



CANADA

## 2015 eCommerce Summary

### One Sentence Overview

Though Canada has a sophisticated economy, the eCommerce industry has grown slowly due to fulfillment obstacles.

### Mobile Usage

Over 17% of Canadians make online retail purchases with their mobile devices more than once a week. Millennial consumers (ages 18-34) lead the trend, with 30% of these shoppers purchasing via digital devices at least once a week.

### Omni-channel Presence

Omni-channel fulfillment programs are more popular with large retailers, as smaller Canadian merchants have generally not implemented these initiatives.

### Major Shopping Days

Canada sees a rise in sales around the fourth quarter holidays, most notably Cyber Week.

**Global eCommerce Rank: #8**

**2015 eCommerce Revenue: \$27 billion (↑16%)**

## Population Density



low

high

## Demographics

- **Population:** 36 million
- **Urban population:** 80%
- **GDP:** \$1.6 billion (#10)
- **Average household income:** \$60,000 (C\$79,000)
- **Average age:** 39.9 years
- **Languages:** English (66%), French (21%), Other (13%)

## Why Are Retailers Here?

Due to its strong economy and close proximity to the U.S., retailers aspire to tap into the growing eCommerce market in Canada. For U.S. retailers selling beyond their borders for the first time, Canada offers an easy cross-border expansion opportunity because of its similar taxes, fees, and shipping safety.



## eCommerce Outlook

### Industry Projections

eCommerce sales are projected to increase 48% by 2018, bringing the market total to nearly

**\$40 billion.**

There were over 18 million digital buyers throughout the country in 2015, and by 2018 this amount is expected to increase to 20 million digital buyers.

### Major Holiday

Holiday digital retail sales accounted for over 18% of the total digital retail sales in 2015. Canadian eCommerce orders grew by 46% for Cyber Week sales between the 2014 and 2015 holidays.

## Global Impact

### Cross-border

Canadians shop more abroad than domestically, with 67% of digital shoppers purchasing from other countries. Top cross-border destinations include the U.S. (62% of purchases) and China (19%).

Likely due to its small population size and distance from other nations, Canada is not a popular cross-border shopping destination.

### Payment Methods

Credit cards are preferred as the top payment method (93%), with Interac (the Canadian version of PayPal) being the second option of choice (7%).

## Notable eCommerce Characteristic

**Linguistic Duality** – Easily the most multi-lingual country out of the top 10 eCommerce markets studied, Canada is home to over 200 living languages, two of which (English and French) are listed as the official languages. Approximately 98% of the Canadian population reported that it was able to hold a working conversation in either English or French. This linguistic duality presents an obstacle for retailers, sometimes requiring multilingual customer care and sites in both French and English in order to be successful.

*Sources: Comscore, eMarketer, Global News, Government of Canada, Historica Canada, Knoema, Statistics Canada*