



IMRG: e-Christmas Day 2008: 3.8M people spent £102 M online

London (8nd January): IMRG (Interactive Media in Retail Group) reports that 3.8 million people bought goods online on Christmas Day 2008 and spent a total of £102 million. In the Christmas run-up, online shopping was later, larger and longer than in 2007. (IMRG will issue its Index report for Christmas and 2008 next Wednesday, 14th January)

Online shopping at Christmas was not immune from the economic downturn, and e-retailers had very mixed experiences, but in general trade was larger, later and longer than in 2007 according to the latest research by IMRG, eDigital Research and Secure Trading.

Christmas Day itself is now a favourite online shopping day with consumers and retailers alike. 3.8 million people bought goods online on Christmas Day 2008 and spent a total of £102 million, which is 21% more than last year. This works out as an average of £26.8 per shopper, compared with £19.09 per shopper last year.

E-retailers conducting sales on Christmas Day included Marks & Spencer, John Lewis, Boots, Debenhams, Play.com, MandM Direct and British Airways.

James Roper, CEO at IMRG, says: "Though the number of people shopping on Christmas Day was 14% lower than in 2007, the volume of transactions was 26% higher, and the value rose by 21%, indicating that serious bargain hunting was the order of the day."

Traffic to retail websites during the run-up to Christmas 2008 was higher than the 2007 level, but transaction volumes rose even more sharply – up 9% in November and 28% in December, according to Secure Trading. Ticket values were down, however, indicating that more people were buying but lower value items.

This is supported by online digital research experts eDigitalResearch, which highlighted that aggressive sale tactics from online retailers in the run up to Christmas saw people monitoring sites for the best deals, with traffic up from 2007 on the 22nd, 23rd and 24th Dec. However, traffic leapt by almost 100% between Christmas Day and Boxing Day, which was the busiest single day for online retailers in 2008. "The traffic online during Christmas was heavily affected by the sales starting early this year," comments Director at eDigitalResearch, Chris Russell. "We noticed that most traditional retailers commenced online sales when stores closed on Christmas Eve, with pure play retailers starting after last delivery day deadlines were reached. This means that the increased purchases on Christmas Day and the huge surge in traffic on Boxing Day could have been as a result of this."

Jon Prideaux, of the payments company SecureTrading, explains: "More people are spending but they're spending less and they hung on later before getting out their cards. Normally, November is our biggest month; however this year Christmas sales came, but later: in 2007 there was a 2% drop from November to December as people finished their shopping in good time. This year we saw a 15% rise. In the week of Christmas itself, people went crazy with an increase of a 91% in the number of transactions processed – values were up by three quarters. But the recession is still a factor with transaction values are steadily dropping throughout the year. The average purchase size reduced in comparison to the previous year: from an average spend of £92 (2007: £94) in August, we hit a low of £77 (2007: £83) in December."

Chris Russell adds: "The underlying message that runs through these results is continuing consumer confidence in the online channel which has remained robust throughout the festive period. We expect to see this continue with the online retail channel at the forefront of aggressive sales activity during 2009. No doubt the consumer will continue to respond to these aggressive tactics and search out the bargains."

See below is a roundup of e-retail reports over the Christmas period.

About IMRG: IMRG (Interactive Media in Retail Group), founded in 1990, is the industry body serving e-retail: www.imrg.org

About SecureTrading: SecureTrading, established in 1997, is the UK's leading independent payment services provider (PSP): www.securetrading.com

About eDigitalResearch: eDigitalResearch, established in 1999, is a leading digital technology market research firm: www.edigitalresearch.com

Media Enquires:

IMRG	SecureTrading	eDigitalResearch
James Roper	Lizzie Woolley	Vicky Wilson
Tel: +44 (0) 780 222 5888	Tel: +44 (0) 7881 923530	Tel: +44 (0) 2380 215380
Email: james@imrg.org	Email: lizzie@westonpartnership.co.uk	Email: vicky@merchantmarketinggroup.com
Web: www.imrg.org	Web: www.securetrading.com	Web: www.edigitalresearch.com

Below is a roundup of e-retail reports over the Christmas period.

Sales at Debenhams Direct increased by 37.4% in the 12 weeks to 3 January and the retailer revealed the number of visitors to its web site also increased by 39.2%. However, total sales at Debenhams were down 3.5% year-on-year.

Entertainment e-retailer Play.com revealed sales during the festive season rose 24% and said its peak trading day was 8 December when it processed 1,000 orders per minute, up from 700 on its peak trading day the previous year.

Department store group John Lewis said it had its busiest ever hour online on Christmas Eve as it began a clearance sale on its web site. The retailer also said it had two record-breaking weeks online during December.

Fashion retailer New Look, which launched its transactional web site last year, reported 1.1 million visitors to its web site in the peak week before Christmas.

Aldi saw a 78% rise in web site traffic on Boxing Day compared to Boxing Day 2007.

Amazon.com said on December 26th that it had its best- ever holiday sales.

British Airways saw a 10% jump in the number of bookings taken online over the previous year on Christmas Day.

The Co-op's online electrical business, The Co-operative E-store, reported like for like sales for the two weeks before Christmas up 20%, while Christmas week sales were up 32%. Top sellers were TVs, food processors and coffee makers.

Domino's Pizza said online sales were up 56.2% in the 13 weeks to 28 December, while over the last year web sales soared by 73.7% to £55.9 million. This is higher than the previous year's total online sales growth of 60.5% when sales hit £32.2 million.

eBay was the most popular retail site in terms of Boxing Day visits, with a 10.5% share of UK traffic, according to Hitwise — suggesting a lot of online activity centred around selling unwanted gifts.

John Lewis reported it had two record-breaking weeks online during December and its busiest ever hour online on Christmas Eve as it began a clearance sale on its web site. The retailer saw traffic on Christmas Day up 12 times over one year ago. John Lewis began its sale online at 6pm on Christmas Eve and recorded its busiest ever online takings between 7pm and 8pm that evening.

Marks and Spencer revealed its online sales were up 29% in the 13 weeks to 27 December. However, the retailer reported one of its worst Christmas trading periods, with UK like-for-like sales down 7.1%. M&S plans to close 27 shops (25 underperforming Simply Food stores and two small chain stores), with the loss of around 780 jobs and a further loss off up to 450 jobs at its head office.

Next reported total year-on-year catalogue and online sales were up just 1.1% in the 21 weeks to 24th December. Total retail sales were down 3% for the period, however, and like-for-like store sales decreased by 7%.

Ocado reported its best ever festive season with sales up 25% in the four weeks to 3 January. During the week before Christmas its online sales soared 97% year-on-year. The retailer, which is 29% owned by John Lewis, also revealed it had record-breaking sales of over £2 million on the Sunday, Monday and Tuesday before Christmas.

At PC World, Currys and Dixons an increase of 30% to 40% in visitors was recorded on Christmas morning with visitor numbers peaking between 1am and 5am.

High street retailers with a web store got 68% more internet traffic than their online-only rivals during the Christmas period, according to Experian. The boost for bricks and clicks retailers was due to shoppers researching products online before going on to make purchases on the high street, Experian said. The news comes against a background of a drop in high street footfall of 3.1 per cent in December, the company said.

The top ten internet searches containing the word sale for the week ending 27 December included "next sale", "debenhams sale" and "currys sale".

More people in the UK were using Google and Facebook on Christmas Day than watching the Queen's speech, according to broadband firm Plusnet. The company reported that traffic to Facebook grew steadily between 2pm and 3pm on Christmas Day 2008, the hour before the Queen appeared on television. Facebook was the second most popular site on that day, behind Google, while online retail sites were also popular.

According to research by PricewaterhouseCoopers, 82% of 100 high street retailers either launched sales or other promotions such as 3 for 2 offers in the run up to Christmas.

Hitwise said that Boxing Day was the busiest single day in 2008 for online retailers but traffic was actually down by 4.9% on the same day in 2007. Traffic to retail sites leapt 22% between 25 December and 26 December 2008, Hitwise said.

US e-retail sales for the period between Nov. 1 and Dec. 23 totalled \$25.5 billion, down 3% compared to \$26.3 billion for the same period last year, according to comScore.

A YouGov survey from Shopping.com found that 14% of shoppers waited until after Christmas to buy presents this year.

ENDS