GWI Commerce Summary

▪ March 2014 ▪

GlobalWebIndex's quarterly report on the latest trends in online commerce – providing insights on topline and regional levels of engagement, the rise of multi-channel buying and all of the most important behaviors and demographic stories.

INTRODUCTION

GWI Commerce is where GlobalWebIndex presents the very latest figures for online purchasing and other commercial behaviors across a range of devices.

Drawing on data from our Q4 2013 wave of research, we offer insights on:

- The role that PCs, laptops, mobiles and tablets are playing in the online purchasing process

- The impact that the internet is having on different product categories

- The prevalence of purchasing through social and group-buying platforms

- The numbers who are selling products online

- The nature of pre-purchase influence and post-purchase reviews

With our data covering 32 markets – representing nearly 90% of the global internet audience – we offer the most up-to-date and comprehensive view of e-commerce activities and behaviors among digital consumers, highlighting a number of key device, demographic and market-specific stories.

In this summary, we provide some of the main headlines and statistics from the report. For more detailed insights, coverage and implications, please see the full version. Further detail on any of the topics covered in this report are also available through our pre-cut Data Packs in the Insight Store.

M- and T-Commerce Rising in Importance

- At a global level, nearly two thirds (65%) of internet users have bought a product online in the last month, with a further 15% researching products to buy offline. That means 80% of the internet population are now engaged with some form of online commerce behavior.

- PCs/laptops are still the favorite purchase channel: 61% of internet users buy their products via these devices, versus 27% for mobiles and 12% for tablets.

- The m-commerce and t-commerce audience sizes are growing at the fastest rates. During 2013, an extra 150 million internet users said they had purchased an item in the last month via the mobile internet. The equivalent figure for the tablet internet is 135 million.

- Multi-channel commerce is becoming a more and more important story: 27% of internet users are purchasing via PCs as well as mobiles or tablets. Some 7% are buying across all three device types.

- Perhaps most significantly, 16-24s lag behind all other age groups for purchasing via PCs/laptops – indicating that the prospects for m- and t-commerce are especially strong in this group.

PRODUCT PURCHASERS	% ALL INTERNET USERS	% ALL INTERNET PURCHASERS
Via a PC / Laptop	61%	93%
Via Mobile	27%	41%
Via Tablet	12%	19%

MULTI-DEVICE PURCHASERS	% ALL INTERNET USERS	% ALL INTERNET PURCHASERS
Via a PC / Laptop **AND** a Mobile or Tablet	27%	41%
Via Mobile **AND** a Tablet	8%	13%
Via a PC / Laptop **AND** a Mobile **AND** a Tablet	7%	12%

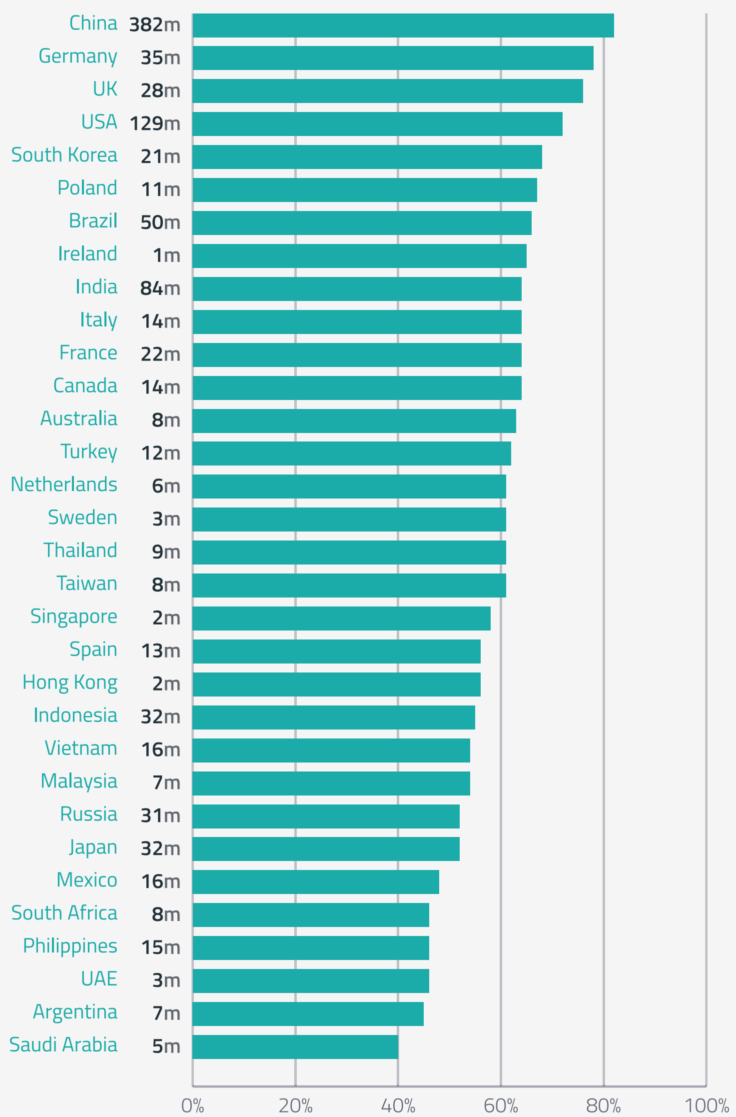
China is the Global Powerhouse of Online Commerce

- China leads the online commerce figures across all devices – with 82% buying over the internet. That represents an estimated audience size of nearly 382 million people and, between Q4 2012 and Q4 2013, an extra 35.55 million said they had purchased a product online in the last month.

- Buying online is also an absolutely mainstream behavior in some of the most mature internet markets such as Germany (78%), the UK (76%) and the US (72%).

- Significantly, though, more than 50% of the internet population in nearly all of the countries tracked by GWI are now regular online product purchasers. The figure falls below the halfway mark only in a handful of markets, and even in these places it still tops 40%.

BUYING PRODUCTS ONLINE BY COUNTRY



Question: Which of the following have you done online in the past month? Purchased a product online (via any device)
Source: GlobalWebIndex Q4 2013 /// **Base:** Global Internet Users aged 16-64

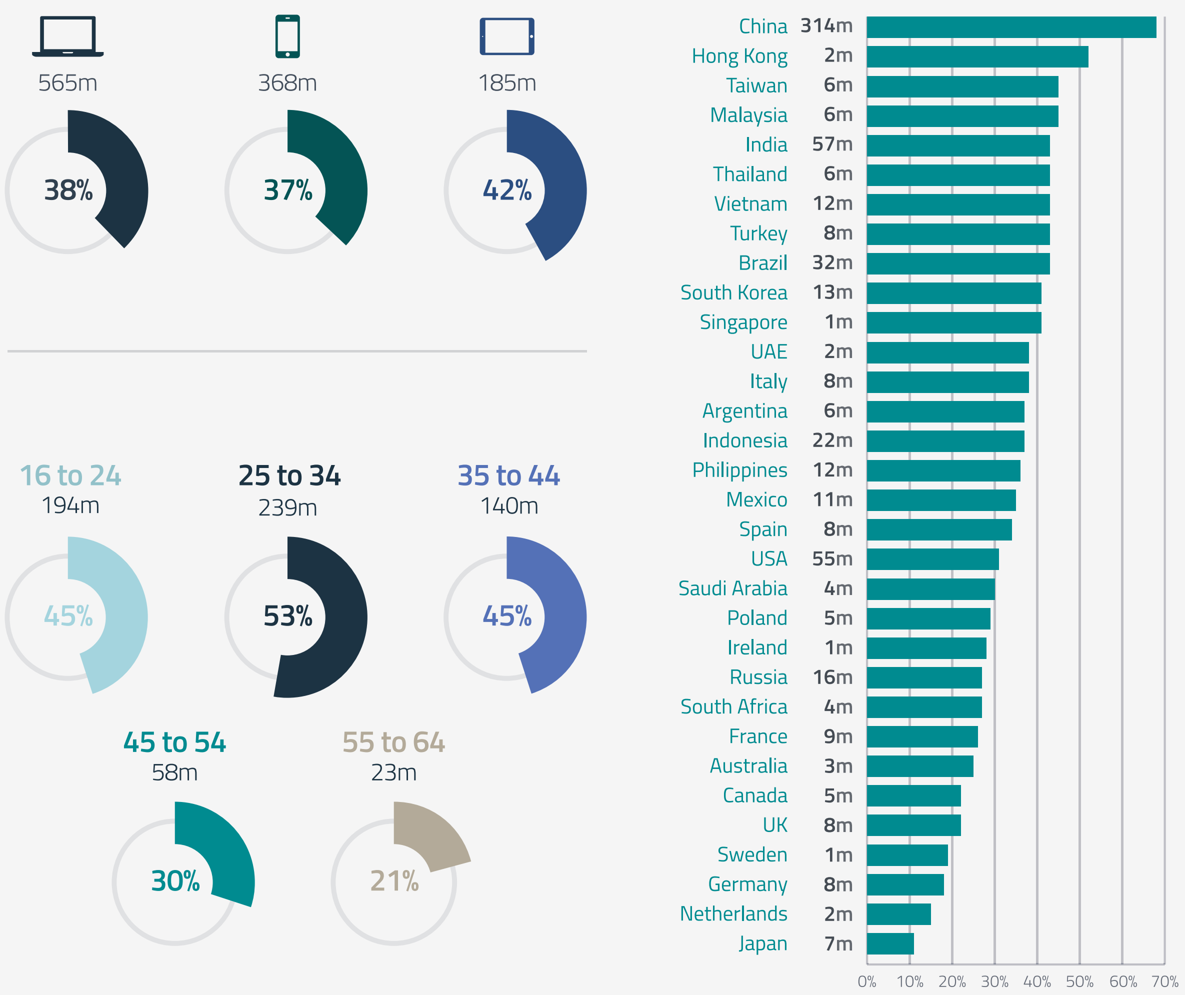
Local Deal Sites and Social Networks Now Major Purchase Platforms

- Group-buying and local deal sites remain on an upward trajectory; in Q4 2013, 44% of the online population said that they purchased an item in this way – up from 30% at the end of 2011 and of special popularity in China.

- "Social commerce" has also become a significant activity: by the end of 2013, 20% of internet users said they had bought a product/service through Facebook, with 6% saying the same about Google+. This behavior is most widespread among emerging internet nations in the APAC region – led by China, the Philippines and Thailand, where the infrastructure supporting social purchasing is typically highly developed.

- 45% of active Facebook users report having asked friends for opinions about products they are considering buying. The equivalent figure for Google+ is 42%, indicating the importance of social platforms as advice networks.

BUYING THROUGH LOCAL DEAL SITES



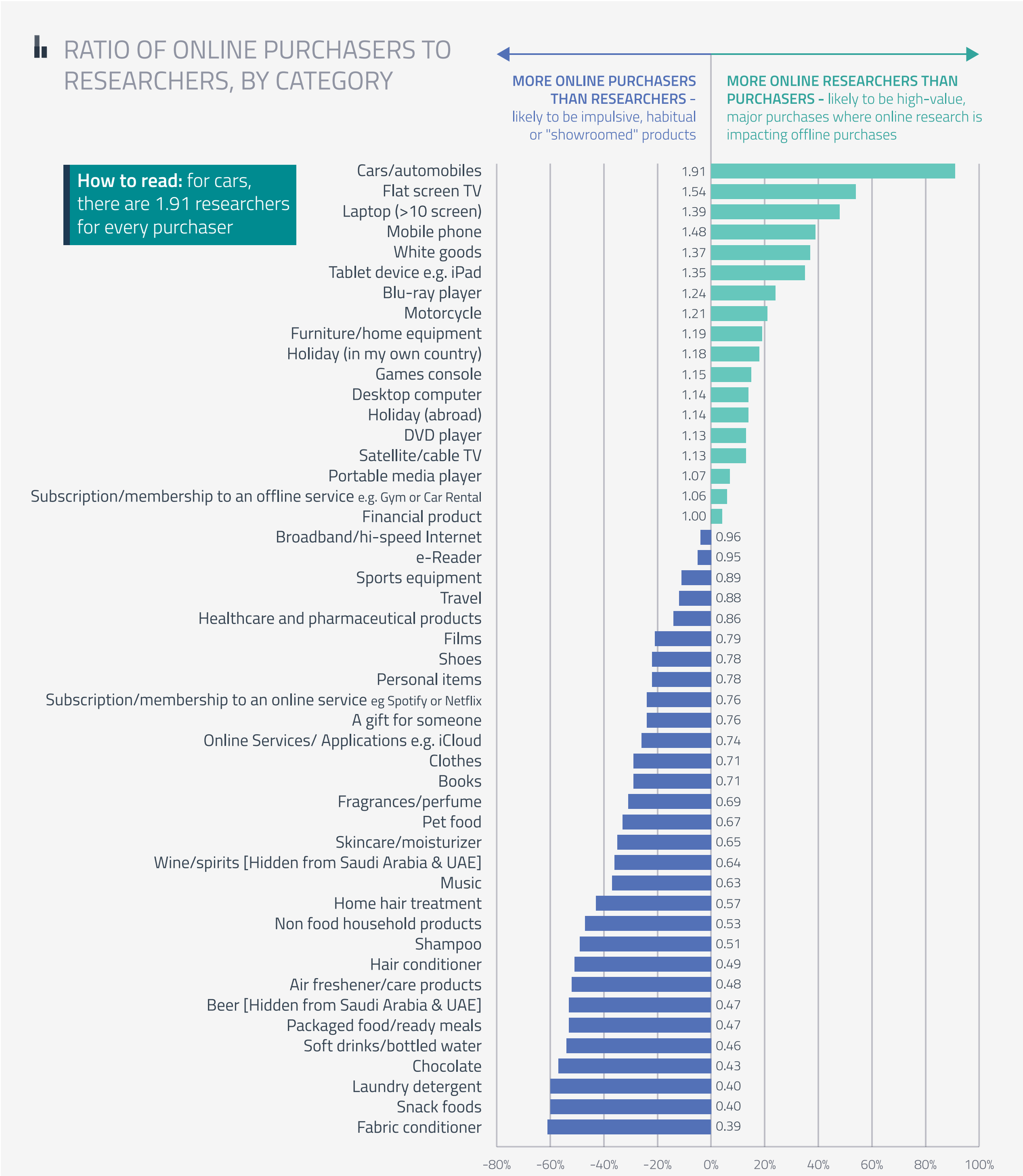
Question: Which of the following have you done online in the past month?Bought a product or service through a group-buying website (i.e. Groupon). /// **Source:** GlobalWebIndex Q4 2013 /// **Base:** Internet users, aged 16-64

Showrooming and Webrooming: A Strong Category Effect in Evidence

- At a category level, clothes (33%), shoes (26%), gifts (24%) and books (21%) are the most popular online purchases – all of which can be "showroomed" (tested/selected in-store and then purchased on the internet in order to get the best prices).

- High-value items such as cars and digital products are much more likely to be "webroomed" – researched online and then purchased offline.

- Up to 20% are buying various types of low-value grocery products online – an area where the risk involved is minimal and delivery infrastructures are particularly well developed.



Question: Looking at the list of products and services below, which of the following have you purchased online in the past six months? And which have you researched online prior to purchasing? **Source:** GlobalWebIndex Q4 2013 /// **Base:** Global internet users aged 16-64

Search Engines Least Popular with 16-24s

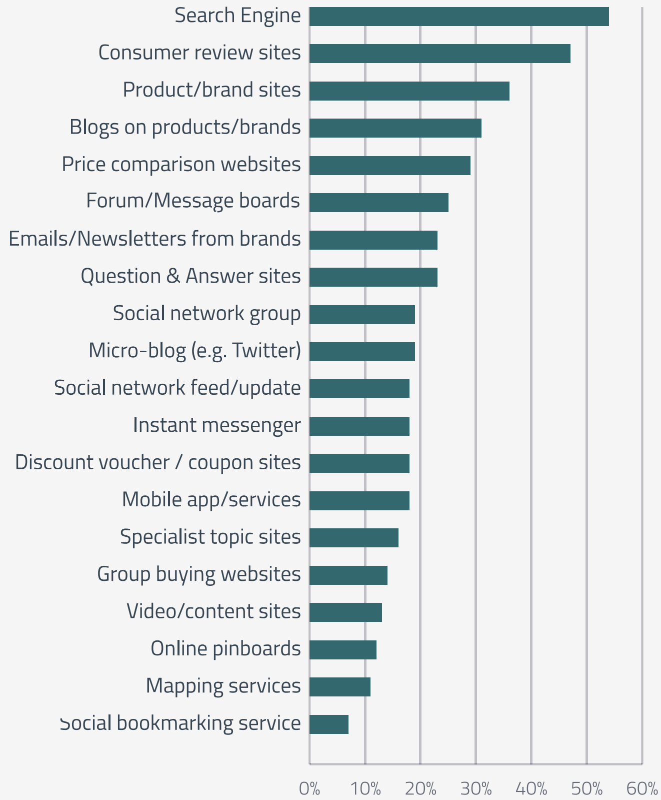
▪ Search engines remain the most popular go-to point for those seeking product information (54%). Interestingly, however, usage increases in line with age to be topped by the 55-64s (63%, vs. a figure for 16-24s of 48%).

▪ The next most popular information sources among internet users are consumer review sites (47%), product/brand websites (36%) and price comparison platforms (29%).

▪ 16-24s are the leading age group for using Question & Answer sites such as Quora to find out product information; their figure of 26% compares to a lower 16% among 55-64s.

Question: Which of the following online sources are you primarily using when you are ACTIVELY looking to find out more information about brands, products, or services? **Source:** GlobalWebIndex Q4 2013 /// **Base:** Global Internet Users aged 16-64

ONLINE SOURCES USED TO FIND PRODUCT INFORMATION

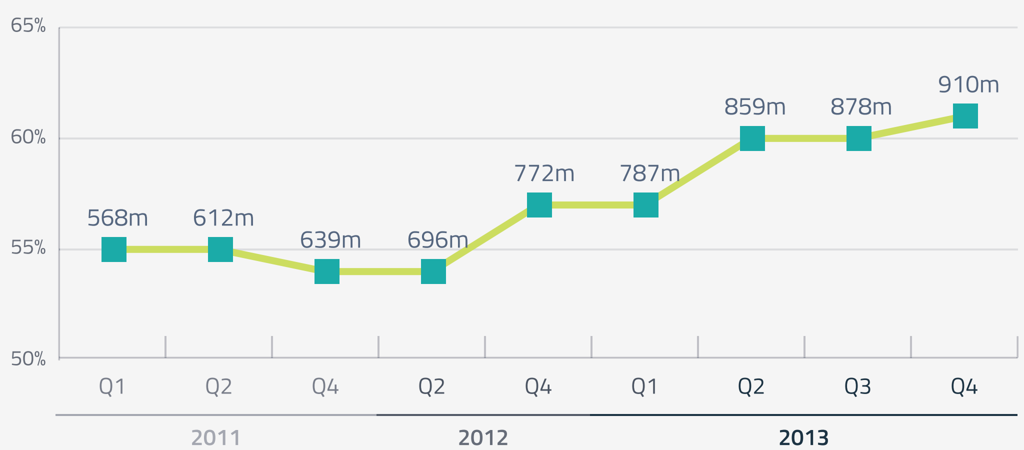


Influencers: Over 60% are reviewing products

▪ 47% of internet users say they actively look at consumer review sites when in search of product information. But 61% of people say they have written a review, suggesting that the desire to be an influencer is strong and that – within the online space – more people are talking than listening.

▪ Perhaps unsurprisingly, those buying online are the most likely to post reviews. This behavior is most pronounced among multi-channel buyers, where the percentage writing online reviews hits 87%.

REVIEWING PRODUCTS



Question: Please indicate which of the following online activities you have done in the past month. Reviewed a product or brand
Source: GlobalWebIndex Q4 2013 /// **Base:** Global Internet Users aged 16-64

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