

Around the World: Economic effects on retail and ecommerce

Audio



On today's episode, host Bill Fisher is joined by our analysts Paul Briggs, Matteo Ceurvels, and Carina Perkins to examine what impact global economic turbulence is having on retail and ecommerce in different markets.

Subscribe to the “Behind the Numbers” podcast on [Apple Podcasts](#), [Spotify](#), [Pandora](#), [Stitcher](#), Podbean or wherever you listen to podcasts. [Follow us on Instagram](#)

Verisk Marketing Solutions, a business unit of Verisk formed through the integration of Infutor and Jornaya, empowers marketers and platform partners with deep consumer insights to power precise and personalized omnichannel interactions. Verisk Marketing Solutions provides a unique combination of identity resolution, consumer attributes and behavioral data that integrates with marketers’ existing technology and evolves with consumers’ ever-changing behavior—all while maintaining the highest data security and privacy standards. To learn more about the consumer intelligence solutions available through Verisk Marketing Solutions, visit marketing.verisk.com.



Episode Transcript:

Speaker 1:

This episode is sponsored by Verisk Marketing Solutions. The future of consumer experience requires a deeper data-driven understanding of identity, behavior and privacy. Join marketing

leaders and industry execs at the V!a 2023 Consumer Insights and Experience Summit, September 18th and 19th in Chicago's Fulton Market District. They'll explain how they can future-proof their businesses and do right by their customers with you. Spots are limited, register now on marketing.various.com/v!a.

Bill Fisher:

Hello everyone. Welcome to Behind the Numbers Around the World, an e-marketer podcast made possible by Verisk Marketing Solutions. It's Monday, July the 31st and I'm your host, Bill Fisher. It's my pleasure to welcome you all to Around the World with Economic Effects on Retail and E-commerce.

Welcome folks to a Behind the Numbers show that takes you around the world looking at what various countries are doing in the worlds of commerce, media and advertising. Each month, I give you a global news recap. Then I speak with a few of our regional experts to get their take on the main theme for today's show, which is all about the effects of the economy on retail and e-commerce around the world. We will be asking just how has inflation affected the retail space in different markets?

Paul Briggs:

And a lot of that has to do with very aggressive Bank of Canada policies to stem inflation. So interest rates are rising pretty high, which is having an impact on consumer spending as well. A lot of people are saving more money and spending less in retail.

Bill Fisher:

Which countries are seeing a decline in e-commerce sales and why?

Carina Perkins:

And it was a bit of a shock really for all of them and it was driven primarily by people returning to pre-pandemic behaviors and going back to the shops.

Bill Fisher:

And has the competitive landscape been affected by economic turbulence?

Matteo Ceurvels:

It's really had trouble finding its foot in the local marketplace against regional giant, Mercado Libre and several of the country's traditional retailers that have since had their own massively successful online businesses, Americanas and Magazine Luiza.

Bill Fisher:

Right. I'm going to kick things off today with our three in three segments. I have three minutes to gather three interesting and related new stories we've seen in Around the World towers this month. The time is set. Let's go.

We are starting in Canada where grocery giants are controlling the market. A report from Canada's Competition Bureau was published late last month that shone a light on the anti-competitive nature of the grocery market in the country. It's not a Canada-specific problem to see inflation affecting grocery store pricing, however, the report outlined a significant concern that three grocery giants were unfairly manipulating the market. Loblaw, Sobeys and Metro own the vast majority of grocery stores in the country, often under different guises. Sobeys and Loblaw meanwhile have a stranglehold on supply as outlined in this report from Global News.

Speaker 2:

What most Canadians likely don't know is that the two main food wholesalers in the country are owned by Loblaw and Sobeys, leaving the 6,900 actual independent grocery stores no option but to buy their stock from their competition.

If you're a Sobeys...

Bill Fisher:

As usual, the biggest loser here is the consumer. As we refer to it in the UK, greedflation is taking hold.

And sticking to this theme, we're in the UK next where the big four grocery retailers have been in front of a parliamentary committee. We've just heard about Canada's three largest supermarket chains cornering the market. Well, the UK is in a similar position with the four largest supermarkets there, ASDA, Morrison's, Sainsbury's and Tesco all being called before a government committee to explain why their prices had increased at such a rate leading to increased profits in the midst of a cost-of-living crisis. Here's Darren Jones, Chairman of the

Business and Trade Committee, spelling out this rise in profits in this instance for Tesco as reported by Sky News.

Speaker 3:

... And I'm sorry to cut in, but the public will just look at the numbers I've presented to you and your group profits have gone up from before the Covid pandemic to now from 1.6 billion to 2.03 billion. That's a bigger number. I'm sure there are lots of reasons underneath it, but essentially you've got more cash in the bank at the end of the day based on...

Bill Fisher:

Consumer group, which has urged the government to take swift action with its own investigation, finding that supermarket prices had risen by nearly 26% between June 2021 and June 2023. Tesco's tagline is, "Every Little Helps." The irony isn't lost on me.

And finally, we're heading to Argentina where massive inflation isn't dampening the restaurant scene. The country is in the grip of a financial crisis with inflation at an eye watering 114% plus. Shoppers are heading to the grocery stores as soon as they're paid, so as to get the best prices before they increase again, but those lucky enough to have any money to spare are looking to offload their pesos, as explained in this Al Jazeera report.

Speaker 4:

But for others, who have some money left over, there is no point in saving and that's one of the reasons why the restaurants and theaters in the city are full.

Bill Fisher:

This is fueling a mini boom in restaurant openings, but it's papering over the cracks with the more affluent demographic groups slowly shrinking. Unless the government can get hold of inflation, even this spare consumer cash will begin to dry up.

And that's my three in three this month. Now it is time for the next three, my guests for today, and I'm starting with our principal analyst for Canada, it's Paul Briggs. Hey Paul.

Paul Briggs:

Hey Bill. It's great to be here.

Bill Fisher:

Great to have you. Next is our principal analyst covering Spain and Latin America is Matteo Ceurvels. Hello, Matteo.

Matteo Ceurvels:

Hey Bill, great to be back.

Bill Fisher:

Great to have you back. And finally, our senior retail analyst covering the UK and Western Europe, Carina Perkins. Hello Carina.

Carina Perkins:

Hi Bill. Thanks for having me.

Bill Fisher:

Great to have you on the show. Okay, now it's time for our culture shock. This is where I take you to various countries around the world and give you some cultural facts or introduce you to some culturally specific norms. And today we're looking at colors and I want to run a quick psychological experiment on you folks actually. I'm going to give you a color and you just tell me what emotion it elicits in you or what words you associate with it. So the color is yellow. Paul, what do you think of when I say the color yellow?

Paul Briggs:

I think banana.

Bill Fisher:

Oh, interesting. Carina, what about you?

Carina Perkins:

Sunshine.

Bill Fisher:

Sunshine. There we go. I was expecting something more like that than banana, Paul, I will say that.

Paul Briggs:

Thank you, Bill.

Matteo Ceurvels:

Yeah, for me, I'd say lemons.

Bill Fisher:

Oh, let's... okay, we are talking about groceries today, I suppose maybe that's influencing you.

Matteo Ceurvels:

Well, summer's ahead on the horizon. So Limoncello, the Amalfi Coast.

Bill Fisher:

There we go.

Matteo Ceurvels:

It's all all related.

Bill Fisher:

Summer, brightness, exactly. Anyway, according to Web Interpret, certain colors in e-commerce can lead to better outcomes. So if you have different colored Buy buttons, for example, you'll get different results, but it depends where in the world you are based. So talking about yellow, if you were to have a yellow Buy button in countries like the US or Canada or the UK or I imagine LATAM as well, you'll likely get good results. It will have a positive impact on e-commerce conversions. However, in France, yellow represents infidelity. Meanwhile, in Germany and Russia, it represents envy and jealousy and this sort of thing goes for pretty much every color. So the color white as another example tends to have positive connotations around the world, but in Japan, you might know this, anyone know what it's linked with in Japan? No? Death, apparently. It's usually black, right, but in Japan death, so maybe you don't have a white Buy button in Japan is the story there.

Anyway, let's get onto the topic at hand. We heard a lot about inflation in the news segment there. So let's start by looking at how the economic situation is affecting retail generally in your regions. And maybe we could just start with you, Matteo, you could kick us off given the state of things in Argentina at the moment and that hyperinflation we were talking about. What's happening?

Matteo Ceurvels:

Definitely, Argentina is definitely a separate case altogether, but generally speaking, looking at the region, Latin America is still undergoing double-digit inflationary figures. Our growth rates this year, according to the International Monetary Fund, is expecting inflation to rise about 13% this year, which is down from last year's 14% rate, but it's still stubbornly high. Now, part of this, I postulate, is really from Argentina's triple-digit growth rates and Venezuela also has notoriously high inflation as well. So that may be skewing some of these regional figures and then it depends on country by country. Certain countries have had a better handle on the situation like Brazil and others as Argentina, it's still stubbornly high and shows no signs of waning anytime soon.

But all that said, it is having an impact on retail sales in particular and in our upcoming research, I really focus on the digital ecosystem. So when we look at inflation versus e-commerce, last year was the first time that e-commerce sales growth failed to outpace the rate of inflation for the first time, which really signals to me that growth in 2022 was really driven by inflation, not genuinely true gains, but we see that as a temporary blip in the overall forecast for the region and we expect sales to return to real growth this year and that gap between retail, e-commerce sales and inflation to widen in the subsequent years ahead.

Bill Fisher:

Are similar things happening in your regions, guys? Maybe not to the same extent, but inflation ahead of retail prices?

Paul Briggs:

Well, in Canada, retail prices are outpacing inflation now. The latest figures for inflation for June in Canada had it below 3%, which is good news compared to a year ago. And a lot of that has to do with very aggressive Bank of Canada policies to stem inflation. So interest rates are rising pretty high, which is having an impact on consumer spending as well. A lot of people are saving more money and spending less in retail because of the higher interest rates. So macroeconomic conditions in Canada are such that people are more confident in spending. So we're starting to see a rebound in spending and retail e-commerce and mobile commerce are really driving a lot of the growth in retail overall.

Bill Fisher:

So retail sales, I know we've put a lot of forecasts out recently and Carina, I was reading your report, retail sales are going up, but that doesn't necessarily mean that consumers are spending more in real terms. Is that right?

Carina Perkins:

Yeah, so what we've seen in Western Europe is we've had really high inflation, primarily driven by two things, which are both somewhat linked to the Russia-Ukraine war, and in the UK, we've also got the added complication of Brexit. So we've had extraordinarily high food price inflation and we've also had very, very high fuel prices. So what's happened now is that fuel prices have come down down and inflation rates have started to drop across the region, but food prices are still very high and in the UK, food prices are still in double digits and we've only really this month seen that start to ease. And UK food and drink manufacturers, I think, have cut prices for the first time in more than three years. So we are seeing that begin to ease, but food inflation is still in double digits now.

That affects not only what people are spending on food and how much food people are buying because they often don't have a lot of spare money to spend extra on food, so they're simply buying less, but it also affects their non-essential purchases because food is an essential purchase, so people will cut back in other areas because they have to still buy their weekly food. It's interesting if you look at the UK versus the rest of Western Europe. So the UK last year, retail sales were pretty slow and actually this year we're going to see retail sales accelerate a bit. Most of that though, as we've discussed in other areas, is being driven by higher prices. So I think inflation is down to 7.9% in June 2023. The IMF estimates that across the year it will be around 6.9% and we're going to see retail sales growth according to our forecast of 4.8% this year. That's total retail, not just e-commerce. So that suggests really that retail volumes are declining, so people are spending more, but they're reducing the amount that they're buying.

And we are seeing a similar trend across the rest of Western Europe. So retail sales are lagging inflation in France, Italy and Germany as well. But what's interesting is that across the rest of Western Europe that didn't have to contend with as many complexities from Brexit, retail sales held up better last year and they're really going to see a slowdown this year because consumer confidence is quite low and they've had quite a prolonged period of low prices. So retail sales are still in growth, but they're not keeping pace with inflation, which suggests people are buying less.

Paul Briggs:

And that food inflation trend is happening in Canada as well. So in June, grocery price inflation was 9% compared to the 3% overall, so more than triple the rate of the total sector or total retail. So that trend is still persisting and it relates to one of the items you had upfront, Bill, around how grocers are marketing their wares and goods and how that's having an impact on people and their ability to buy groceries.

Bill Fisher:

Is greedflation a thing? Is that real?

Paul Briggs:

Well, it's a pretty aggressive term I would say, but depending on your philosophy around corporatism, you may be more likely to use that term than if you aren't.

Bill Fisher:

Yeah, they're still working to incredibly slim margins though, aren't they, I think.

Carina Perkins:

Yeah, and I think it's fair to point out that the global food supply chain has seen some quite significant shocks in recent years. So that includes things like the pandemic, which really had an impact on shipping, that's included things like the Russia-Ukraine war. So Ukraine was a huge producer of certain grains globally and exporter, but also the impact of climate change on various crops around the world. So there has been a very volatile situation globally. So food prices have undoubtedly risen from a wholesale point of view and retailers do want to protect their margins. So I think that's fair to recognize as well.

Bill Fisher:

Very measured responses there.

Matteo Ceurvels:

And I think it's very interesting too. I was just looking at some Brazil figures, specifically at the category levels since we only break out Argentina and Brazil for e-commerce product categories. But interestingly enough, in the past 12 months, of June 2023, food inflation only rose about 4%, which is actually showing a major slowdown compared to where it was a year

prior at 21%. So we've definitely seen those inflationary pressures come down there and it's interesting to see that even in both Brazil and Argentina that food and beverage is the fastest growing category. So I think there is an element of that at play as well, that greedflation, food inflation driving those top line growth figures at the category level too.

Bill Fisher:

Interesting, right. I want to move the conversation specifically into e-commerce now and looking specifically at our retail e-commerce forecast around the world because there were a couple of interesting points that came out of these numbers because there are two countries where e-commerce sales are in decline. So Matteo or Carina, because these affect your markets, who wants to weigh on this first? What's going on here?

Carina Perkins:

I'll jump in with the UK. So last year, the UK wasn't the only country in Western Europe to see a drop in e-commerce sales. E-commerce sales fell in France, Germany, and the UK and it was a bit of a shock really for all of them. And it was driven primarily by people returning to pre-pandemic behaviors and going back to the shops. Now, the difference is that e-commerce sales, according to our forecast, are going to bounce back into growth in France and Germany this year and accelerate elsewhere in Western Europe, but in the UK we're going to see a slight decline of 0.6%. And I think that the difference there is probably down to the fact that the UK is a much more mature e-commerce market and it's already got a much greater penetration. So we are seeing bigger growth in digital buyer numbers elsewhere in Western Europe and in the UK, it's just a slight normalization of some of the people that turned to online shopping during the pandemic that really wouldn't normally shop online otherwise.

Bill Fisher:

It's the old people, right?

Carina Perkins:

Yeah, yeah, old people. I think there is also a certain... it's also linked to the cost-of-living crisis because I think people are reluctant to pay for shipping costs. They don't want to buy things and have to return them and potentially miss out on that or have to pay extra. In the past, you might order a dress and it doesn't fit and it doesn't matter, you'll just keep it, but people don't really want to do that nowadays. And people, I think, sometimes just want to visit the shops

and hunt down bargains. And also I think everyone's a bit depressed about the economy. If you want to spend your money, you want to cheer yourself up, it's quite nice to actually go and visit the shops and have that experience as well. So I think there's a few different factors at play in the UK and we do predict that things will return to growth next year.

Bill Fisher:

Okay. What about Chile then, Matteo?

Matteo Ceurvels:

Yeah, it's similar but slightly different. So unlike the UK, which is going to be down about half a percent this year in e-commerce sales, Chile is going to be down more than eight and a half percent of a decline in sales with e-commerce. So it's definitely a more severe decrease, but it is... there are several interesting factors at play. So even before the pandemic hit, at the end of 2019 there was social unrest, which really took its initial toll on retail sales and ergo, spending in general just because of lower consumer sentiment about how the country was faring, the future of the economy, et cetera. Then Covid hit, which really sent that massive wave of shopping online, lockdown restrictions were reimposed again in 2021, which surged sales even further. So basically what you had was a perfect storm of essentially two years of massive digital acceleration simply because of lockdown restrictions. So you could say it was artificially inflated because of these very unique circumstances that happened, not just in Chile but really globally.

And then what we saw once things started to normalize was just this rapid pendulum swing back to the in stores and we really saw the retail industry start normalizing again. Now, what I found interesting was that we do expect e-commerce sales to return to positive growth next year, so 2024, however, through the end of our forecast, which our current estimates go through 2027, we don't expect retail e-commerce sales to actually surpass their record height levels in 2021. So that to me just further reinforces the idea that this was just such a momentary blip of time with such rapid change and that I think the later years of our forecast show really this normalization in the trajectory of where we see, and unlike the UK, which is so digitally penetrated, this year Chile is going to, retail e-commerce is only going to represent about 8% of the entire retail market inching closer to about 10% by the end of the forecast. So there's definitely a lot more runway to work with in the country. It's just a notably less digitally penetrated market than the UK is.

Bill Fisher:

Yeah, but Paul, I don't want to leave you out of this conversation. What's happening in Canada?

Paul Briggs:

Yeah, I think a lot of the trends that Carina and Matteo mentioned in terms of the pandemic's impact on e-commerce is absolutely true in Canada. In 2020, e-commerce grew 75% in Canada. So what does that mean for 2021 and 2022 and moving forward? It means pretty steady growth still. Obviously, it flattened out as people returned to the stores, but we are looking at pretty steady growth for e-commerce. E-commerce is now 11.5% of total retail in Canada and we expect that to inch up over the next few years and a big part of that is mobile commerce. So mobile commerce is about 40% of retail e-commerce in Canada, so almost half of retail e-commerce is being done via smartphone or a tablet. So that trend is very apparent and it's not going to reverse as far as our forecast can tell.

Matteo Ceurvels:

What I actually find really interesting about the Canadian market in particular is that if you zoom out a little bit on the global stage, looking at the top 10 fastest growing countries in the world, Canada will be the ninth-fastest growing market this year, but it's the only developed economy on that list in a sea of emerging markets, which always tend to dominate the top 10 list. But I found it really interesting to see Canada, it's a more mature market compared to any say the market for Southeast Asia or Latin America, but it's still going strong in that top 10 rankings. So I definitely think it does show that resiliency.

Paul Briggs:

Well, it's a good point, Matteo and I've been writing about this for 10 years and the story behind this, the fact that Canada lagged similar markets in retail e-commerce adoption for many, many years and now the economy or the market for retail e-commerce is playing catch-up to the likes of the US and the UK. So there is structural issues in terms of making delivery of online shopping profitable for retailers. So it was difficult to service a very dispersed population. So supply chain issues were really behind a lot of it. A lot of it was also reticence to invest in e-commerce tech by a lot of retailers. So Canada's playing catch-up, which is the reason why it's still in the top 10 for annual growth in retail e-commerce.

Bill Fisher:

Great insight. So presumably that mobile trend isn't just the case in Canada. This is happening around the world, right?

Carina Perkins:

Yeah, absolutely. We're seeing m-commerce sales in Western Europe are going to grow by 4.4% in 2023 and in the UK where e-commerce sales as a whole are in decline, m-commerce sales are growing. Some of that is down to mobile penetration still being on the rise across the former EU-5. We are going to see 139.5 million mobile buyers in 2023, which means that 69.2% of digital buyers will make a purchase on a smartphone or tablet this year. And that's up from 68.8% last year and almost 5% higher than pre-pandemic levels.

Bill Fisher:

Wow, really interesting. But I just want to touch really quickly on some of the main players in your market. So we had Prime Day recently. So let's turn our attention to the main players in the e-commerce space and whilst we're considering Prime, just how insidious is Amazon in your regions? Paul, I think you might have something to say on this.

Paul Briggs:

Yeah, our first Amazon forecast for GMD came out a few months ago, and so 41.5% share, Amazon has 41.5% market share retail e-commerce in Canada. Just to put that in context, in the US it's 37 and change percent and I think the only market that Canada trails is Germany when it comes to Amazon share, which is now at 50%. So that shows you how big the impact Amazon has and what's happening is the model that Amazon has provided for the market locally in terms of recommendation engines, in terms of free delivery and so forth, and having a loyalty program like Prime is being replicated by other retailers in the market to their advantage as well.

Bill Fisher:

Interesting stuff. Matteo, Amazon less insidious in your markets, right? What's the reasons for that?

Matteo Ceurvels:

Correct. I think it's more the fact that it's main two markets in which Amazon operates in Latin America are in Mexico and Brazil, but it's really... I'll start with Brazil. So Brazil is the largest e-commerce market in Latin America, but it's really had trouble finding its footing in the local marketplace against the regional giant Mercado Libre and several of the country's traditional retailers that have since had their own massively successful online businesses, Americanas, Magazine Luiza, et cetera. So it really hasn't been able to make much of a dent in the Brazilian e-commerce space.

Now in Mexico, it's a slightly different story where we've seen Mercado Libre and Amazon really battle it out for market share since 2016 when Amazon actually entered the market in 2016. So it's been back and forth, back and forth, but really what we saw in 2020 during the height of the pandemic is that Mercado Libre actually overtook Amazon for market share in Mexico and that was due to multimillion dollar investments that have been year over year over year. So between 2017 to through this year, we expect Mercado Libre will have invested over \$5 billion into its e-commerce business in Mexico alone. So it's a massive investment and we really do expect these investments to pay dividends over and over within the Mexican market increasing Mercado Libre's share to about 20% of the entire Mexican e-commerce market, and we expect Amazon to be still a few razor-thin percentage points behind Mercado Libre in Mexico. So that's really the battle of the two and then they're light years ahead of other local players like Liverpool and Walmart, Mexico, which have notably lower shares, about 5% respectively each in the market.

And then overall Mercado Libre's investments in Mexico and also multi-billion dollar investments in Brazil too are really driving that growth regionally where we see it's going to represent about, give or take, 30% of the entire regional market. And curiously enough, going back to the point, at those facts at the beginning of the episode, Mercado Libre's logo is yellow, so I'm very curious now what's that, there might be something to say for that yellow coloring after all, just putting it out there.

Bill Fisher:

Yeah, indeed. And Carina, the UK, this incredibly advanced mature e-commerce market, Amazon's slightly less dominant here, is it?

Carina Perkins:

Slightly less, but to be honest, it's not a wildly different picture to that in the US. So we put Amazon share at 29.3% of total UK e-commerce sales. So it has a pretty big grip of the market. Its biggest rivals are Sainsbury's, which is one of the big four supermarkets you talked at the top of the show. The reason it's in number two is because it also owns Argos, which is a popular e-commerce retailer in this country and that has a 6% share, and then the third biggest is Tesco, which is the UK's biggest retailer, another one of the big four because the big four grocers here are very dominant in UK retail and that has a 3.4% share of UK e-commerce sales.

So Amazon really still having huge dominance of the e-commerce category and what we're seeing, like Paul said, we're seeing similar here is that a lot of retailers are copying Amazon's model, particularly around online marketplaces, which are becoming really popular. We're starting to see retailers like Boots and Superdrug, they are two health and beauty retailers in this country, and they've launched online marketplaces recently because Amazon is becoming so dominant in health and beauty, I think they're trying to protect their market share there.

Bill Fisher:

Awesome. Fantastic conversation, but now it's time to move on to our recap stats quiz.

This is where we recap today's theme with a few related stats questions for my guests. There's no prize, it's all about bragging rights. There are only three questions, so it's nice and quick, and it's multi-choice. So onto our first question, and let's start with the topic of hyperinflation. Technically, that's what Argentina is now in the grips of. It was defined in 1956 by Philip Kagan, a professor of economics at Columbia University as a monthly rate in excess of 50%. Anyway, I'm going to ask you about three specific historical cases of hyperinflation and ask which of these do you think are the highest daily inflation rate. This is per Routledge Handbook of Major Events in Economic History. So we have Hungary 1945 to 46, Yugoslavia 1992 to 94, or Zimbabwe 2007 to 2008. What do we think folks?

Carina Perkins:

I'm going to go Zimbabwe.

Matteo Ceurvels:

I'm going to go to Zimbabwe.

Paul Briggs:

I'll do something different. I'll say Yugoslavia.

Bill Fisher:

Oh, we got three for three there. It was actually Hungary. So Yugoslavia came in third, 65% daily increases. That's phenomenal. Zimbabwe, 98%, so each day things were pretty much doubling in price. In Hungary, the daily rate of inflation was 207%. Obviously, that was a result of World War II. This was actually government engineered and amazingly it had the desired impact 'cause it helped restore productive capacity, infrastructure and economic activity so that by 1946 and the introduction of the new currency, the Forint, the country was back to pre-war industrial capacity. So no points all around there.

Let's see if we can do better with the next one. I think we're all well aware of the fact that China is the leader in terms of retail e-commerce sales, both overall and as a proportion of total retail. Now, that proportion will stand at 46% this year in China. But what was that proportion 10 years ago in 2013? Was it 9%, 15% or 20%?

Paul Briggs:

I'll give it a guess, it was 15%, Bill.

Bill Fisher:

Okay.

Carina Perkins:

I'm going to go 20.

Bill Fisher:

What have you got from me, Matteo?

Matteo Ceurvels:

Thinking maybe 15.

Bill Fisher:

Remarkable three for three. Again, it was 9%. It wasn't the world leader at that point. Let's go for an extra point, if you can guess who it was. Which country had the highest proportion of retail e-commerce as a proportion of total retail sales? Any guesses?

Carina Perkins:

UK.

Matteo Ceurvels:

The UK? No.

Paul Briggs:

I'll say the US.

Bill Fisher:

Carina, you were first, I'm going to give you the point. It was the UK. It was 12% in 2013 and they've traded places 'cause the UK is now second to China with 32%. I've got to give some points somehow here. So well done, Carina. Right. The final question. Loblaw, is it Loblaw or Loblaws, Paul?

Paul Briggs:

Yeah, Loblaw is the corporate name. Yeah.

Bill Fisher:

Corporate name, that's right.

Paul Briggs:

But funnily enough though, most people call it Loblaws.

Bill Fisher:

Right.

Paul Briggs:

So if you're heading down to the market, you say I'm heading to Loblaws, a lot of people would say that.

Carina Perkins:

Okay, people say Tescos as well in this country.

Bill Fisher:

Yeah. Well, in this instance, I'm going to refer to Loblaw because Loblaw has a bunch of subsidiaries and alternative brands. Your independent grocer is one of those, which I think is very cleverly named because I think a lot of folks think they're shopping at an independent grocery store when they go there, right? Yeah, Paul's nodding vigorously, but how many of these stores are there in Canada? This is per ScrapeHero data from May this year. So we've got 80, 164 or 208.

Paul Briggs:

208 I would say, Bill.

Matteo Ceurvels:

I'll go middle of the road, let's say 164.

Carina Perkins:

Okay, I'll go 80 because I would've gone middle of the road, but just in case we don't want another three for three.

Bill Fisher:

We got a right answer this time and it was Matteo, 164. Well done. 208 is a random number. 80 refers to the number of stores in Ontario alone. That's the highest concentration by far in terms of territories or provinces. New Brunswick is the next with 23, but yeah, there are 164. Okay, so with the bonus point that you got Carina for guessing the UK first, we have a tie. I always like a tie-break 'cause I've got a tie-break question. So we talked about Hungary's hyperinflation post-war, but what is the current inflation rate in the country, do you think? Just give me a number. This is as of June per the Hungarian Central Statistical Office. So who's going to be brave enough to go first? Carina or Matteo?

Matteo Ceurvels:

I'll... 7%, let's say.

Bill Fisher:

Okay, Carina, what have you got for me?

Carina Perkins:

I'll go 5.5.

Matteo Ceurvels:

That's so specific. I like the decibel.

Bill Fisher:

It is specific. You went the wrong way though. It's much higher than that. It's 20.1%.

Matteo Ceurvels:

Oh.

Bill Fisher:

A lot less than the 200 plus percent in the 1940s, and so we have a winner. Matteo, well done.

Matteo Ceurvels:

Shocked, I'm utterly shocked, but thank you.

Bill Fisher:

As always, we end the show with a winner. So congratulations again, Matteo, and thanks for speaking with us today.

Matteo Ceurvels:

Always a pleasure, Bill.

Bill Fisher:

Carina, great to have you on the show.

Carina Perkins:

Thanks, Bill. Well done, Matteo.

Bill Fisher:

And Paul, thanks for stopping by.

Paul Briggs:

Thanks, Bill.

Bill Fisher:

And thanks to all of you for listening in today to Around the World, an e-marketer podcast made possible by Verisk Marketing Solutions. Tune in tomorrow for our Behind the Numbers Daily Show hosted by Marcus. If you want to ask us any questions, you can of course e-mail us at podcast@emarketer.com. I hope to see all of you next month for another edition of Behind the Numbers Around the World. You'll be green with envy if you miss it or maybe that should be yellow, who knows? Bye for now.