
Latin America $33.2 bn +21.5%
Europe $482.3 bn +17.1%
MENA $14.7 bn +32.7%
Asia-Pacific $567.3 bn +45.6%

Total B2C Ecommerce 2013 of goods & services

Latin America $ 33.2bn 21.5%
eGDP 0.57%
Total GDP $ 4,410 bn

Ranking covered Countries in turnover (USD million)
1 Brazil $ 18,573
2 Argentina $ 3,700
3 Chile $ 3,244

National e-commerce Associations:

Brazil
Argentina
Chile

55% of the population has Internet access

© Ecommerce Foundation January 2015
info: info@EcommerceFoundation.org
for reports: info@EcommerceFoundation.org
Twitter: @eComFound
Free download at:
https://www.ecommerce-europe.eu/facts-figures/free-downloads

©info@Ecommercefoundation.org
in cooperation with:
For the purpose of this report, the Latin American region consists of Argentina, Brazil and Chile.

These three countries together cover an area of 12.5 million km², which equals 8.4% of the total global land area.

With over 8.5 million km², Brazil is the largest country of this region, taking up about two third of the area. It is followed by Argentina, with a surface area of 2.7 million km².

On January 1, 2014, the total population of the region reached 410.3 million people.

Within Latin America, the Brazil has the largest number of inhabitants (200.3 million), followed by the Argentina (41.4 million).

*Others: Bolivia, Colombia, Ecuador, Guyana, Panama, Paraguay, Peru, Suriname, Uruguay and Venezuela
Internet penetration
The average Internet penetration in Latin America was 55.5% in 2013. This was considerably below the global average of 64.0%.

The largest country of the region, Brazil, has the lowest Internet penetration (51.6%) of the three countries we discuss in this report. Chile (66.5%) leads the way in this regard, followed by Argentina (59.9%)

In total, the number of Internet users in Latin America was estimated at 206.4 million in 2013.

INTERNET PENETRATION LATIN AMERICA
Internet access and online population, 2013

<table>
<thead>
<tr>
<th>North American</th>
<th>Internet access*</th>
<th>Online population</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>64.0%</td>
<td>4,164.8mn</td>
</tr>
<tr>
<td>Latin America</td>
<td>55.5%</td>
<td>206.4mn</td>
</tr>
<tr>
<td>Chile</td>
<td>66.5%</td>
<td>11.7mn</td>
</tr>
<tr>
<td>Argentina</td>
<td>59.9%</td>
<td>24.8mn</td>
</tr>
<tr>
<td>Brazil</td>
<td>51.6%</td>
<td>103.3mn</td>
</tr>
<tr>
<td>Others**</td>
<td>44.1%</td>
<td>66.5mn</td>
</tr>
</tbody>
</table>

Sources: National Statistical Offices, Eurostat and Ecommerce Foundation
*Share of total population
**Others: Bolivia, Colombia, Ecuador, Guyana, Panama, Paraguay, Peru, Suriname, Uruguay and Venezuela
GDP
The growth of the Latin American Gross Domestic Product (GDP) in real terms increased from 2.5% in 2012 to 3.2% in 2013. This was slightly less than the global GDP of 3.6%.

For 2014, the growth rate of Latin America is expected to increase by 0.2%. This is considerably lower than the estimated global rate of 4.2% in 2014.

eGDP
In terms of the share of e-commerce in GDP, Chile is at the top, with a share of 0.88%. However, this is still considerably lower than the global eGDP of 1.56%.

Brazil ranked second with a eGDP of 0.62%, while the share of e-commerce in the Argentine GDP amounted to 0.46%.
Online spending

Latin American consumers spent on average $629 online in 2013. This is significantly below the global average of $1,304.

With an average spending per e-shopper of $662, Chilean consumers spent most online in 2013. Brazilian ($513) and Argentina online shoppers ($314) spent virtually the same.
Country report Argentina

An overview of e-commerce markets in Latin America

www.ecommercefoundation.org

© Ecommerce Foundation
Argentina 2013 Key data at a glance

**Estimated share**

41.4 million people live in Argentina

24.8 million people use the internet

12.0 million people are e-shoppers

**E-commerce turnover**

Goods & services: $3.7bn

**Goods & services**

North America: $452.4bn +10.1%
Latin America: $332.2bn +21.5%
Europe: $482.3bn +17.1%
MENA: $14.7bn +32.7%
Asia-Pacific: $567.3bn +45.6%

Total B2C Ecommerce 2013 of goods & services

**Average spend per e-shopper**

$314

**Ranking World in turnover ($ million)**

1. United States: $419,000
2. China: $328,428
3. United Kingdom: $142,315
4. Japan: $136,710
5. Germany: $84,201
6. France: $67,865
7. Australia: $35,764
8. Canada: $23,972

**North America**

Total GDP: $452.4bn

**Latin America**

Total GDP: $332.2bn

**Europe**

Total GDP: $482.3bn

**MENA**

Total GDP: $14.7bn

**Asia-Pacific**

Total GDP: $567.3bn

**Total GDP**

$611.7bn

**E-commerce GDP**

0.46%

**Estimated 54% social media users**

**Argentines**

Trustmark:

Argentines national E-commerce association:

© Ecommerce Foundation Dec 2014

info: info@Ecommercefoundation.org
for reports: info@Ecommercefoundation.org

Twitter: @eComFound

Free download at:

https://www.ecommerce-europe.eu/facts-figures/free-downloads
Argentina is a federal republic located in southeastern Latin America. It is the eighth-largest country in the world, the second-largest in Latin America and the largest Spanish-speaking one.

The country shares the southern part of the continent with its smaller neighbor Chile. It is bordered by Bolivia and Paraguay to the north, by Brazil to the northeast, by Uruguay and the South Atlantic Ocean to the east, by Chile to the west and by the Drake Passage to the south.

From the second half of the nineteenth century, Argentina enjoyed a strong increase in prosperity. As a result, it ranked as the seventh-wealthiest developed nation in the world in the beginning of the twentieth century. After 1930, however, and despite remaining among the fifteen richest countries until the 1950s, it descended into political instability and suffered periodic economic crisis that sank it back into underdevelopment.

© Ecommerce Foundation  www.ecommercefoundation.org
Argentina covers an area of **2.7 billion km²** with a population of around **41.4 million** inhabitants.

The median age is **31.2 years**, **38.9%** of the population is between **25 and 54 years old**, making it the country’s largest age group.

Argentina has **11.9 million households**. On average, each household comprised **3.4 persons** in 2013.

The population is growing at an average annual rate of **0.95%**. This growth is partly influenced by migration as Argentina is a popular destination for immigrants from neighboring countries.

**AGE STRUCTURE ARGENTINA**

By age category, 2013

- **0-14**: 24.9%
- **15-24**: 15.7%
- **25-54**: 38.9%
- **55-64**: 9.1%
- **65+**: 11.4%

Source: WorldFactbook, 2014
GDP per Capita and Consumer Confidence
Country Report Argentina

GDP per capita
The Argentine GDP per capita at current prices was $14,760 in 2013. For the following year, the GDP per capita is expected to have increase to $14,715.

Consumer confidence
Consumer confidence has been quite low and stable over the last few years, with an exception in October 2013. In this period, the consumer confidence rate was even a positive figure (3.8).

Unfortunately, this positive trend did not continue, as confidence among consumers dropped below zero again in January 2014 (-12.8).

GROSS DOMESTIC PRODUCT PER CAPITA ARGENTINA
At current prices, 2010 - 2014

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014 (f)</td>
<td>$14,715</td>
</tr>
<tr>
<td>2013</td>
<td>$14,760</td>
</tr>
<tr>
<td>2012</td>
<td>$14,680</td>
</tr>
<tr>
<td>2011</td>
<td>$13,694</td>
</tr>
<tr>
<td>2010</td>
<td>$11,460</td>
</tr>
</tbody>
</table>

Source: Eurostat and IMF World Economic Outlook, 2014

CONSUMER CONFIDENCE INDEX ARGENTINA
CCI on a three-month basis, 2012 - 2014

<table>
<thead>
<tr>
<th>Month</th>
<th>April-12</th>
<th>July-12</th>
<th>October-12</th>
<th>January-13</th>
<th>April-13</th>
<th>July-13</th>
<th>October-13</th>
<th>January-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change</td>
<td>-8.0</td>
<td>-12.0</td>
<td>-13.6</td>
<td>-6.2</td>
<td>-11.8</td>
<td>-5.0</td>
<td>-3.8</td>
<td>-12.8</td>
</tr>
</tbody>
</table>

Source: Tradingeconomics.org, 2012-2014

© Ecommerce Foundation
www.ecommercefoundation.org
B2C e-commerce

About **11.7 million** Argentines bought **goods and services online** for a total amount of **$3.7bn** in 2013. This is an increase of **6.3%** compared to 2012.

The B2C e-commerce turnover growth rate has dropped considerably over the past few years. However, for 2014, it is expected that the growth rate of Argentine B2C e-commerce sales have returned to double digits again (11.3%).

**B2C E-commerce of Goods and Services**

**Country Report Argentina**
Online sales per service group
This table shows the percentage of online B2C sales in the total service group. For example, of all the Argentine B2C sales in the Event Tickets category, 28% were made online.

The table shows that travel-related services are frequently sold online. People do not have to physically go to a travel agency anymore for their flights or hotel accommodation. As a result, most sales in these categories are made through the Internet. On the other hand, insurance-related services are often still bought at an actual broker.

On the other hand, insurance-related services are often still bought at an actual broker.
Country report Brazil

An overview of e-commerce markets in Latin America
Brazil 2013 Key data at a glance

**Estimated share of online retail of goods in total retail of goods**

- **200.3 million people** live in Brazil
- **103.3 million people** use the internet
- **53.0 million people** are e-shoppers

**E-commerce turnover: $18.5bn**

**Average spend per e-shopper: $513**

**E-commerce GDP: 0.62%**

**Total GDP: $2,245.6bn**

**Brazilian Trustmark:**

- **Internet Access 52%**

**Ranking World in turnover ($ million):**

1. United States: $419,000
2. China: $328,428
3. United Kingdom: $142,315
4. Japan: $136,710
5. Germany: $84,201
6. France: $67,865
7. Australia: $35,764
8. Canada: $23,972

**In cooperation with:**

- **ABCOMM** (Associação Brasileira de Comércio Eletrônico)
- **GFK**
- **globalcollect™**
- **informatica**
- **SALESUPPLY®**
- **richrelevance**

**Brazilian national E-commerce association:**

**© Ecommerce Foundation Dec 2014**

info: info@Ecommercefoundation.org
for reports: info@Ecommercefoundation.org
Twitter: @eComFound
Free download at: https://www.ecommerce-europe.eu/facts-figures/free-downloads
GDP
In 2013, the annual GDP grew by almost 2.5% to $2.2trn. This real growth rate is considerably higher than in 2012, when the GDP increased by 1.0%

For 2014, the real growth of the Brazilian GDP is expected to have dropped significantly again. In the end, the real growth rate of the GDP is estimated to have been 0.3%, resulting in a GDP of $2.2trn.

eGDP
The share of e-commerce was 0.62% of the Brazilian GDP in 2013. Compared to more developed countries, this rate is not very high, but as Brazil is an emerging country, the eGDP is expected to grow significantly the next few years.

TOTAL GROSS DOMESTIC PRODUCT BRAZIL
GDP at market prices, 2010 - 2014

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP (in millions of dollar)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014 (f)</td>
<td>$2,244,130</td>
</tr>
<tr>
<td>2013</td>
<td>$2,245,673</td>
</tr>
<tr>
<td>2012</td>
<td>$2,248,780</td>
</tr>
<tr>
<td>2011</td>
<td>$2,476,694</td>
</tr>
<tr>
<td>2010</td>
<td>$2,143,067</td>
</tr>
</tbody>
</table>

Source: Eurostat and IMF World Economic Outlook 2014

GROSS DOMESTIC PRODUCT REAL GROWTH RATE BRAZIL
Percentage change of GDP, 2010 - 2014

- 2010: 7.5%
- 2011: 2.7%
- 2012: 1.0%
- 2013: 2.5%
- 2014 (f): 0.3%

Source: Eurostat and IMF World Economic Outlook 2014
GDP per Capita and Consumer Confidence

Country Report Brazil

GDP per capita
GDP per capita at current prices was $11,208 in Brazil in 2013. This is lower than in the preceding year, when this number stood at $11,320. For 2014, the GDP per capita is expected to have declined to $11,067.

Consumer confidence
Brazilian consumer confidence has been quite positive for the last number of years.

In October 2012, the consumer confidence index reached its peak at 16.4, after which it gradually decreased. However, in October 2013, it started to rise again. Heading into 2014, this trend continued, as consumer confidence grew to 13.9, in part to the improving economic conditions.

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014 (f)</td>
<td>$11,067</td>
</tr>
<tr>
<td>2013</td>
<td>$11,208</td>
</tr>
<tr>
<td>2012</td>
<td>$11,320</td>
</tr>
<tr>
<td>2011</td>
<td>$12,576</td>
</tr>
<tr>
<td>2010</td>
<td>$10,978</td>
</tr>
</tbody>
</table>

Source: Eurostat and IMF World Economic Outlook 2013

CONSUMER CONFIDENCE INDEX BRAZIL
CCI on a three-month basis, 2012 - 2014

Source: Doingbusiness.org, 2014

In 2013, Brazil ranked 120th out of 189 countries on the Ease of Doing Business Index.
E-commerce categories

Computer Software was the most popular e-commerce category in 2013. Of all the Internet orders, 45% included an item from this category.

At 41%, Travels ranked second, while Media & Entertainment (23%), Audio Devices (16%) and Books (6%) completed the top 5.

Online retailers

Mercadolivre is the most important online retailer in Brazil. The e-commerce giant realized over 14 mn unique visits.

This is much more than its main competitors, as followed by Americanas with 8.1 mn unique visitors and Walmart, with 5.7 mn unique visits.

Top 5 Goods and Services purchases online in 2013:
1. Computer Software (49%)
2. Travels (41%)
3. Media & Entertainment (19%)
4. Audio Devices (14%)
5. Books (8%)

Source: Consumer Barometer, 2014

TOP 5 ONLINE RETAILERS OF CANADA

<table>
<thead>
<tr>
<th>Rank</th>
<th>Online Retailer</th>
<th>Unique visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mercadolivre.com.br</td>
<td>14.3 mn</td>
</tr>
<tr>
<td>2</td>
<td>Americanas.com.br</td>
<td>8.1 mn</td>
</tr>
<tr>
<td>3</td>
<td>Walmart.com.br</td>
<td>5.7 mn</td>
</tr>
<tr>
<td>4</td>
<td>Netshoes.com.br</td>
<td>5.3 mn</td>
</tr>
<tr>
<td>5</td>
<td>Casasbahia.com.br</td>
<td>5.1 bn</td>
</tr>
</tbody>
</table>

Source: Netonomy.com, 2014
Online Population and Expenditure

Country Report Brazil

**Online population**

Brazil has a population of **200.3 million people**, of which **103.3 million** persons were connected to the Internet.

In total, there were **36.2 million Brazilian e-shoppers**, as a result of which **67.1 million** persons had access to the Internet but did not purchase any goods or services online in 2013.

**Average online spending**

Brazilian e-shoppers bought goods and services online for a total amount of **$18.5bn** in 2013. This resulted in an average spending per e-shopper of **$513**. In 2014, this amount is estimated to have grown to **$536**.

At the end of 2013 there were **32.6 million e-households** in Argentina. The average expenditure was **$569** per e-household.

---

**PENETRATION LEVELS (IN %)**

- Internet (52%)
- Mobile (132%)
- Smartphone (21%)
- Tablet (3%)

---

**B2C E-COMMERCE BRAZIL**

Expenditure per online shopper, 2010 - 2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Average spending per e-shopper</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014 (f)</td>
<td>$536</td>
</tr>
<tr>
<td>2013</td>
<td>$513</td>
</tr>
<tr>
<td>2012</td>
<td>$479</td>
</tr>
<tr>
<td>2011</td>
<td>$318</td>
</tr>
<tr>
<td>2010</td>
<td>$291</td>
</tr>
</tbody>
</table>

Source: Ecommerce Foundation, 2014
Online sales per service group
This table shows the percentage of online B2C sales in the total service group. For example, of all the Brazilian B2C sales in the Cinema Tickets category, 10% were made online.

The table shows that travel-related services are frequently sold online. People do not have to physically go to a travel agency anymore for their flights or hotel accommodation. As a result, most sales in these categories are made through the Internet. On the other hand, insurance-related services are often still bought at an actual broker.
Online B2C Sales per Product Group

Country Report Brazil

Online sales per product group
This table shows the percentage of online B2C sales in the total product group. For example, of all the Brazilian B2C sales in the Clothing category, 6.0% were made online.

In comparison with the online sales per service group, it is clear that the percentage of online sales per product group was much lower in Brazil last year.

Products from the Consumer Electronics category were most popular online, with nearly one third of all purchases within this product group being made online.

In the Household Electronics category, 27.0% of the purchases were made through the Internet.

For Food/Nearfood/Health, Brazilian consumers primarily used offline channels. Only 3.7% of the total B2C sales in this product group was made online.
Cross-border

The **United States** was clearly the most popular destination among the **5.3 million** Brazilian cross-border shoppers. Almost **80%** of them indicated that they had purchased goods and/or services from American online shops in 2013. **China** ranked second in this regard, with nearly **50%**.

When Brazilians shopped **across the border** in 2013, **Computer Hardware** was the most popular e-commerce category. **One fourth** of the cross-border e-shoppers bought goods and/or services from this category.

**Consumer Electronics** ranked second with **21%**, closely followed by the **Fashion (20%)** and **Health & Beauty (20%)** categories. **Household Appliances** completed the top 5 with **14%**.

**Cross-border E-commerce Brazil**

**Share of transaction, 2013**

<table>
<thead>
<tr>
<th>Category</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Hardware</td>
<td>25%</td>
</tr>
<tr>
<td>Consumer Electronics</td>
<td>21%</td>
</tr>
<tr>
<td>Fashion</td>
<td>20%</td>
</tr>
<tr>
<td>Health &amp; Beauty</td>
<td>20%</td>
</tr>
<tr>
<td>Household Appliances</td>
<td>14%</td>
</tr>
</tbody>
</table>

Source: Paypal, Ecommerce Foundation, 2014

**Cross-border E-commerce Destinations**

Favorite destinations for Brazilian cross-border shoppers, indicated in market share, 2013

- **USA** 79%
- **UK** 17%
- **Hong Kong** 17%
- **China** 48%
- **Canada** 14%

Source: Paypers, Ecommerce Foundation, 2014

© Ecommerce Foundation
Payments and VAT
Country Report Brazil

Payment methods
Credit cards were by far the most popular payment method among Brazilian consumers when shopping online in 2013. Nearly 70% of them paid for their online purchase of goods and/or services through this method.

Other popular payment methods were Boleto Bancario (a Brazilian payment method using tickets, 24%) and Debit Online (4%)

VAT
Brazil does not have a threshold for registration for VAT, meaning that every company in Brazil has to pay VAT. The standard VAT rate is 17% to 19%, depending on the region in which you established your company. However, there are reduced VAT rates applicable for goods and services such as motor vehicles, transport services, and food products (12%). In addition, a 7% VAT rate applies to products that are part of the basic food basket and products from the electronic data processing industry.

VAT overview Brazil

<table>
<thead>
<tr>
<th>Threshold</th>
<th>No threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard VAT rate</td>
<td>ICMS: 17%, Sao Paulo, Minas Gerais and Paraná: 18%, Rio de Janeiro: 19%</td>
</tr>
<tr>
<td>Reduced VAT rates</td>
<td>12% and 7%</td>
</tr>
<tr>
<td>Where to register</td>
<td>Ministry of Finance, Internal Revenue Service</td>
</tr>
<tr>
<td>Periods for declaration</td>
<td>Monthly basis</td>
</tr>
</tbody>
</table>
Country report Chile

An overview of e-commerce markets in Latin America
Chile 2013 Key data at a glance

Estimated share of online retail of goods in total retail of goods

North America $452.4 bn +10.1%
Latin America $33.2 bn +21.5%
Europe $482.3 bn +17.1%
MENA $14.7 bn +32.7%
Asia-Pacific $567.3 bn +45.6%

Total B2C Ecommerce 2013 of goods & services

E-commerce GDP 0.88%
Total GDP $277.1bn

In cooperation with:

© Ecommerce Foundation Dec 2014
info: info@Ecommercefoundation.org
for reports: info@Ecommercefoundation.org
Twitter: @eComFound
Free download at: https://www.ecommerce-europe.eu/facts-figures/free-downloads

Chilean Trustmark:
Chilean national E-commerce association:

Internet Access 67%
Chile is a Latin American country covering a long, narrow strip of land between the Andes mountains to the east and the Pacific Ocean to the west. It borders Peru to the north, Bolivia to the northeast, Argentina to the east, and the Drake Passage to the far south. In addition, Chilean territory includes the Pacific islands of Juan Fernández, Salas y Gómez and Desventuradas, as well as Easter Island in Oceania.

Today, Chile is one of Latin America's most stable and prosperous nations. It leads Latin American nations in rankings of human development, competitiveness, income per capita, globalization, state of peace, economic freedom, and low perception of corruption. It also ranks high regionally in sustainability of the state, and democratic development.

In addition, Chile is a founding member of the United Nations, the Union of South American Nations and the Community of Latin American and Caribbean States.
The combined turnover of online goods and services reached $3.2bn in Chile in 2013. 61.5% of this amount was spent on the online sales of goods, leaving 38.5% for the online sales of services.

With $3.2bn in Internet sales, Chile is still in its infant years with regard to e-commerce. However, this number is growing rapidly and there are a number of reasons for this, including a greater demand for goods and services with better logistics.

In addition, e-tailers offer a wider range of payment methods and since there are less fears regarding security, as a result of better technological guarantees from providers, Chileans are much less hesitant to order goods and/or services online.
Online sales per service group
This table shows the percentage of online B2C sales in the total service group. For example, of all the Chilean B2C sales in the Cinema Tickets category, 4% were made online.

The table shows that travel-related services are frequently sold online. People do not have to physically go to a travel agency anymore for their flights or hotel accommodation. As a result, most sales in these categories are made through the Internet.
Online Population and Expenditure
Country Report Chile

Online population
In 2013, Chile had a population of 17.6 million people, of which 11.7 million persons were connected to the Internet.

6.8 million people had access to the Internet but did not purchase any goods or services online in 2013.

Average online spending
Chilean e-shoppers bought goods and services online for a total amount of $3.2bn in 2013. This resulted in an average spending per e-shopper of $662. In 2014, this amount is expected to have increased significantly to $822.

At the end of 2013 there were 3.4 million e-households in Chile. The average expenditure was $935 per e-household.
Information about Ecommerce Foundation
About Ecommerce Foundation

Mission
A lot of information is available on the Internet but the information is fragmented and often shallow, lacking real insights and depth. The Ecommerce Foundation’s objective is to help retailers to expand and improve their e-commerce activities with key market data, practical expert insights & cross-company benchmarking.

Services
The Ecommerce Foundation aims to fulfill its objective by offering specific services to consumers all over the world:

• Market reports: the goal of these reports is to help retailers make better choices when going cross-border. The Foundation has already collected necessary insights for 48 countries (online penetration, e-commerce turnover per segment, payment and logistical insights, does & don’ts, etc.)

• Ecommerce Wiki: the goal of the Ecommerce Wiki is to collect all necessary knowledge for starting, operating and improving an online shop at one single source. From branding and performance advertising to merchandising, selecting an e-commerce platform and customer care

• Ecommerce Benchmark: the goal of the Ecommerce Benchmark is to allow CEOs, CMOs and E-commerce Directors to compare their e-commerce activities with other players in their industry, without providing any insights to their competitors

• Practical insights: ad hoc reports using the Ecommerce Foundation network to get insights into new developments and trends.
About the reports

This B2C E-commerce Report is published annually by Ecommerce Foundation and provides overviews of the mature and emerging markets and of the major Global statistics in the field of e-commerce.

In addition to this Global B2C E-commerce Report, Ecommerce Europe annually publishes five regional reports, which cover North America, Latin America, Asia-Pacific, MENA and BRICS. They include facts, figures, trends and forecasts on these different Global regions.

Personalized report
In addition, it is also possible to have a tailor-made e-commerce report made, completely based on your wishes and requirements. This can be ordered through info@Ecommercefoundation.org

Light reports
Ecommerce Europe also publishes light reports, which contain a summary of the full reports. These light reports can be freely downloaded from www.ecommerce-europe.eu/facts-figures/free-downloads

<table>
<thead>
<tr>
<th>ECOMMERCE EUROPE - EUROPEAN REGIONAL REPORTS</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western European Report</td>
<td>€790*</td>
</tr>
<tr>
<td>Belgium, France, Ireland, Netherlands and United Kingdom</td>
<td></td>
</tr>
<tr>
<td>Central European Report</td>
<td>€790*</td>
</tr>
<tr>
<td>Austria, Czech Republic, Germany, Hungary, Poland and Switzerland</td>
<td></td>
</tr>
<tr>
<td>Southern European Report</td>
<td>€790*</td>
</tr>
<tr>
<td>Greece, Italy, Portugal, Spain and Turkey</td>
<td></td>
</tr>
<tr>
<td>Northern European Report</td>
<td>€790*</td>
</tr>
<tr>
<td>Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden</td>
<td></td>
</tr>
<tr>
<td>Eastern European Report</td>
<td>€790*</td>
</tr>
<tr>
<td>Romania, Russia and Ukraine</td>
<td></td>
</tr>
<tr>
<td>European B2C E-commerce Report 2013</td>
<td>€1,950*</td>
</tr>
<tr>
<td>All European reports (5 regional reports + European Report)</td>
<td>€2,450*</td>
</tr>
</tbody>
</table>

* The European reports are free of charge for all company members and business partners, as well as for the members of our Nationals Associations.

<table>
<thead>
<tr>
<th>ECOMMERCE FOUNDATION - REGIONAL/CONTINENTAL REPORTS</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>€950</td>
</tr>
<tr>
<td>USA, Mexico and Canada</td>
<td></td>
</tr>
<tr>
<td>Latin America</td>
<td>€950</td>
</tr>
<tr>
<td>Brazil, Argentina and Chile</td>
<td></td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>€950</td>
</tr>
<tr>
<td>Japan, China, India, Australia, Indonesia, Vietnam and South Korea</td>
<td></td>
</tr>
<tr>
<td>MENA region</td>
<td>€950</td>
</tr>
<tr>
<td>The Middle East and North Africa</td>
<td></td>
</tr>
<tr>
<td>BRIC Countries</td>
<td>€950</td>
</tr>
<tr>
<td>Brazil, Russia, India and China</td>
<td></td>
</tr>
<tr>
<td>Global B2C E-commerce Report 2013</td>
<td>€2,450</td>
</tr>
<tr>
<td>All-In-One E-commerce Report Package</td>
<td>€4,950</td>
</tr>
<tr>
<td>(European and Global Report + 5 European Regional Reports + 5 Regional/Continental Reports)</td>
<td></td>
</tr>
</tbody>
</table>

© Ecommerce Foundation
www.ecommercefoundation.org
Global Online Measurement Standard B2C E-Commerce (GOMSEC)

GOMSEC

GOMSEC aims to provide guidelines for measuring and monitoring B2C e-commerce. As a result, all countries worldwide are enabled to provide data with respect to the penetration of B2C e-commerce in a standardized way. All Ecommerce Europe figures and estimates are based on GOMSEC, unless stated otherwise. The data and research by GfK is also in accordance with GOMSEC.

The GOMSEC reports on sales figures for the total B2C e-commerce worldwide and for each country apart in the country profiles, based on total sales of goods and services.

Total sales of goods and services are based on the areas/sectors/classification of areas and sectors, as stated on the next few pages.

All data reported in the national currency of the country involved are converted into dollars according to the average (annual) rate of exchange as provided by, preferably, the European Central Bank (ECB) or the national bank of the particular country. The reference period that is used for this was from 1 January 2013 to 31 December 2013. Growth rates are calculated and measured by the B2C e-commerce sales in the national currency.

Definition of B2C e-commerce sales

“Any B2C contract regarding the sale of goods and/or services, fully or partly concluded by a technique for distance communication.”

Technique for distance communication: means that can be used for communication regarding the offer made by the trader and the conclusion of a contract, without the necessity of the consumer and trader being in the same place at the same time.

Contract: a contract whereby use is made, either solely or in part, of one or more techniques for distance communication within the framework of a system organized by the trader for the distance sale of goods and/or services, up to and including the moment that the contract is concluded;

Classification of B2C E-commerce

The following classification in Table 1 provides an overview of areas and sectors included in GOMSEC.

Online purchases of the following items are excluded from GOMSEC:

- Transactions between private individuals/ consumers (C2C), such as auctions and marketplaces, and between businesses (B2B)
- Online gambling and gaming
- Cars and other motor vehicles
- Houses and real estate
- Utilities (e.g. water, heating and electricity)
- Mortgages, loans, credit cards and overdrafts
- Savings accounts, funds, stocks&shares and bonds

B2C e-commerce therefore includes all online transactions between businesses and consumers using desktop computers, laptops, tablets, smartphones, point-of-sales and smart-wearables, for instance through online shops, physical stores ("online instore"), email, QR codes, catalogue, etc. B2C e-commerce includes Value Added Tax (VAT) or other sales tax, delivery costs and Apps, but excludes returns.
<table>
<thead>
<tr>
<th>Event Tickets</th>
<th>Food/Nearfood/Health</th>
<th>Electronics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Event Tickets</strong></td>
<td><strong>Food/Nearfood</strong></td>
<td><strong>Information Technology (IT)</strong></td>
</tr>
<tr>
<td>Tickets for concerts and festivals</td>
<td>Food &amp; Beverages</td>
<td>IT hardware (PCs, laptops, tablets, etc.)</td>
</tr>
<tr>
<td>Tickets for (movie) theaters</td>
<td>Fresh produce</td>
<td>Computer Software</td>
</tr>
<tr>
<td>Tickets for zoos and amusement parks</td>
<td>Packaged consumer goods</td>
<td>Music instruments</td>
</tr>
<tr>
<td>Tickets for museums</td>
<td>Detergents/household cleaning</td>
<td>USB sticks, DVD/CD-recordable, ink cartridges, computer accessories</td>
</tr>
<tr>
<td>Tickets for sports games</td>
<td>Animal feed</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tobacco</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fashion</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Clothing</strong></td>
<td><strong>Shoes &amp; Personal lifestyle</strong></td>
<td></td>
</tr>
<tr>
<td>Underwear &amp; Upperwear</td>
<td>Shoes</td>
<td></td>
</tr>
<tr>
<td>Children's wear</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Swimwear &amp; Sportswear</td>
<td>Jewellery, Bijoux, Watches &amp; others fashion accessories (e.g. sunglasses)</td>
<td></td>
</tr>
<tr>
<td>Nightwear &amp; legwear</td>
<td>Bags, wallets, suitcases</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sports &amp; Recreation</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sport &amp; Recreation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sports hardware (e.g. soccer shoes, tennis rackets)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bicycles &amp; accessories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Articles for camping and recreation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Toys</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Toys</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indoor and outdoor toys</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Travel

**Package Travel**
- Flight Tickets & Accommodations
  - Flight Tickets
  - Hotel stays
  - Apartment/bungalow/camping site

Private transport if booked through a tour operator
- Hotel stays
- Apartment/bungalow/camping site

> all of the above not booked in combination with other travel-parts

### Media & Entertainment

**Media & Entertainment**

- Music (physical, download & streaming)/Spotify based on new subscriptions
- Video (DVD, blu-ray, downloads)
- Games hardware & games software
- Books & e-books
- Apps
- New subscriptions newspapers and magazines (no single copy sales)

### Insurances

**New indemnity, Life and Health Insurances**

- Liability insurance
- Car insurance
- Fire and theft insurance
- Bike/caravan/motorbike/
  Scooter insurance
- Accident insurance
- Boat insurance
- Legal assistance insurance
- Home insurance
- Travel insurance
- Insurance package

- ANW-gap insurance
- (insurance for receiving a payment in addition to a survivor's allowance)
- Annuity insurance
- Pension
- Life insurance
- Funeral insurance
- Endowment insurance based on savings
- Endowment insurance based on investments
- Endowment insurance
- ANW-gap insurance
- Life insurance
- Funeral insurance

### Telecom

**Telecom**

- Smartphones, mobile phones & mobile devices
- Telefax and answering machines
- Headsets & Accessoires (mobile) phones
- Prepaid cards and tariffs of new phone subscriptions

### Others

**Services**

- Dating based on new subscriptions
- Other Services

**Products**

- Cars and parts
- Products for animals
- Flowers & Plants
- Optician (excl. sunglasses, hearing aid)
- Adult
• **Broadband access**: the availability of broadband is measured by the percentage of households that are connectable to an exchange that has been converted to support DSL technology, to a cable network upgraded for Internet traffic, or to other broadband technologies. It includes fixed and mobile connections (source: Eurostat)

• **Cross-border e-commerce**: percentage of e-commerce purchased at foreign sites

• **E-commerce (or electronic commerce), a subset of e-business**: any B2C contract on the sale of products or services fully or partly concluded by a technique for distance communication.

• **E-commerce GDP**: total amount of goods and services online divided by the total Gross Domestic Product (GDP).

• **Economic Freedom Index**: the Index of Economic Freedom is an annual guide published by The Wall Street Journal and The Heritage Foundation, Washington’s No. 1 think tank. For over a decade, the Wall Street Journal and The Heritage Foundation have tracked the march of economic freedom around the world with the influential Index of Economic Freedom.

• **E-households**: number of households that use the Internet for personal gain.

• **E-household expenditure**: expenditure per household that bought goods or services in the past year.

• **Global Online Measurement Standard for B2C E-commerce (GOMSEC)**: aims to provide guidelines to measure and monitor B2C e-commerce in order to enable all European countries to provide data with respect to the penetration of B2C e-commerce in a standardized way.

• **E-services or electronic services**: “Deeds, efforts or performances whose delivery is mediated by information technology. Such e-service includes the service element of e-retailing, customer support, and service delivery.” This definition reflects three main components: service providers, service receivers and the channels of service delivery (i.e. technology). (Jennifer Rowley, Professor Information and Communications, Manchester Metropolitan University, UK)

• **Inactive online population**: users that have access to the Internet but have not (yet) purchased goods or services online in the past year.
• **Logistics Performance Index (LPI):** The Logistics Performance Index (LPI) measures the "logistics friendliness" of 155 countries. It helps countries identify the challenges and opportunities they face in their trade logistics performance and what they can do to improve this. The Index is developed by the World Bank and is based on a worldwide survey of operators, such as global freight forwarders and express carriers.

• **Mobile commerce (or m-commerce):** the ability to conduct commerce using a mobile device e.g. a mobile phone, a PDA, a smartphone, a tablet or other (emerging) mobile equipment.

• **Mobile subscriptions:** mobile cellular telephone subscriptions are subscriptions to a public mobile telephone service using cellular technology, which provide access to the public switched telephone network. Post-paid and prepaid subscriptions are included (source: Eurostat)

• **Online buyer (or e-shopper, e-buyer):** an individual who regularly bought or ordered goods or services through the Internet.

• **Online expenditure:** spending per user who purchased goods or services online.

• **Online Retail (or e-retail, electronic retail or retailing or even e-tailing):** the selling of retail goods and services on the Internet. In the limited sense of the word, sectors such as online leisure travel, event tickets, downloading music or software are not included. Online-only retail shops are often referred to as pure players.

• **Penetration levels:** the percentage of a population using the Internet, mobile phones, smartphones or tablet devices.

• **Retail sales:** the selling of mainly goods from businesses to individuals from a traditional or so-called bricks-and-mortar shop.

• The Ease of Doing Business Index is developed by the World Bank, and averages the country's percentile rankings on nine topics. It is made up of a variety of indicators, giving equal weight to each topic. The rankings for all economies are benchmarked to June 2010. The Index covers 185 countries.
This report could only be realized by consulting a great many sources, available in various countries and regions in Europe and around the globe. The wide variety of sources include public domain publications, blogs, websites, industry and financial specialist publications, regional and local news, annual reports and press releases. Sometimes the information sources are contradictory. Sometimes different figures and data were given by different sources within the same country, for example due to different definitions.

In our reports and country profiles we have mentioned different sources, definitions and the different outcomes of such reports, studies and interpretations. This report is meant solely for use by the recipient and is not for circulation. This report is based on information that we consider reliable, but we cannot vouch for it being accurate or complete, nor should it be relied upon as such. Opinions expressed are our current opinions as of the date of this report.

The sources consulted include:

<table>
<thead>
<tr>
<th>(Inter)national Associations</th>
<th>Corporate sources</th>
<th>Other sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Ecommerce Europe</td>
<td>• A.T. Kearney</td>
<td>• Digital Hub Development Agency (DHDA)</td>
</tr>
<tr>
<td>• Distansehandel Norge (Norway)</td>
<td>• Deloitte</td>
<td>• European Commission</td>
</tr>
<tr>
<td>• FDIH (Denmark)</td>
<td>• Facebook</td>
<td>• Eurostat</td>
</tr>
<tr>
<td>• KAUPPA (Finland)</td>
<td>• Forrester</td>
<td>• European Central Bank (ECB)</td>
</tr>
<tr>
<td>• SDH (Sweden)</td>
<td>• GFK</td>
<td>• European Banking Association (EBA Clearing)</td>
</tr>
<tr>
<td>• Adigital (Spain)</td>
<td>• Google</td>
<td>• International Monetary Fund (IMF)</td>
</tr>
<tr>
<td>• BeCommerce (Belgium)</td>
<td>• Hybris</td>
<td>• International Telecommunications Union (ITU)</td>
</tr>
<tr>
<td>• BvH (Germany)</td>
<td>• Innopay</td>
<td>• Internetworldstats</td>
</tr>
<tr>
<td>• Händlerbund (Germany)</td>
<td>• Planet Retail</td>
<td>• National Statistics offices</td>
</tr>
<tr>
<td>• ETID (Turkey)</td>
<td>• SaleSupply</td>
<td>• The Heritage Foundation</td>
</tr>
<tr>
<td>• FEVAD (France)</td>
<td>• Social Bakers</td>
<td>• United Nations (UN)</td>
</tr>
<tr>
<td>• National Retail Federation (USA)</td>
<td>• Twitter</td>
<td>• CIA: World Factbook</td>
</tr>
<tr>
<td>• Netcomm (Italy)</td>
<td>• TNS NIPO</td>
<td>• World Economic Forum</td>
</tr>
<tr>
<td>• Retail Excellence (Ireland)</td>
<td>• I-Research</td>
<td>• Statista.com</td>
</tr>
<tr>
<td>• Shop.org (USA)</td>
<td>• TWS Global</td>
<td>• Worldbank</td>
</tr>
<tr>
<td>• Sdh (Sweden)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Apec (Czech Republic)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Thuiswinkel.org (Netherlands)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Netcomm Suisse (Switzerland)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• BritORA (United Kingdom)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Publications

- eMarketer
- E-commercefacts.com
- Eurostat
- Internet Retailing
- Tribes.no
- Digitaleastfactor.com
- Euromonitor.com
- Dibspayment.com
- Ystats.com
- Ekathimerini.com
- Ecommercenews.eu
- About-payments.com
- The Modern Spice Routes (PayPal)
About the Authors

Aad Weening, Advisor International E-commerce

Aad Weening (1941) has been involved in distance selling and retail practically all his working life. From 1966 until 1979 he offered legal and economic advice as well as lobbying services.

From 1979 he managed the Dutch Mail Order Association (currently Thuiswinkel.org), at first in the Netherlands and later on a European level. Between 1993 and 2006 he served as the Secretary General of the European Distance Selling Trade Association (EMOTA). At the moment, Weening is Senior Advisor at Ecommerce Europe and the Ecommerce Foundation.

Bert Nagelvoort, Senior Researcher E-commerce

Bert Nagelvoort (1977) has been working for Ecommerce Europe since 2013. He is involved in international e-commerce and develops the Ecommerce Europe reports and the Ecommerce foundation reports. He studied Business Administration at Radboud University Nijmegen and he has a great interest in the international (digital) economy and e-commerce.

Previously, he worked as Project Manager in the financial services industry.

Please feel free to contact Bert at: bertnagelvoort@ecommercefoundation.org

Richard van Welie, Editor

Richard van Welie (1979) has been working for Ecommerce Europe as an editor since March 2014. Prior to this, he worked as a freelance translator/copywriter for five of years. One of his main tasks is providing content for the Ecommerce Europe reports.


Jaap van Erp, Trainee Research & Advice

Jaap van Erp (1988) has been working for Ecommerce Europe since 2014. He studied Marketing Management at Tilburg University and is interested in research. He is involved in the research of the e-commerce market and is co-developer of the Ecommerce Europe reports and the Ecommerce foundation reports.

Jorij Abraham, Director Research & Advice

Jorij Abraham (1972) has been part of the international e-commerce community since 1997. He was an e-commerce manager at Bijenkorf, TUI and Sanoma Media and Director of Consulting at Unic.

Since 2013 he has been Director of Research & Advice at Ecommerce Europe. He is also director of the eCommerce Foundation, a research institute offering practical e-commerce research and benchmark services.

Peter van den Brink, Trainee Research & Advice

Peter van den Brink (1992) has worked for Ecommerce Europe since 2014. He studies Business Management at the University of Applied Sciences in Ede. He is involved in the research of the e-commerce market and is co-developer of the Ecommerce Europe reports and the Ecommerce foundation reports.
Address, Disclaimer and Copyright
About Ecommerce Foundation and its reports

Ecommerce Foundation
Apollolaan 98
1077 BE Amsterdam - Netherlands

Website: www.ecommerce-europe.eu
Contact us at: info@ecommercefoundation.org
For reports: info@Ecommercefoundation.org
Twitter: @Ecommerce_eu

Disclaimer
The B2C E-Commerce Reports are publications by Ecommerce Foundation and/or Ecommerce Europe. Although the utmost care has been taken in the construction of this report, there is always the possibility that some information is incorrect. No liability is accepted by Ecommerce Foundation and/or Ecommerce Europe for direct or indirect damage arising pursuant to use of the report.

Copyright ©
It is allowed to use information published in this report, provided that there is a proper source of information: Ecommerce Foundation and/or Ecommerce Europe / https://www.ecommerce-europe.eu/facts-figures/