

Impact of the Coronavirus on e-commerce

SURVEY RESULTS REPORT

21 January 2021

Ecommerce Europe conducted a new survey on the impact of COVID-19 on e-commerce in the context of the second lockdown in Europe at the end of 2020. The survey was addressed to Ecommerce Europe's national association members and counts a total of 19 contributions¹, highlighting the current situation in different European countries.

Out of 19 respondents, 17 report a full or partial **lockdown** and elaborated on the lockdown's effects on e-commerce and traditional retail. The respondents identify fragmentation across Europe regarding the definition of essential store categories, which compromises the level playing field within the Single Market and causes uncertainty for consumers and businesses alike. Such a fragmentation could also be observed regarding the rules for **click-and-collect** delivery solutions, where such a service is allowed in some countries and limited or even unavailable in others. Additionally, regional fragmentation has been observed within some countries with regards to the rules on click-and-collect. Specifically, Germany emphasises the need for a more harmonised European approach on click-and-collect, to provide equal terms and legal certainty to businesses, thus ensuring the continuous and safe provision of goods during the COVID-19 pandemic.

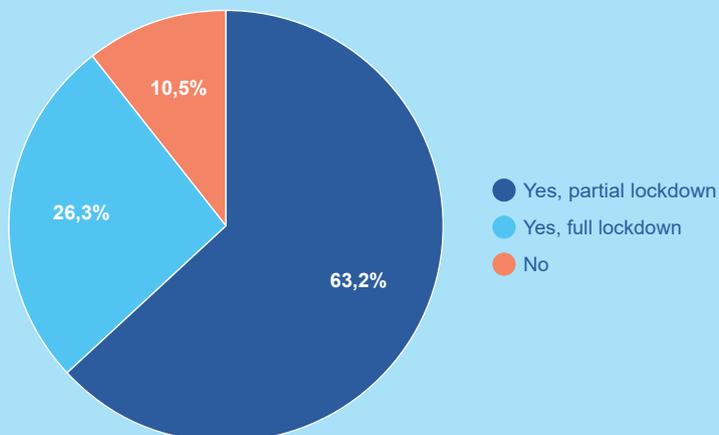
In terms of the **perception of e-commerce** during the COVID-19 crisis, all respondents report a positive public perception for the sector, and a majority report positive political perception as well. While in some countries there have been objections raised about e-commerce's negative effect on local brick-and-mortar shops, the answers to the survey and experiences reported by Ecommerce Europe's members demonstrate that e-commerce has become a lifeline for many traditional brick-and-mortar businesses that had to close, allowing them to continue their activities during the lockdown.

Additionally, respondents report that **parcel delivery** services have adapted better to the second lockdown, experiencing smaller delays despite the increased demand around the holidays. However, in four countries the respondents still qualify the delays as "severe".

Finally, despite the strong demand in e-commerce these last months, the survey shows a **nuanced image of the impact of COVID-19** on the industry. While many sectors have generally seen increased sales, there is also a significant segment that has experienced a decrease in sales, with some sectors even dealing with a complete lack of sales. For instance, e-commerce services such as travel/online ticket sales experience a decrease in sales between 40% and 70%. Additionally, while the fashion sector has seen some improvements, specifically regarding home wear, the demand for other types of shoes and attire remains low. However, the majority of the respondents remain **hopeful for the future**, noting that the acceleration of the digitalisation of businesses in Europe, as a consequence of the COVID-19 pandemic, will result in continuous growth for the e-commerce sector, driven by businesses and consumers alike. According to the survey, the e-commerce sector expects a definitive growth in product sales in 2021 and a possible growth in the sale of services dependent on the severity of the COVID-19 measures.

¹ Contributions received from the following countries: Austria (AT), Belgium (BE), Bulgaria (BG), Czech Republic (CZ), Denmark (DK), Finland (FI), France (FR), Germany (DE), Greece (GR), Italy (IT), Ireland (IE), Netherlands (NL), Portugal (PT), Norway (NO), Poland (PL), Romania (RO), Spain (ES), Sweden (SE), Switzerland. (CH).

Is your country in lockdown or did you experience a lockdown over November and December?



Country



AT	Full
BE	Partial
BG	Partial
CH	Partial
CZ	Partial
DE	Partial
DK	Partial
ES	Partial
FI	No
FR	Full
GR	Partial
IE	Full
IT	Full
NL	Full
NO	Partial
PL	Partial
PT	Partial
RO	Partial
SE	No

Is your country in lockdown or did you experience a lockdown over November and December?

Country



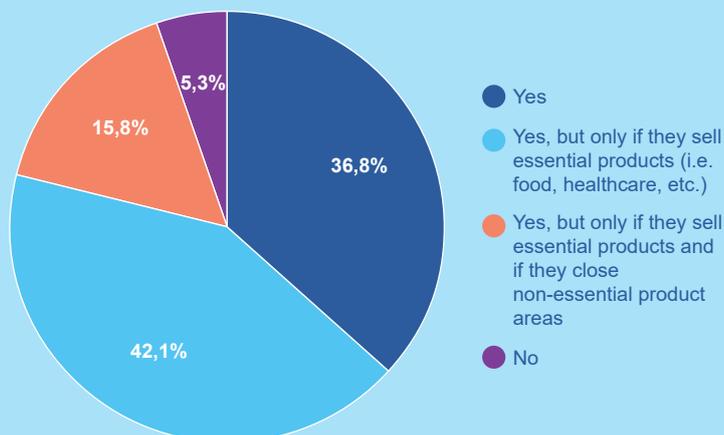
AT	EP/NE
BE	EP
BG	EP
CH	Yes
CZ	EP
DE	EP
DK	EP
ES	Yes
FI	Yes
FR	EP/NE
GR	EP
IE	EP/NE
IT	EP
NL	No
NO	Yes
PL	EP
PT	Yes
RO	Yes
SE	Yes

Are/were brick-and-mortar shops still allowed to be open?

EP - Yes, but only if they sell essential products (i.e. food, healthcare, etc.)

EP/NE - Yes, but only if they sell essential products and if they close non-essential product areas

Are/were brick-and-mortar shops still allowed to be open?





Store categories qualified as “essential” per country

The food and beverages and health categories are qualified as “essential” in the countries of all respondents, while pet care and hygiene products are also considered essential in the countries of about half of the respondents. However, there is fragmentation in the EU regarding other product categories. A number of countries have extended their “essential” qualification to other product categories, with the DIY sectors being considered essential in France, Ireland, Belgium and Switzerland, the gardening sector in Belgium and Switzerland, the tech sector in France and Italy, and finally the category of furnishings and interior design only in Poland. This fragmentation across Europe compromises the fairness of competition within the Single Market. The European digital commerce sector would benefit from a more harmonised approach at European level on which store categories are considered “essential”.



Country Essential store categories

Country	Essential store categories
AT	  
BE	     
BG	  
CH	    
CZ	   
DE	    
DK	  
ES	   
FI	N/A
FR	    
GR	 
IE	    
IT	     
NL	    
NO	 
PL	    
PT	 
RO	 
SE	N/A

If applicable, which store categories fall under the qualification “essential” in your country? (multiple answers possible)

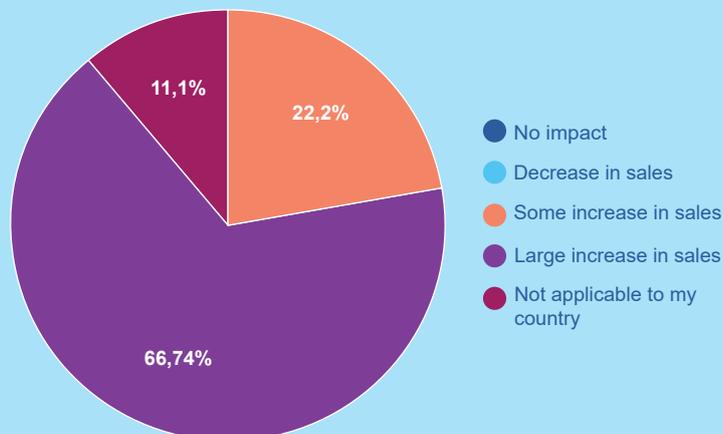
-  Food/beverages
-  Healthcare
-  Hygiene/beauty
-  Pet care
-  Cultural products
-  IT/high tech
-  Clothing
-  Sport
-  Gardening
-  DIY
-  Furnishings and interior decoration
-  Other

The impact of the closure of brick-and-mortar shops on online sales

The majority of the respondents state that the closure of brick-and-mortar shops had a positive impact on online sales or at least has resulted in some increase in sales. Some contributions state that the increase in online sales was even higher for traditional retailers which also operate online, as opposed to pure players², yet both categories experienced a strong growth in online sales. Respondents elaborate that events such as Black Friday and the Christmas shopping period had a strong and positive impact on online sales, due to the restrictions on traditional retail, with the clarification that some e-commerce subcategories such as products fared better than others (i.e. services).

² In the e-commerce context, a pure player is a company with products or services that are only digital.

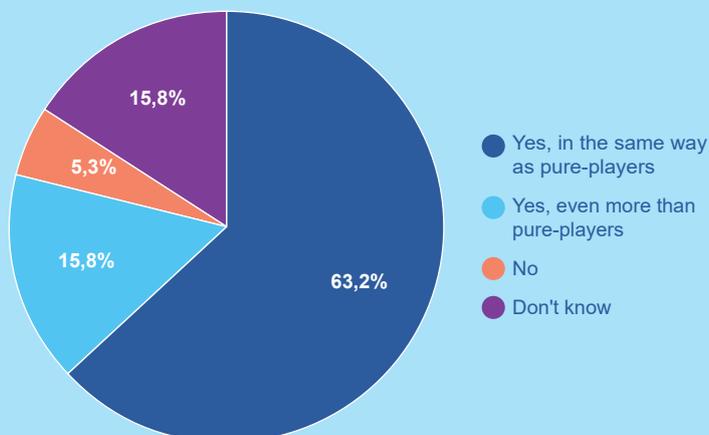
If applicable, how does the closure of brick-and-mortar shops impact online shops?



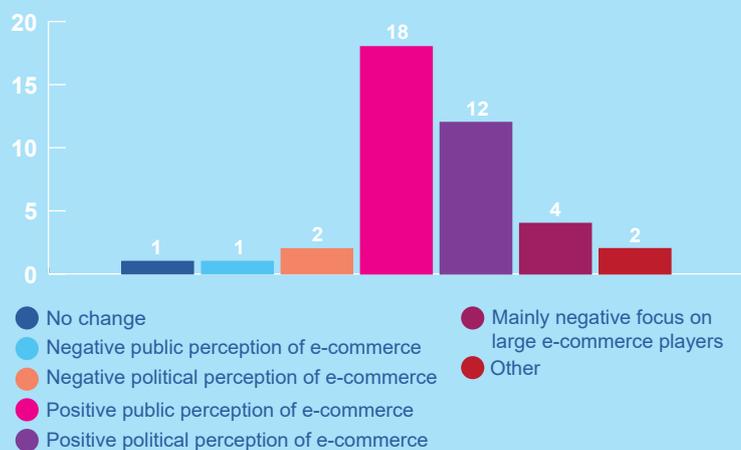
Benefit of the lockdown on retail stores' online sales

A large majority of the respondents state that retail stores' online sales have received a boost during the lockdown, with most of them arguing that retail stores with an online presence have been influenced the same way as pure online players, and some stating the beneficial effects for retail stores' online sales have been even stronger than those for pure players. The sole country in which the respondent does not see a positive effect on retail stores' online sales during the lockdown is Austria. The answers to this question reveal that e-commerce has managed to help traditional retailers to adapt to the new measures and remain in business.

Has the lockdown benefited retail stores' online sales?



Has the COVID-19 crisis in 2020 had an impact on the perception of e-commerce in your country? (multiple answers possible)



The impact of COVID-19 on the perception of e-commerce per country

In terms of the perception of e-commerce during the COVID-19 crisis, all respondents report a positive public perception for the sector, including a positive political perception for most of the contributions. However, France, Belgium, Austria and Spain report a mainly negative focus on large e-commerce players. Additionally, Italy elaborates that part of the public has raised objections in defence of neighbourhood shops and against online shops, a sentiment voiced also by Denmark. Nevertheless, other countries reported successful experiences of brick-and-mortar neighbourhood shops that moved online to continue to sell to their consumers. For instance, in France, the crisis has highlighted the consumers' expectation to have local shops offering the possibility of online shopping, with a preference for home delivery. This expectation, which has been present since the start of the confinement and beyond, clearly shows the interest of shoppers for an omnichannel offer available from major players in online sales and which is now expected also from their local, neighbourhood merchants.

Country Perception of e-commerce

AT	PPU; PPO; NFL
BE	PPU; PPO; NFL
BG	PPU
CH	PPU; PPO
CZ	PPU
DE	NPO; NPU; PPU
DK	PPU; PPO; OT
ES	PPU; PPO; NFL
FI	PPU
FR	NPO; PPU; NFL
GR	NC
IE	PPU; PPO
IT	PPU; OT
NL	PPU; PPO
NO	PPU; PPO
PL	PPU; PPO
PT	PPU; PPO
RO	PPU; PPO
SE	PPU; PPO

Has the COVID-19 crisis in 2020 had an impact on the perception of e-commerce in your country? (multiple answers possible)

NC - No change

NPU - Negative public perception of e-commerce

NPO - Negative political perception of e-commerce

PPU - Positive public perception of e-commerce

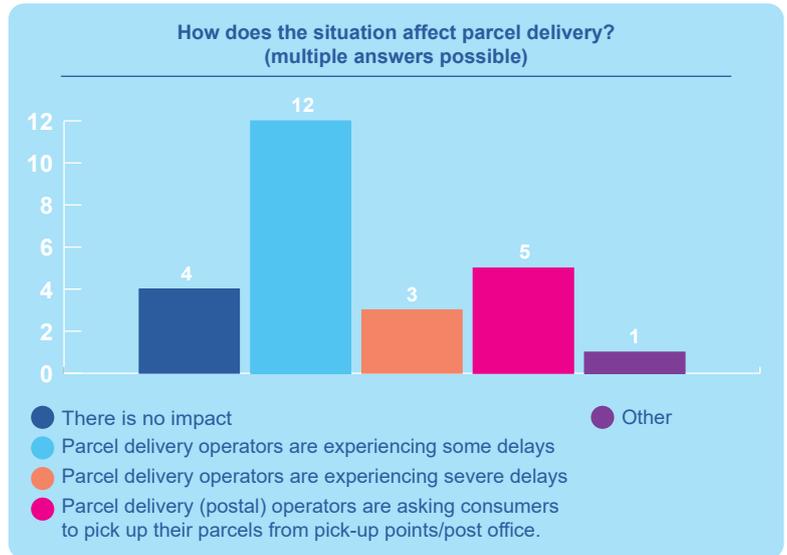
PPO - Positive political perception of e-commerce

NFL - Mainly negative focus on large e-commerce players

OT - Other

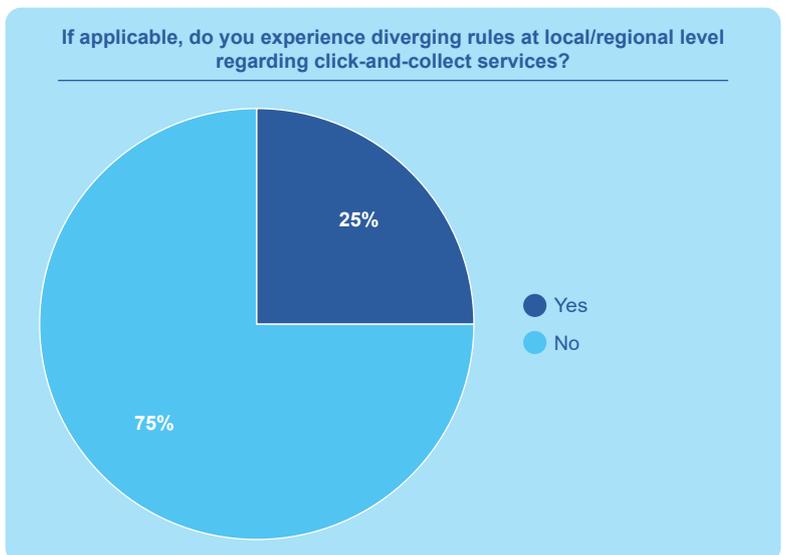
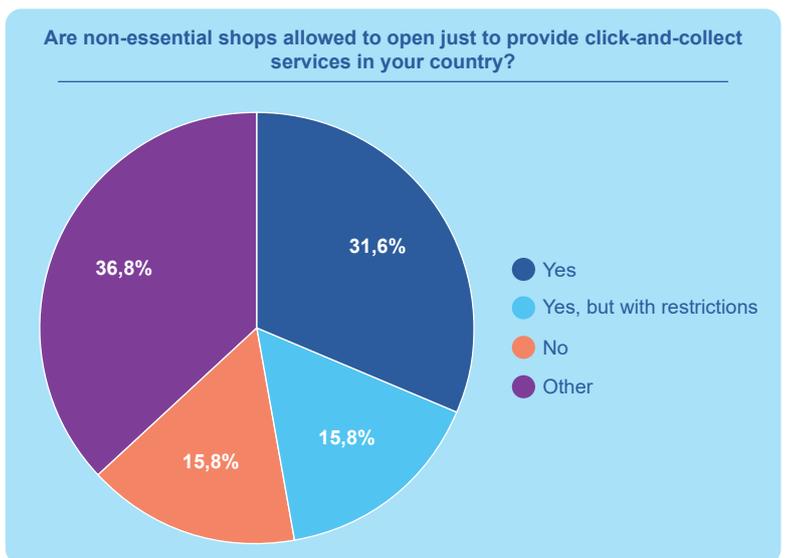
Impact on parcel delivery

The majority of the respondents state that the COVID-19 situation has caused delays for parcel delivery operators, with 4 respondents qualifying the delays as “severe”. Furthermore, 5 respondents report that parcel delivery operators have resorted to asking consumers to pick up their orders from designated pick-up spots. While some respondents state that the parcel delivery delays during the second lockdown were less severe than the ones during the first one, others report that due to the combined effects of strict lockdown measures, a shift in consumer behaviour towards online shopping and the increased demand around the Christmas period, parcel delivery operators had to open extra pick-up points to manage the increased flow of parcels.



Fragmented approach on click-and-collect solutions

The situation in the EU regarding non-essential shops providing click-and-collect services remains rather fragmented, with the service being allowed in some Member States (6), allowed with some restrictions in others (3), or not being allowed at all (3). Furthermore, 4 respondents (Austria, Switzerland, Germany, Spain) evidence that diverging rules are in place on a national level, emphasising the importance of a more harmonised European approach on click-and-collect, to ensure a level playing field within the Single Market.



Country	
AT	Y + R
BE	Y + R
BG	No
CH	Yes
CZ	Other
DE	Other
DK	Y + R
ES	Yes
FI	Other
FR	Yes
GR	Other
IE	Yes
IT	No
NL	Other
NO	Other
PL	Other
PT	No
RO	Yes
SE	Yes

Are non-essential shops allowed to open just to provide click-and-collect services in your country?

Y + R - Yes, but with restrictions

Expected impact of COVID-19 on e-commerce per product category per country

Looking at the impact of the COVID-19 crisis on e-commerce by product categories, respondents note the differences between the demand for products and services. In terms of Leisure³, the majority of respondents note an increase of sales by 30-40% on average. Similarly, in Furnishing⁴, there has been a larger demand in the third quarter of 2020, with the Netherlands and Sweden reporting respectively a 106% and a 73% increase in online sales for that category. The categories Daily needs⁵ and Entertainment⁶ mark an increase in sales in an overwhelming majority of the respondents, similarly to the effects of the first lockdown in the spring. However, looking at the Clothing and shoes category, about half of the respondents report increases, with the clarification that the demand focused mainly on home wear products, while other types of shoes or clothing saw a decrease in demand. The trend for Services, namely travel/online ticket sales, goes in the opposite direction with a significant majority of the respondents stating a decrease of sales between 40% and 70%. This overview demonstrates that while e-commerce is generally considered to be a “winner” during the COVID-19 crisis, the actual situation is more nuanced, with some categories that have indeed increased their sales, while others have suffered sometimes overwhelming losses.

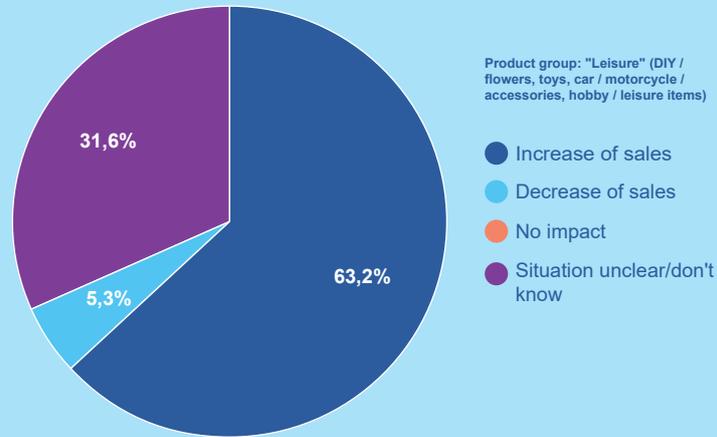
³ DIY / flowers, toys, car / motorcycle / accessories, hobby / leisure items.

⁴ Furniture / lamps / decoration, house / home textiles, household goods / devices.

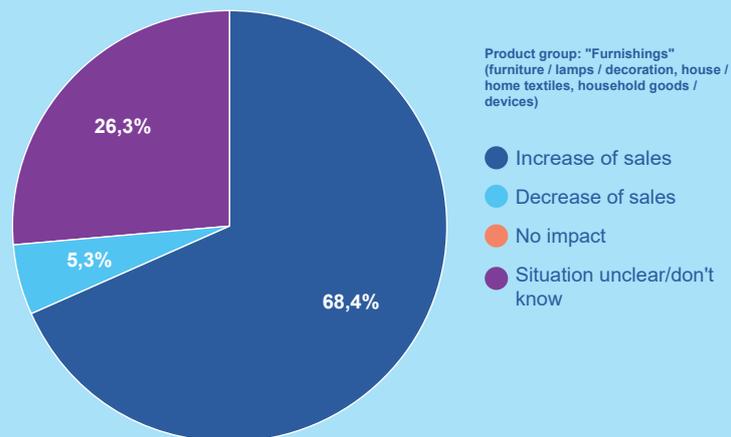
⁵ Food, drugstore, pet supplies.

⁶ Books / e-books / audio books, computers / accessories / games / software incl. downloads, electronic articles / telecommunications.

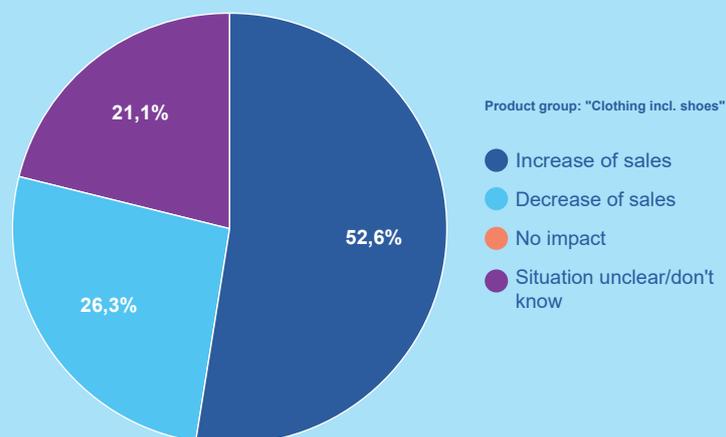
What is the expected impact of COVID-19 on the e-commerce market in your country per product category?



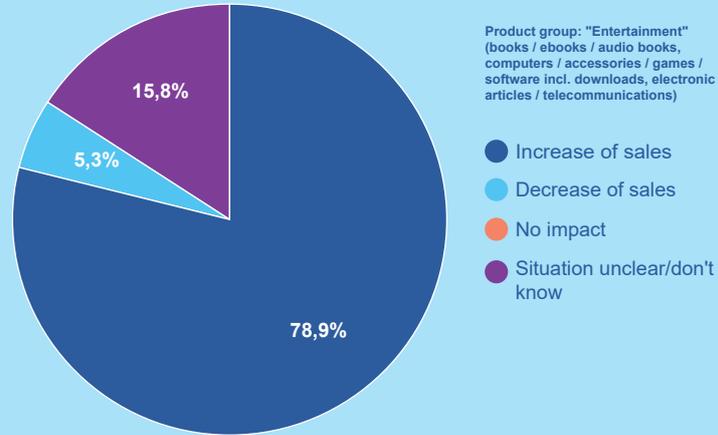
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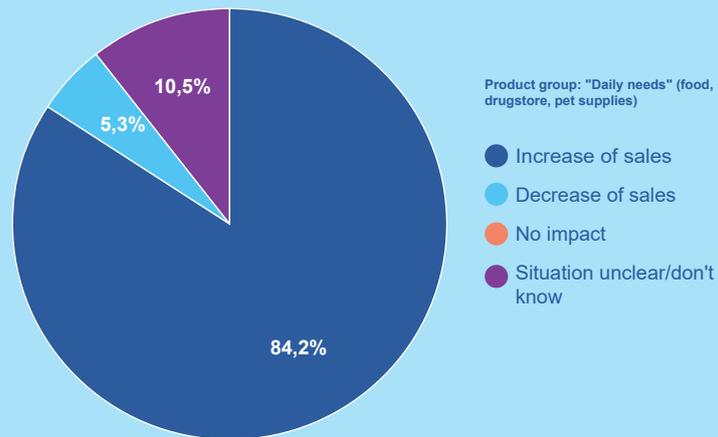
What is the expected impact of COVID-19 on the e-commerce market in your country per product category?



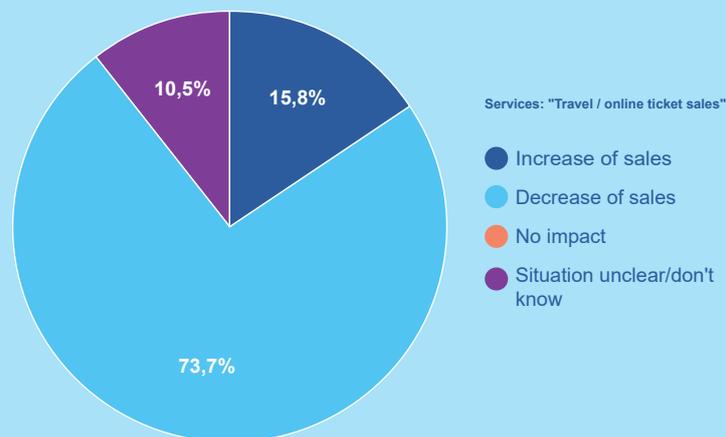
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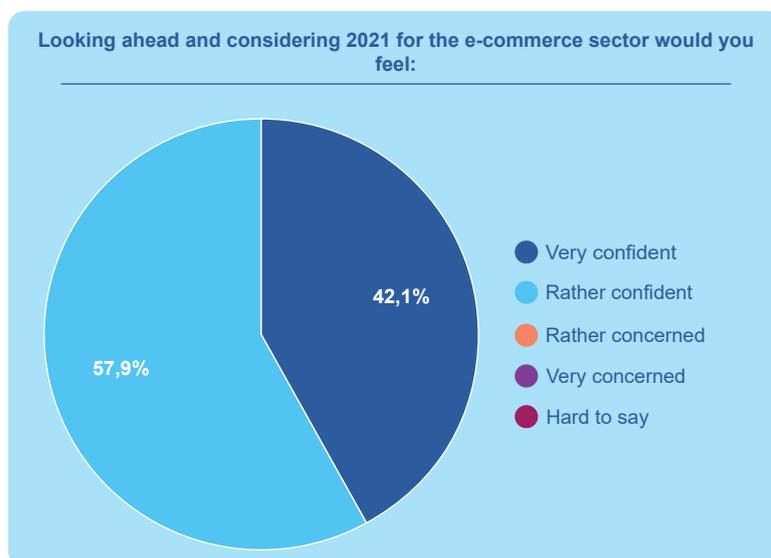


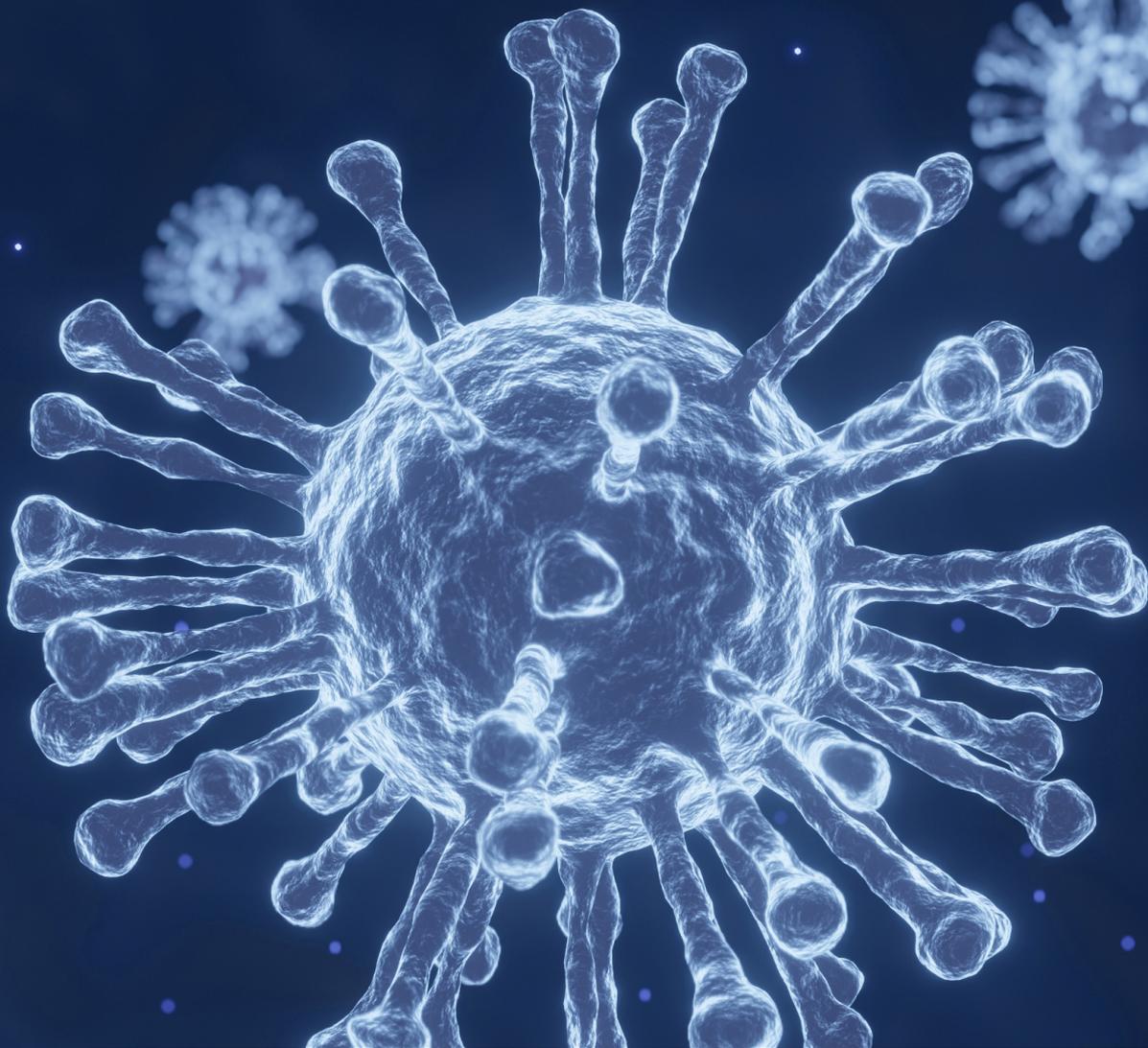
E-commerce growth: estimation 2020

Looking at the changes in product sales online in 2020, all respondents note positive growth, ranging between 5-10% in Poland to 60-75% in Finland. The development in online sales of services, however, is not as positive, with 6 respondents (Norway, Austria, Bulgaria, France, the Netherlands and Italy) reporting decreases compared to 2019, with Norway noting a decrease in the online sale of services as large as 60% compared to 2019. Combining the developments in online sales of products and services for 2020, most of the respondents estimate a growth in e-commerce sales between 44% in Ireland and 4% in the Netherlands. However, Italy and Norway report an overall decrease of respectively 20% and 3% compared to 2019, as a result of the overwhelming decrease of the online sales of services. Therefore, while the e-commerce sector in Europe can demonstrate overall growth in 2020, this trend is not universal and depends on the diverging demand for goods and services during the pandemic.

The expectation of the e-commerce sector towards 2021

The prognosis of all respondents for the development of the e-commerce sector in 2021 is positive, with 11 respondents feeling “very confident” and 8 “rather confident” about the sector’s growth in the upcoming year. Respondents expect that a large part of the growth in the e-commerce sector will be permanent, resulting from increased public trust and changes in consumer behaviour, rather than just a temporary result of the pandemic. While some respondents share concerns about the growth of the sector after the end of the COVID-19 restrictions, the majority estimates definitive growth in the online sale of products in 2021, and possible growth in services, such as travel, provided there is some relaxation of the current measures. Overall, respondents note that the COVID-19 pandemic has accelerated the digitalisation of businesses in Europe and will result in continuous growth for the e-commerce sector, driven by businesses and consumers alike. E-commerce has turned into a lifeline for many traditional brick-and-mortar stores during the pandemic and has also proven resilient by meeting consumers’ increased demand and ensuring the provision of essential goods and services.





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