



eCommerce Market Report

Shipping Companies Ireland and UK

salesOptimize

B2B eCommerce lead generation



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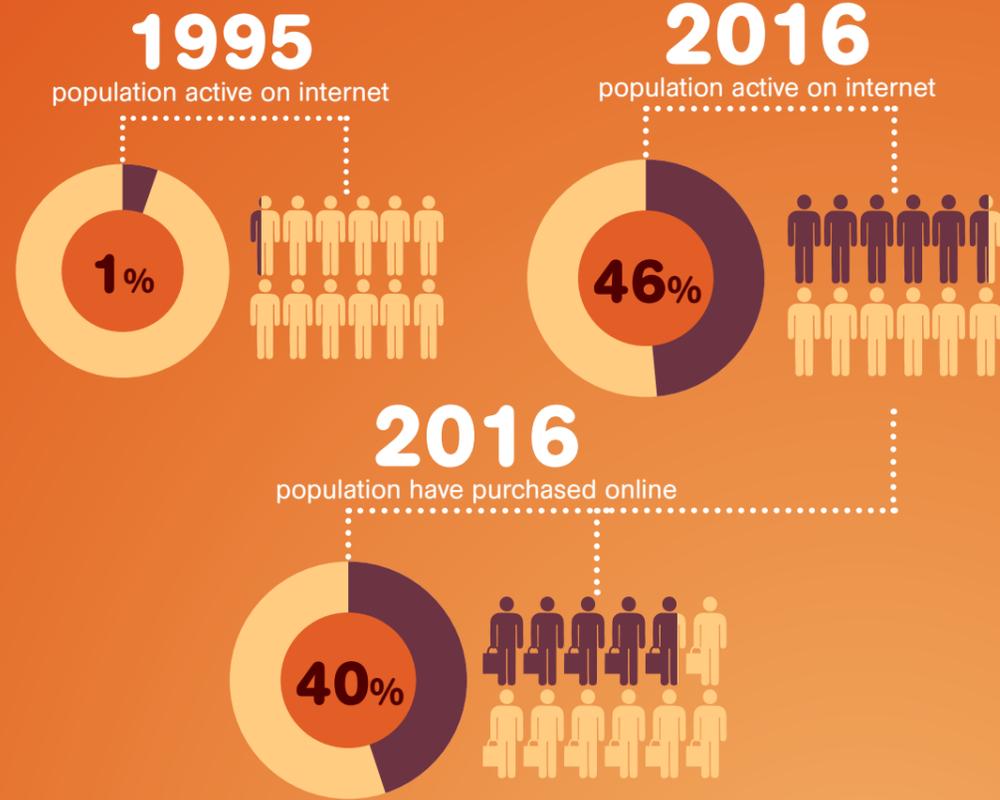
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eCommerce Market Report World Internet Users



eCommerce Landscape Ireland & UK

Ireland

population aged 15+ **3.6M** internet users **3.0M (82%)**

UK

population aged 15+ **53.6M** internet users **49.8M (93%)**

Shipping Analysis Ireland & UK

Ireland

eCommerce websites analysed **10,796**
Websites shipping products **77%**
Parcels shipped **100M +**
Online shoppers **1.9M**

UK

eCommerce websites analysed **172,483**
Websites shipping products **85%**
Parcels shipped **1B+**
Online shoppers **43.4M**



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Using deep web analytics to identify eCommerce merchants

Sources:
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CEO Welcome

Hello,

I'm Liz Fulham, CEO and Co-founder of SalesOptimize, and I want to tell you a little about what we do before we dive straight into the report.



SalesOptimize is a new deep web analytics search engine that sizes the market opportunity for B2B companies selling to online retailers.

Over the last 35 years there has been great innovation on CRM and, more recently, marketing automation but very little innovation on lead generation. Today, only 7% of online retailers are easily identified using Google, Bing, Yahoo and other search engines. With our revolutionary lead generation technology we can show you the other 93% along with crucial company information. Businesses can now access a database of over 1.7 million fully scored and enriched eCommerce merchant sales leads. These leads can also be exported directly to Salesforce and other CRMs.

For the first time ever, SalesOptimize can also list a significant number of shipping companies' customers.

I am delighted to bring this report to the market where our analysts have completed a major review of UK and Irish eCommerce market. To date we have analysed over 182k sites in the UK and Ireland (172,483 eCommerce sites in the UK and 10,796 eCommerce sites in Ireland).

We enjoyed making this report which will be the first of many to come and I hope you find it as interesting and insightful as I did. As we improve our scanning logic, we will be able to bring you more advanced business intelligence on market trends and the low down on the movers and shakers.

Warm regards,

Elizabeth Fulham

Liz Fulham - CEO and Co-founder

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The World Wide Web

There are currently more than one billion websites on the Internet. In 1995, the total number of Internet users was less than 1% of the world's population. This year, that number hit 3.4 billion (roughly 46% of the world's population). This is supported by further research claiming that by 2017, there will be more internet traffic than all prior internet years combined. Suffice to say, the Internet has experienced exponential growth in the last numbers of years. The same can be said for eCommerce, considering that over 40% of the world's population has made at least one purchase online.

European B2C eCommerce

The European B2C eCommerce market will break the €500 billion barrier in turnover this year. While growth is slowing down in major markets such as the UK, Germany and France, there is rapid growth in other countries such as Southern and Eastern Europe. The UK market has a turnover of €157 billion and is ranked number one in Europe, while Ireland is ranked 17th but experiencing double digit growth.

Ireland vs UK eCommerce Landscape

The UK eCommerce market has more than doubled in the last 5 years, yet only 9.5% of retail goods are purchased online – over 90% are purchased on the high street. Despite this, the eCommerce market is only expected to grow, as more Europeans are shopping online, and on a more regular basis.

	IRELAND	UK
Population aged 15+	3.6M	53.6M
Internet users	3.0M (82%)	49.8M (93%)
eShoppers	1.9M (52%)	43.4M (81%)
Total Online Sales of goods and services	€5.9B+	€157B +
European Rank	17	1

Source: Ecommerce Foundation, www.ecommercefoundation.org/reports

Online Shipping

The technology at SalesOptimize (a revolutionary eCommerce search engine) scans the internet to identify eCommerce websites. Using deep web analytics, we identify whether a site is shipping products or selling a service. Where an eCommerce site is shipping a product, we can further see which shipping company they are using (where this is declared). It is estimated that over 4.2 billion parcels were delivered in Europe last year. As eCommerce grows, the skies above our head will become even busier. SalesOptimize can also reveal a list of your competitors' customers. Please note the market share percentages in the tables below are based on the number of websites using specific shipping company services. They are not based on volume of shipments.

i) Shipping Product

eCommerce merchants who ship products take up the majority position in the UK and Ireland. However, there are also thousands of websites that accept payments and provide digital goods, such as: gaming sites, music downloads, phone unlocking, video channel subscriptions, and more.

IS SHIPPING PRODUCT				
	IRELAND		UK	
eCommerce sites analyzed	10,796	100%	172,483	100%
Has Shipping	8,335	77%	146,738	85%



ii) Shipping Loyalty Index

Shipping is a very competitive market. In the UK, only 22% of online retailers are loyal to one shipping company. In Ireland, it's smaller again at 19%. This is partly due to national postal companies offering low shipping costs within short shipping time frames. However, for international shipping, many retailers look to DPD, DHL, GLS, FedEx, UPS and other companies to ship their products abroad.

iii) Free Shipping

Free shipping continues to be a top incentive for consumers, with 8 out of 10 reporting that free shipping would encourage them to shop online more often. This number has steadily increased over the past 2 years and has become significantly more influential than other logistical considerations.

However, many online retailers are still not offering this service. This is especially a challenge for smaller businesses where there are tight margins and the average selling price can be small. It makes it harder for them to absorb the costs.

Let's look at a case example: www.xpatfood.com. The average order on this site is €50, however the shipping cost is at least 30% of the value of the shipment. In this case, free shipping is available where the order exceeds a certain value. Setting a minimum order amount to qualify for free shipping has become a common rule among many retailers. Arguably this is not a preferred option by consumers, as they would prefer free shipping on all orders.

LOYAL TO ONE SHIPPING COMPANY

	IRELAND		UK	
eCommerce sites analyzed	8,335	100%	146,738	100%
Loyal to One Shipping	1,554	19%	32,528	22%

OFFERS FREE SHIPPING

	IRELAND		UK	
eCommerce sites analyzed	8,335	100%	146,738	100%
Has Free Shipping	2,986	36%	49,353	34%



iv) Worldwide Shipping

Only 22% of UK and 20% of Irish online retailers (shipping goods) quote international shipping as a service. This means that many Internet retailers are missing out on the worldwide eCommerce market worth over \$1.9 trillion dollars annually.

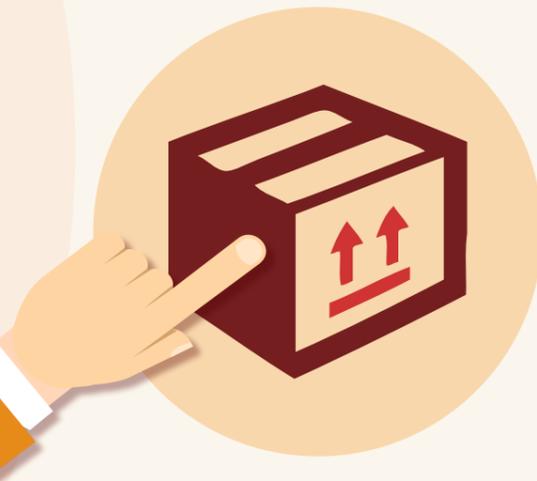
In a world of continuous change there are likely to be more border controls and paper work for retailers and shipping companies to complete.

WORLD WIDE SHIPPING %

	IRELAND		UK	
	Count	%	Count	%
eCommerce sites analyzed	8,335	100%	146,738	100%
Has International Shipping	1,650	20%	32,862	22%

v) UK Market – Who is Winning?

According to independent research, online shoppers voted Royal Mail as their most trusted delivery brand of 2015. This is supported by our research, which shows Royal Mail as the clear market leader. Parcelforce is following at 7.55%, with a long line of other shipping providers trailing behind.



SHIPPING COMPANY	PERCENTAGE
Royal mail	45.26%
Parcelforce	7.55%
DHL	6.04%
DPD	5.40%
FedEx	5.26%
UPS	3.82%
MyHermes	3.63%
TNT	3.45%
Interlinkdirect	3.36%
UK Mail	2.28%
Panther	2.00%
APC Overnight	1.83%
USPS	1.19%
Citi Link	1.10%
GLS	1.03%
Yodel	0.82%
UK Express Delivery	0.62%
International Express	0.45%
Collect+	0.44%

vi) UK – Who is Winning the Biggest Merchants?

In analysing the top UK websites that are doing over \$1 million in online volume, Royal Mail continues to hold top position. However, Parcelforce slips down the table to fifth position and DPD jumps up to second.

SHIPPING COMPANY	PERCENTAGE
Royal Mail	36.91%
DPD	12.44%
DHL	7.46%
FedEx	6.05%
Parcelforce	6.01%
MyHermes	4.92%
Interlink Direct	3.65%
UPS	2.62%
TNT	2.47%
Panther	2.33%

vii) Irish Market – Who is Winning?

Similar to the UK market, Ireland's national shipping company is claiming pole position with strong consumer and business confidence in their service.

SHIPPING COMPANY	PERCENTAGE
An Post	30.96%
Fastway	11.92%
DPD	10.18%
FedEx	7.60%
Royal Mail	7.51%
DHL	6.20%
GLS	6.17%
UPS	5.90%
Nightline/ Parcel Motel	2.57%
TNT	1.80%



viii) Ireland – Who is Winning the Biggest Merchants?

An Post continues to be the most popular choice for the top online stores in Ireland, followed by UPS. Part of the success for An Post is winning the retailers when they commence trading, providing good on board service at a competitive pricing, notably to the UK.

SHIPPING COMPANY	PERCENTAGE
An Post	20.61%
UPS	11.82%
FedEx	10.61%
DPD	10.30%
Fastway	7.88%
Royal Mail	6.36%
DHL	5.45%
Nightline / Parcel Motel	3.94%
MyHermes	3.33%
TNT	1.82%

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<http://bizplus.ie/wp-content/uploads/2016/03/Parcel-Delivery-2015.pdf>

Summary

With the eCommerce market growing at a phenomenal rate, the opportunities for shipping and delivery companies are greater than ever before despite the highly competitive market.

If free shipping is one of the main drivers to encourage more shoppers to spend online then eCommerce merchants must offer free shipping as a given to be able to compete in this space. This in turn will help drive the figure of 9.5% (of retail goods purchased online today) up much more in a market that has more than doubled in the last 5 years.

International shipping connects businesses with the \$1.9 trillion dollar market of eCommerce and with only 22% of UK and 20% of Irish merchants in this space it is an area that needs to be addressed for market growth.

For businesses looking to scale those making strategic decisions around who they target and where they ship can make key differences in their market positioning and, ultimately, their bottom line. And for shipping companies, it's clear that there are no loyalties among online retailers. But in this growth phase there may be an opportunity to try a number of different growth strategies until you get the right one that will bring you to No 1 in your preferred rankings. The rapid rate of change leads to exciting times ahead.

About SalesOptimize

SalesOptimize is a market sizing & lead generation search engine driven by web crawler technology and big data analytics. We generate sales leads for any company who sells their product or service to online stores.

Using proprietary algorithms, we scan the internet and have identified 1.7 million online stores in over 20 countries.

This SaaS tool helps businesses size their eCommerce market opportunity and drill right down to identify crucial company intelligence on each sales lead. All leads can be exported directly to Salesforce and Close.io CRMs.

Try it for free

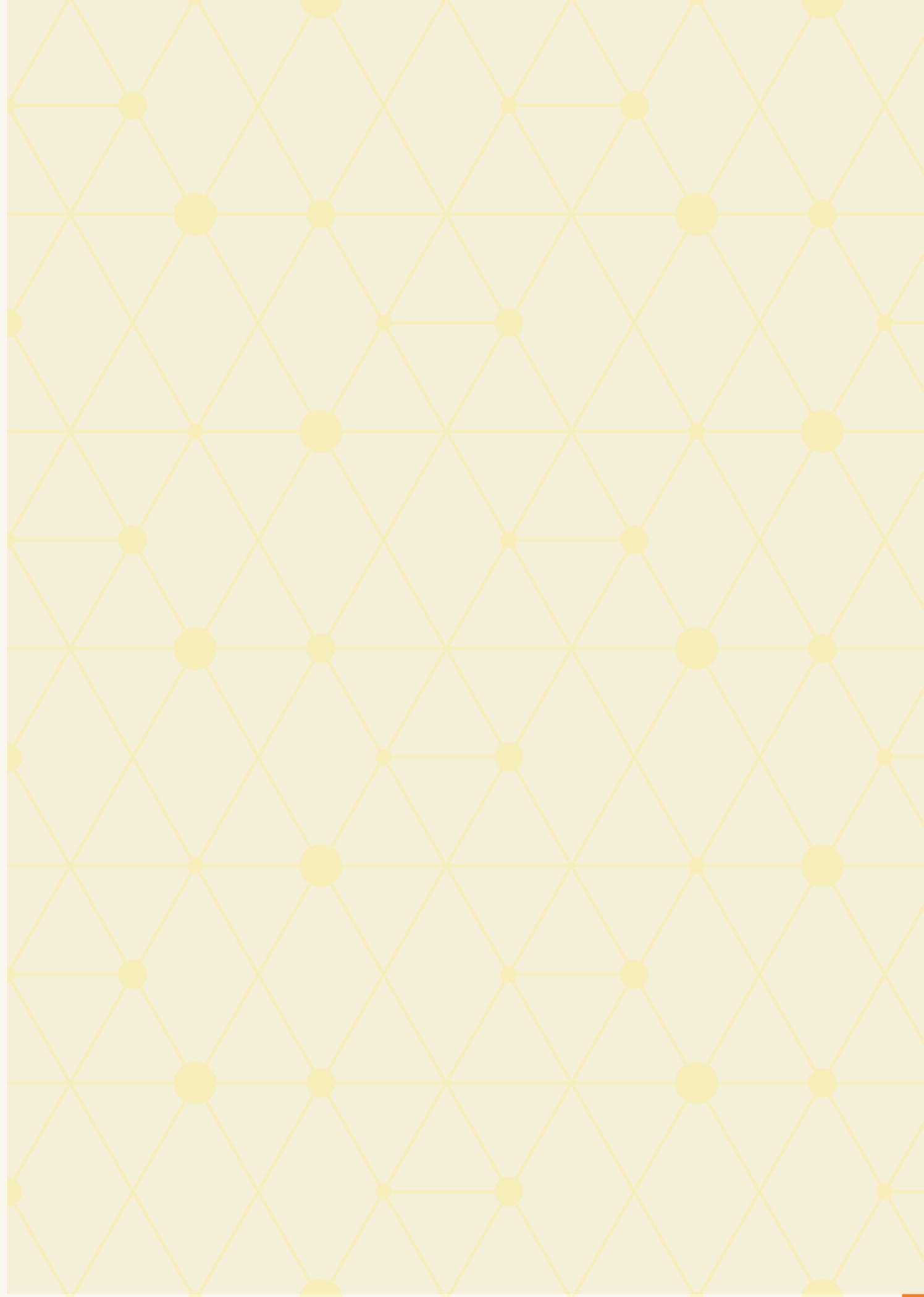
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Try it for free at www.salesoptimize.com/trial

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