

Ecommerce in the UK Surpassed 25% of Retail Sales During the 2019 Holiday Season, Brick-and-Mortar Took a Hit

2020 Outlook: Mcommerce to surpass 50% of full-year ecommerce sales

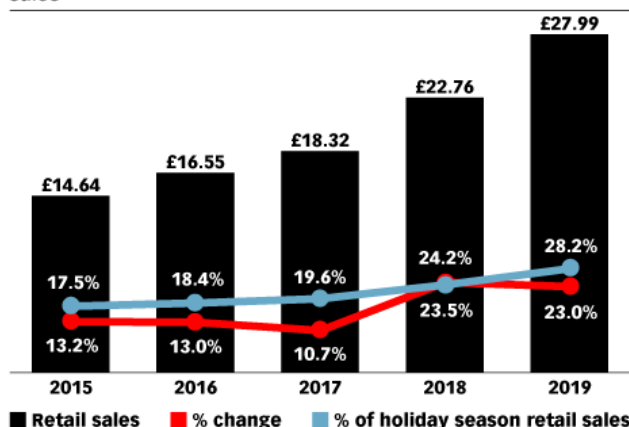
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eMarketer Editors

Strong growth in online sales over the 2019 holiday season propelled the UK retail sector past a milestone. Ecommerce represented 28.2% of all holiday retail sales, surpassing the 25% mark for the first time. Total retail sales for the season amounted to £99.26 billion (\$132.33 billion).

UK Holiday Season Retail Ecommerce Sales, 2015-2019

billions of £, % change and % of total holiday season retail sales



Note: sales are for Nov and Dec of each year; includes products or services ordered using the internet, regardless of the method of payment or fulfillment; excludes travel and event tickets
Source: eMarketer, Jan 2020

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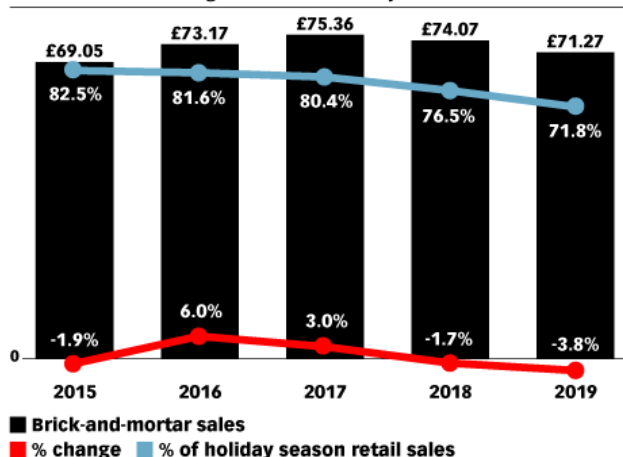
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“Store closures are a big reason for shopper frustration and the subsequent shift to online as their preferred option,” eMarketer vice president of forecasting Monica Peart said.

Ecommerce sales came partly at the expense of brick-and-mortar, which dropped 3.8% to £71.27 billion (\$95.02 billion) during the 2019 holiday season. That’s the largest percentage drop since we began tracking UK retail spending in 2010.

UK Holiday Season Brick-and-Mortar Retail Sales, 2015-2019

billions of £, % change and % of holiday season retail sales



Note: sales are for Nov and Dec of each year; excludes products or services ordered using the internet; excludes travel and event tickets
Source: eMarketer, Jan 2020

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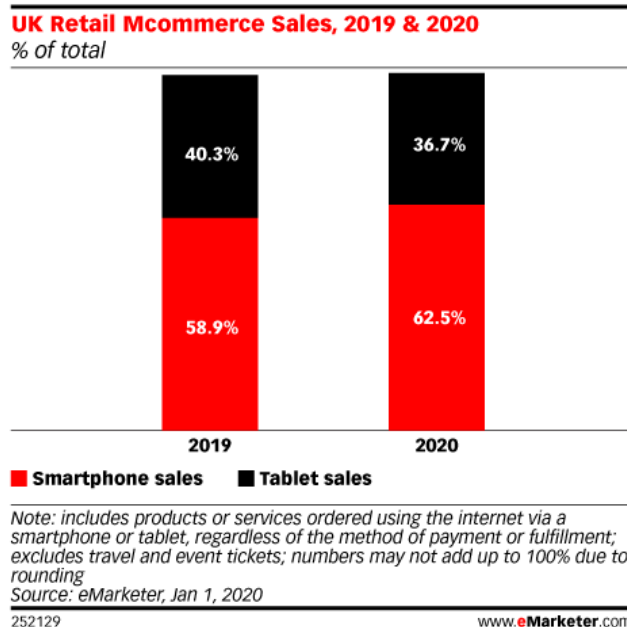
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2020 Outlook

Looking ahead to 2020, total retail sales (including auto sales) for the full year will grow 1.2% to £487.30 billion (\$649.66 billion). That's the slowest growth rate since 2015, when it was down by 0.2%.

"Brexit has been looming over the retail market for two and a half years with mixed results," Peart said. "At times, consumers have reacted to the looming Brexit by spending more. In other cases, it's been a stalling force. What is clear about 2020 is that there will continue to be uncertainty around the implications of Brexit."

Ecommerce, which is making up an increasing portion of UK retail sales, will grow 8.9% this year to reach £114.26 billion (\$152.33 billion). The UK will experience an ecommerce milestone this year, as mcommerce—online sales via tablets and smartphones—will represent half of all online sales for the first time. Mcommerce in 2020 will grow 15.3% to reach £58.05 billion (\$77.38 billion). Not surprisingly, smartphones will continue to be the dominant device used for mcommerce, accounting for 62.5% of mcommerce sales this year vs. 36.7% for tablets.



Increasingly, smartphone commerce is the “everywhere and anywhere” shopping opportunity. A growing number of UK smartphone users are now buying a greater variety of products at higher frequencies with the device.