

E-commerce in Catalonia

November 2020

Sector Snapshot

E-commerce in Catalonia: Sector Snapshot

ACCIÓ
Government of Catalonia



All content of this document is available under a Creative Commons license. Except otherwise noted, the reproduction, distribution and public communication is permitted provided you give appropriate credit, do not use the material for commercial purposes and do not distribute derivative works, according to these terms: <https://creativecommons.org/licenses/by-nc-nd/4.0/>

The use of trademarks in this document is for informative purposes only. Trademarks mentioned in this document are the registered trademarks of the companies, organizations or entities to which they belong and are not owned by ACCIÓ. This is a partial and illustrative representation, however, there may exist other companies, organizations or entities that have not been included in the study.

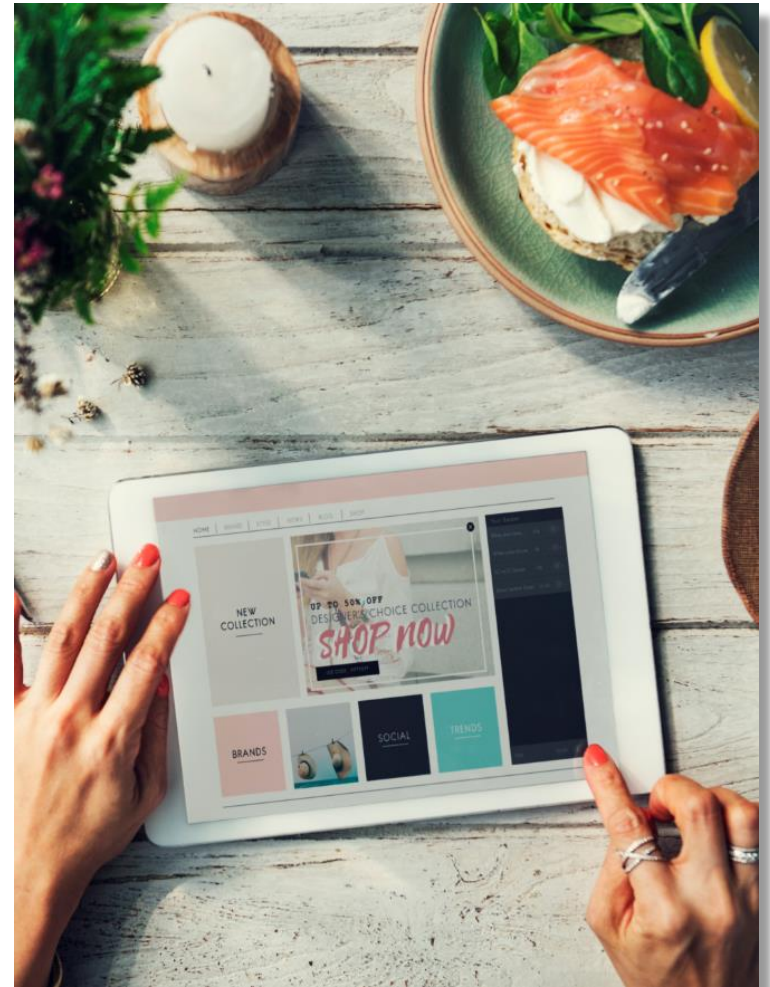
Author
ACCIÓ Strategy and Competitive Intelligence Unit

Collaboration
Barcelona Tech City

Barcelona, November 2020

Index

- 1. Global e-commerce sector**
- 2. E-commerce sector in Spain**
- 3. E-commerce in Catalonia**
- 4. Catalan e-commerce ecosystem**
- 5. Catalonia, an unbeatable last mile logistic crossroads to drive e-commerce**
- 6. Global e-commerce trends**



1. Global e-commerce sector



E-commerce description

E-commerce refers to commercial transactions involving the sale or purchase of goods or services, conducted over online networks by methods specifically designed for the purpose of receiving or placing of orders.

Categories of e-commerce:

Business to consumer (B2C)



Business to business (B2B)



Business to government (B2G)



Consumer to consumer (C2C)



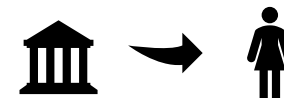
Consumer to business (C2B)



Government to business (G2B)



Government to consumer (G2C)



Source: ACCIÓ based on OECD and *E-commerce Guide*

The global e-commerce sector

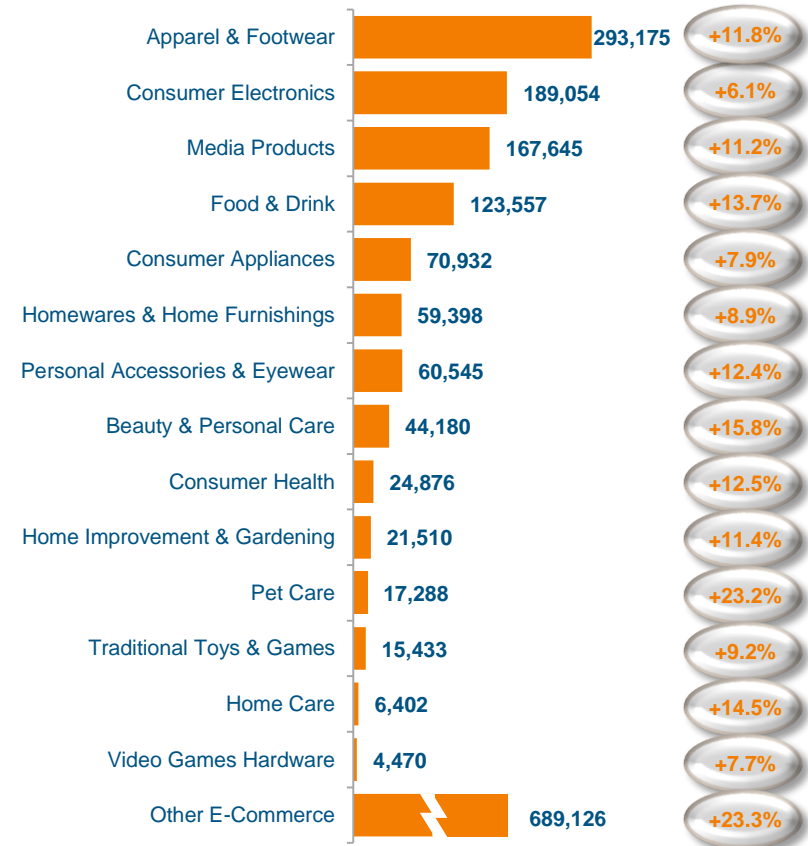
Market size and evolution

(2019)

- Revenue in the global e-commerce market amounts to **€1,787,500 M** in 2019, increasing **+19,1%** over the previous year, and doubling its value since 2015 (+109% increase).
- It is expected to show an annual growth rate (CAGR 2019-2024) of **14.4%**, resulting in **€3,498,833 M** in 2024 (+96% increase).



Sales of Global e-commerce by Product Category
(Retail Value RSP excl Sales Tax - € million 2019; % vs 2018)



Source: ACCIÓ based on Euromonitor 2019

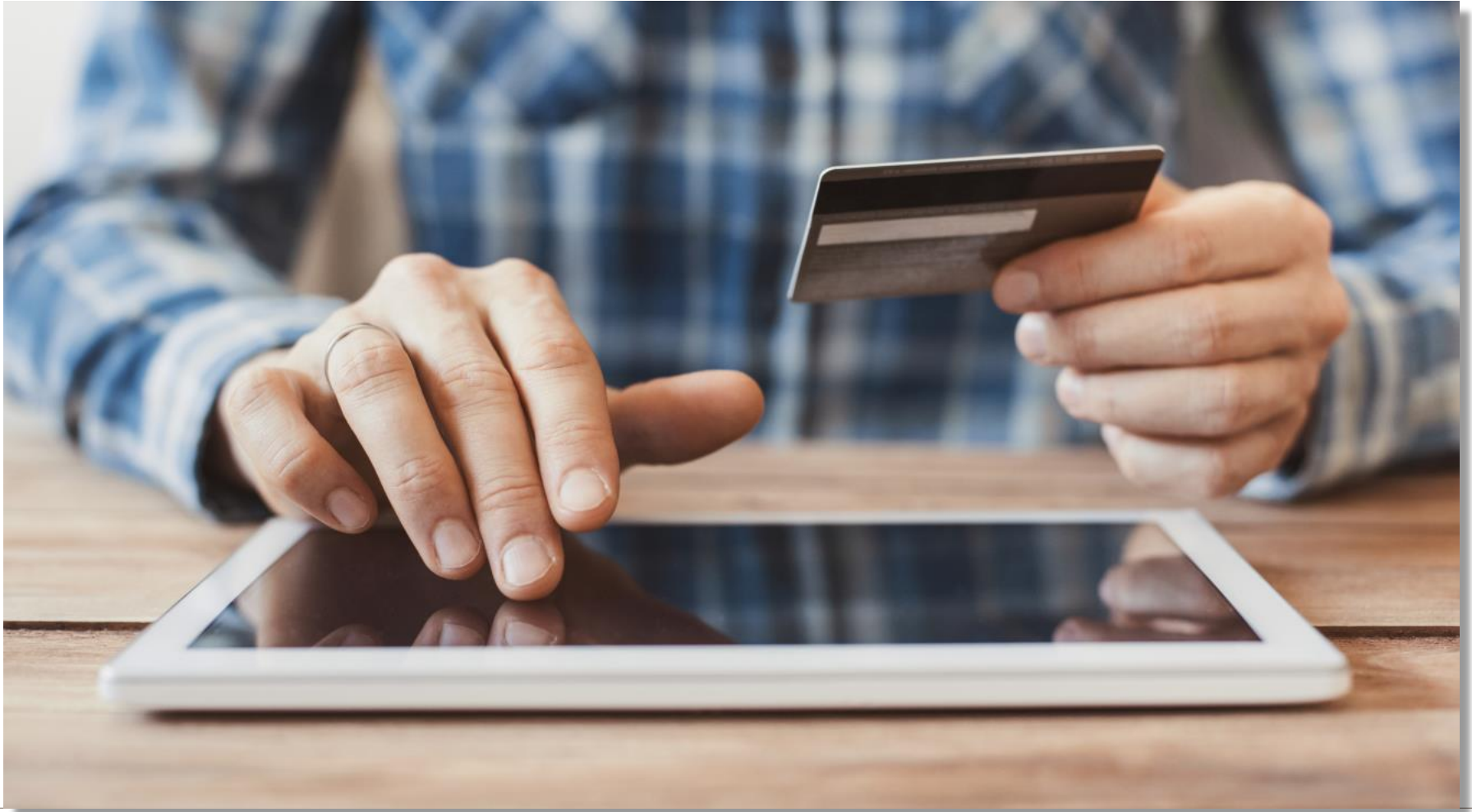
China and USA are the big e-commerce markets

Main global e-commerce countries and players by turnover
(in € billion 2019)



Source: ACCIÓ based on Euromonitor 2019

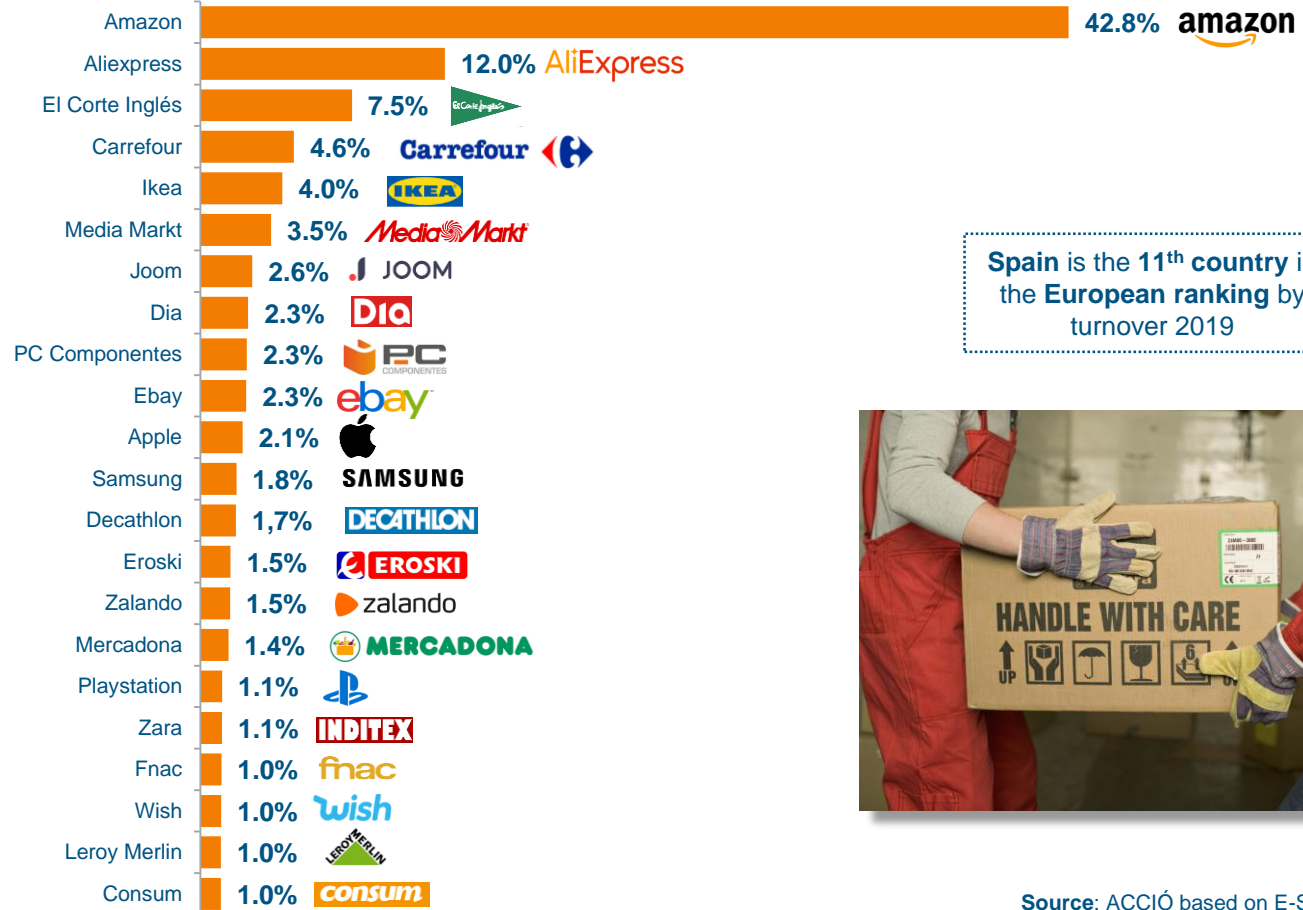
2. E-commerce sector in Spain



Amazon dominates the Spain e-commerce sector

Top 22 e-commerce companies market shares in Spain

(% of Top 22 total turnover 2019)



Spain is the 11th country in the European ranking by turnover 2019



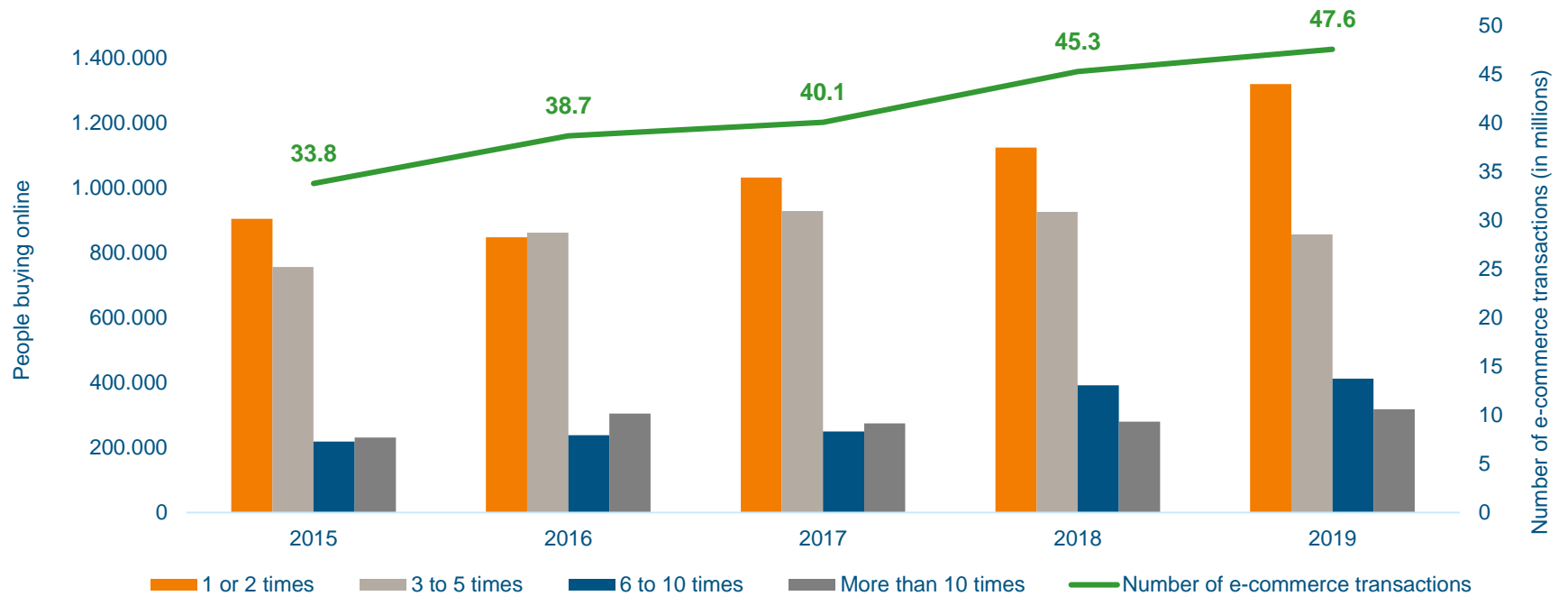
Source: ACCIÓ based on E-Show Magazine TOP300Guide

3. E-commerce in Catalonia



E-commerce transactions in Catalonia hit 48M in 2019, up 41% since 2015

E-commerce transactions in Catalonia, 2015-2019



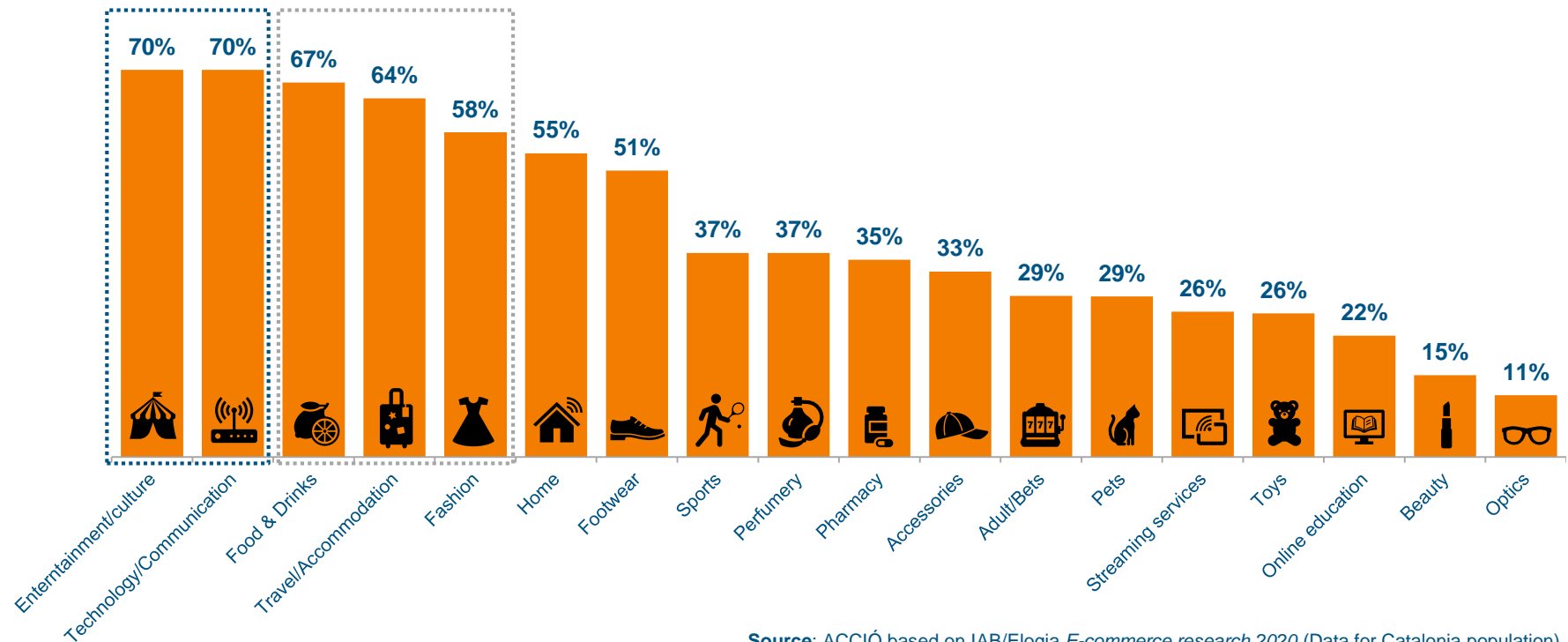
Source: ACCIÓ based on CIMALSA, Department of Territory and Sustainability - Government of Catalonia and Institut Cerdà, Logistics Observatory - Competitiveness indicators of the Catalan Logistics System 2020.

Main online purchasing sectors in Catalonia

Leisure (Entertainment, Culture, Travel, Accommodation), Technology, Food&Drinks and Fashion are the main online shopping sectors in Catalonia in 2020.

E-commerce product category penetration in Catalonia 2020

(% of products/services bought online in the last 12 months by Catalan population)



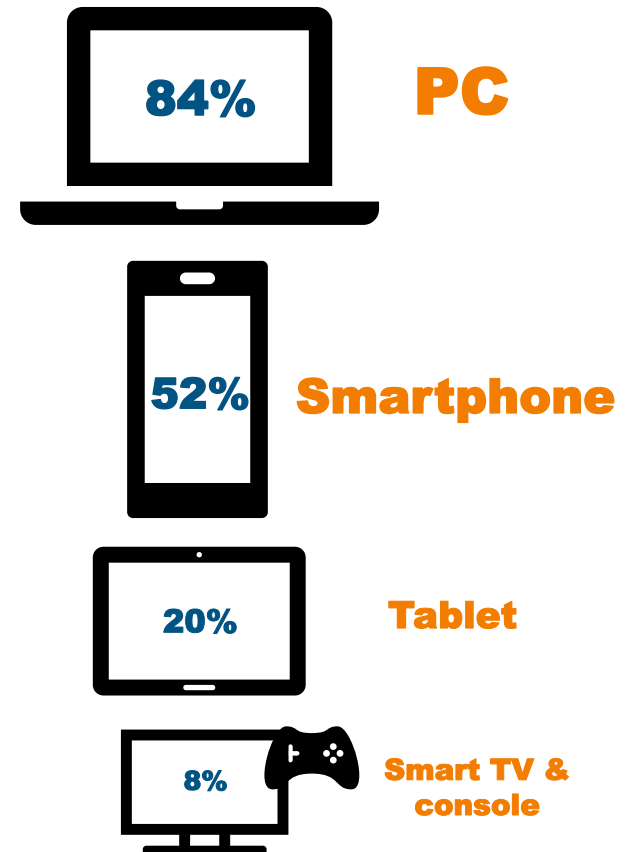
Source: ACCIÓ based on IAB/Elogia E-commerce research 2020 (Data for Catalonia population)

Convenience, offer and price are the main Catalan e-commerce drivers

Online purchase drivers 2020
(% T2B Catalan online purchase motivators)



Online shopping devices 2020
(% Catalan respondents)

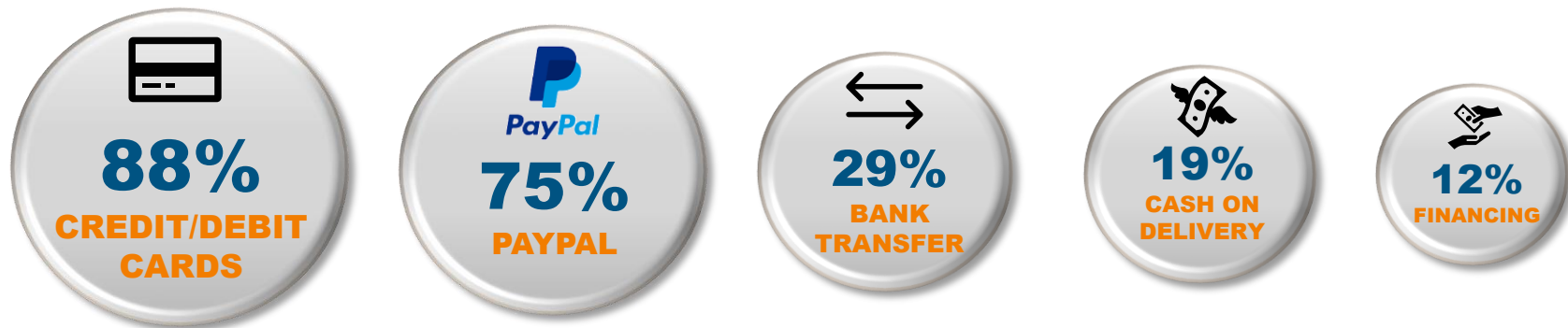


Source: ACCIÓ based on IAB/Elogia E-commerce research 2020 (Data for Catalonia population)

Credit and debit cards are the most used e-commerce payment methods in Catalonia

The most used payment method in e-commerce in Catalonia are *Credit/Debit Cards*, followed by *PayPal* and *Bank Transfer*.

Most used payment methods in e-commerce platforms in Catalonia 2020
(% Catalan e-commerce companies)



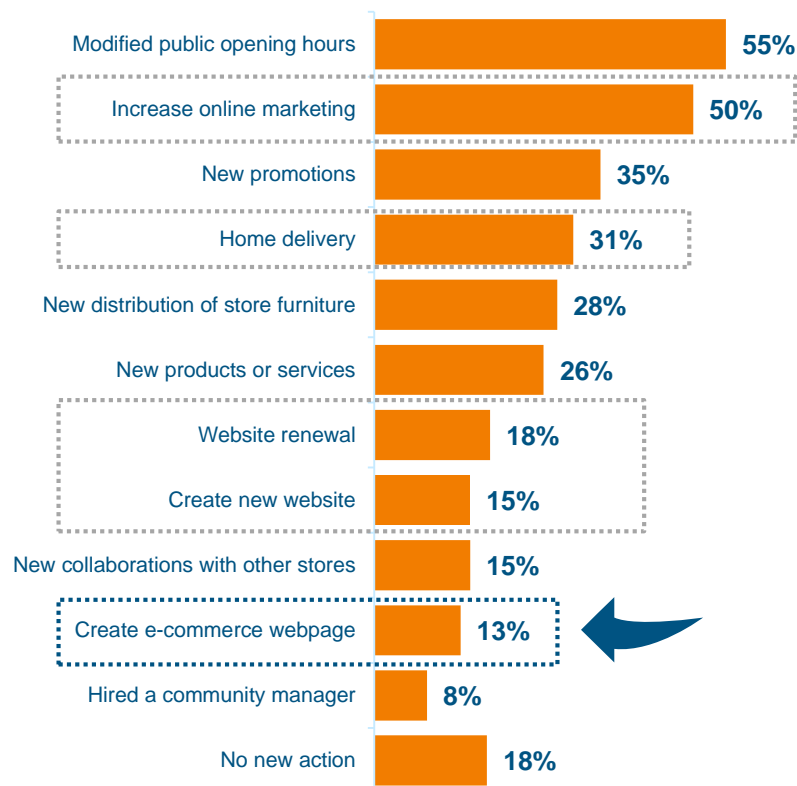
Source: ACCIÓ based on IAB/Elogia E-commerce research 2020 (Data for Catalonia population)

COVID-19 also drives e-commerce in Catalonia...

13% of Catalan companies have introduced e-commerce over June-August 2020, and 10% will introduce it before Christmas 2020. Home delivery and other digital actions are also booming (new or updated website and online marketing).

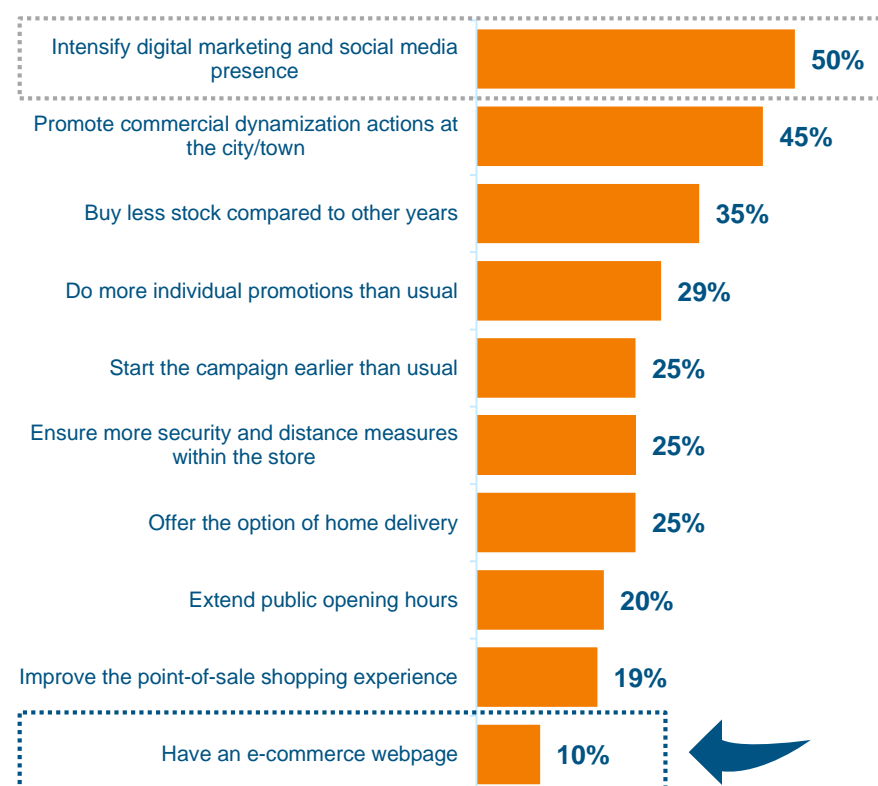
Implemented actions June-August 2020

(% of Catalan companies)



Planned actions for Christmas campaign 2020

(% of Catalan companies)

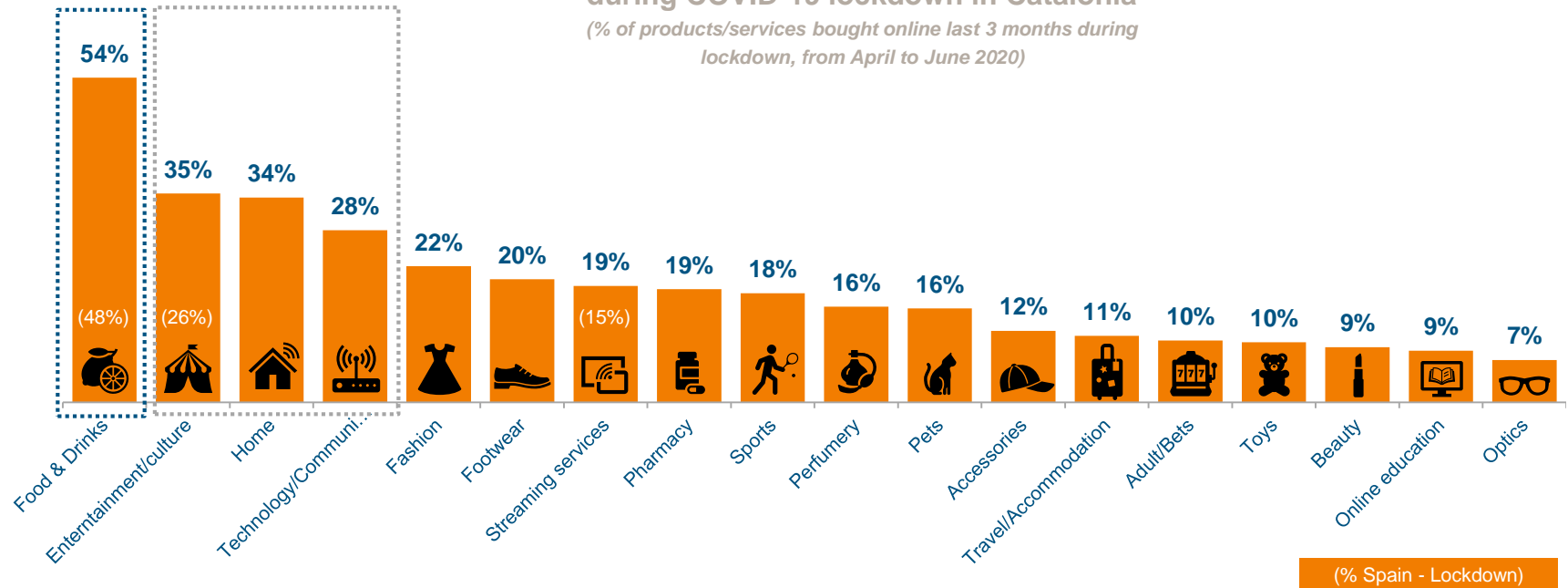


Source: ACCIÓ based on J3B3 economy & research *Impact of Coronavirus on Catalan trade: results of the tenth wave of surveys, September 1st to 26th 2020*

Most purchased categories during lockdown in Catalonia

Compared to Spain, during lockdown Catalans have purchased more products online, especially Entertainment/Culture, Food&Drinks and Streaming services.

E-commerce product category penetration during COVID-19 lockdown in Catalonia
 (% of products/services bought online last 3 months during lockdown, from April to June 2020)

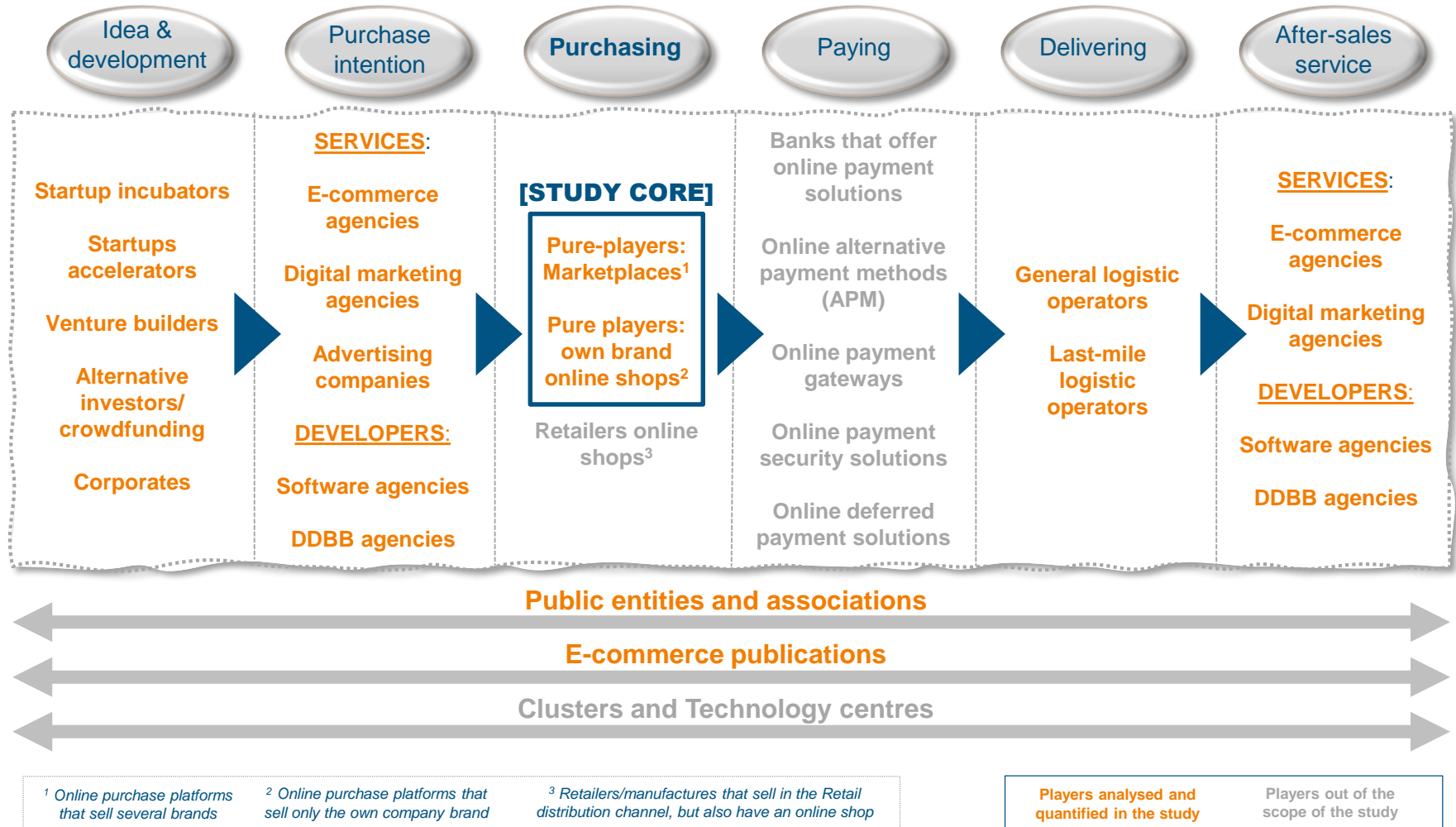


Source: ACCIÓ based on IAB/Elogia E-commerce research 2020 (Data for Catalonia population)

4. Catalan e-commerce ecosystem



E-commerce value chain in Catalonia



Source: ACCIÓ

The e-commerce sector in Catalonia

827 e-commerce companies in Catalonia

€3,773 million turnover in the e-commerce sector 2019, that represents **1.5%** of Catalan GDP

18,334 workers employed 2019

81% of e-commerce companies in Catalonia are **less than 10 years old**. **61%** of the companies are in the **Start-up phase**.

20% of e-commerce companies in Catalonia are **exporters**. **99%** of the companies are **SMEs**.

3% of companies make **79%** of the total turnover and have **62%** of total employees.

73% of companies are **Pure Players** (**44%** selling Own Brand and **56%** Marketplaces), **11%** are **Service companies**, **9%** are **Developer companies** and **4%** are **Logistics companies**.

Fashion & Design (14%), **Traveltech & Leisure (12%)** and **Foodtech & Drinks (11%)** are the main sectors of Marketplaces. **Fashion & Design (39%)**, **Foodtech & Drinks (9%)** and **Wellness & Beauty (8%)** are the main sectors of Own Brand Pure players.

Source: ACCIÓ

Note: Last available turnover data, years 2017 -2018- 2019

Catalan e-commerce Big Players



- **Category:** Pure Player - Marketplace
- **Sector:** Multisector
- **Activity:** offers a wide range of products and services through its websites. It also manufactures and sells electronic devices.



- **Category:** Pure Player - Marketplace
- **Sector:** Fashion & Design
- **Activity:** distribution of high-end branded products in fashion, sports, jewellery, and watch segments.



- **Category:** Pure Player - Marketplace
- **Sector:** Multisector
- **Activity:** Its businesses are comprised of core commerce, cloud computing, digital media & entertainment and innovation initiatives.

Source: ACCIÓ based on Orbis and press

The e-commerce value chain in Catalonia (I)

Pure Players: MARKETPLACES



Source: ACCIÓ

Note: Sample of companies by turnover. This is a partial representation for the purpose of illustrating the companies that belong to the E-commerce ecosystem in Catalonia, but other companies may exist that have not been included in the study.

The e-commerce value chain in Catalonia (II)

Pure Players: OWN BRAND



Source: ACCIÓ

Note: Sample of companies by turnover. This is a partial representation for the purpose of illustrating the companies that belong to the E-commerce ecosystem in Catalonia, but other companies may exist that have not been included in the study.

The e-commerce value chain in Catalonia (III)



Source: ACCIÓ

Note: Sample of companies by turnover. This is a partial representation for the purpose of illustrating the companies that belong to the E-commerce ecosystem in Catalonia, but other companies may exist that have not been included in the study.

E-commerce categories in Catalonia

E-commerce Categories
(% companies 2020)



Public entities & associations 0,5% | Publications 0,2% | Corporations 0,2%

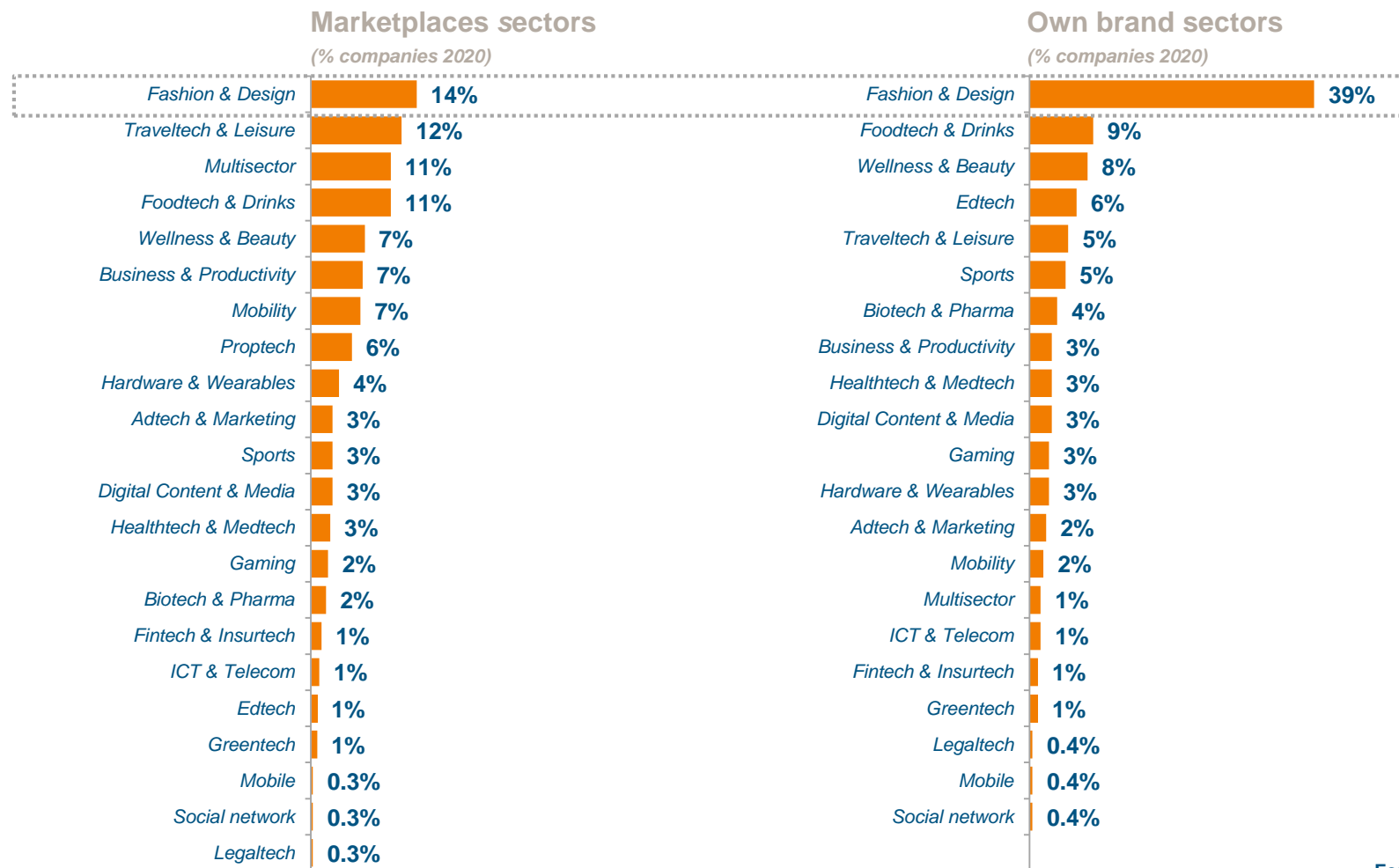
**TOTAL
PURE
PLAYERS
73%**

PURE PLAYERS SECTORS
(% companies 2020)



Source: ACCIÓ

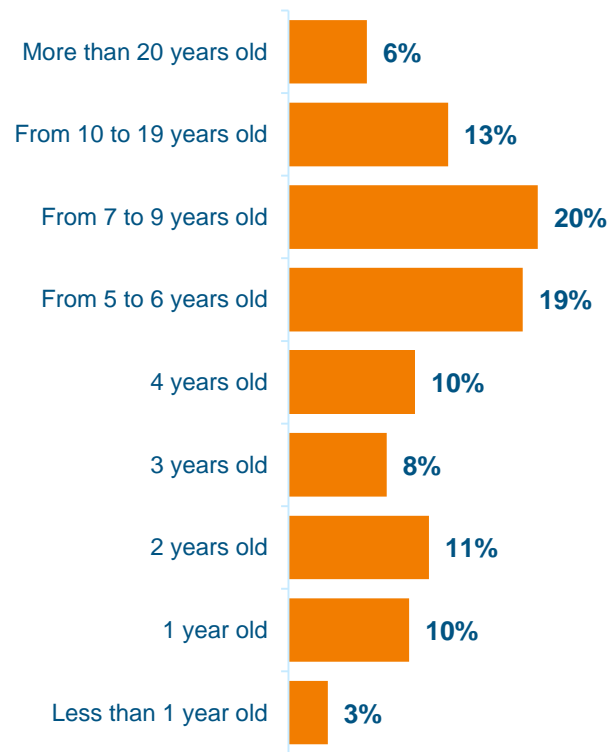
Pure players main sectors



Font: ACCIÓ

The majority of the Catalan e-commerce companies are young and still in the start-up phase

Age of the e-commerce companies
(% of Catalan e-commerce companies 2020)



61% still in the START-UP phase



Note: Sample of companies by turnover. This is a partial representation for the purpose of illustrating the companies that belong to the E-commerce ecosystem in Catalonia, but other companies may exist that have not been included in the study.

Source: ACCIÓ

E-commerce related trade fairs and congresses in Catalonia



Source: ACCIÓ

E-commerce projects in Catalan clusters



A process of digitization of the companies in the cluster is underway. The cluster is very transversal, but there are product companies that will implant e-commerce.



There is a new project called *Agriamazon*, a marketplace for companies in the sector, which is intended to be presented at the *IRC Competitive Reinforcement*.



There is an important strategic focus towards e-commerce. One of the lines of work is the Marketplace, but there are also training on e-commerce specific to the sector, studies to know the present and future customer, trend studies, training on the use of e-commerce as an export tool, etc.



This cluster regularly organizes the *080 showRoom*, where international buyers are usually invited to Barcelona. This year, due to COVID-19, the event has been virtual.



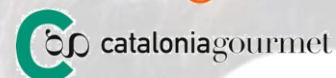
A showroom type digital platform project is being started, initially designed for the B2B professional sector.



This cluster will organize the "Marketplace" edition of the *Digital Hotel Contract* sector, through the *IneriHotel Marketplace* project. Another important e-commerce project is the *HiContract*, a collaborative online platform for the promotion of products and brands specialized in *contract-hospitality*, aimed at purchasing managers of hotel companies and prescribers looking for suppliers for their hotel interior design projects.



Secpho, works on e-commerce from the perspective of the automated logistics chain (digitalization of logistics). They have about 30 partners who work directly or indirectly in these technologies.



Food clusters projects: Marketplaces, digital consumer study, training on e-commerce.

Source: ACCIÓ

Main technologies that impact the e-commerce sector in Catalonia



3D PRINTING

3D printing can allow online shoppers to customize a variety of products, from home decor and cell phone cases to toys and jewellery. It also eliminates the need for a retailer and reduces surplus stock.



BIG DATA/CLOUD

E-commerce, with its high quantity of information, is one of the sectors that has benefited most from Big Data. Analysing this information allows companies to modify and adapt marketing and advertising strategies to meet customer needs.



BLOCKCHAIN

It allows the creation of a secure network between all parties involved in the logistics chain, including the protection of data and wallets, as well as providing transparency to the sector by allowing one to know even the slightest changes in a transaction.



CYBERSECURITY

It gives protection against the main security threats in e-commerce: *phishing* (simulating identities of e-commerce platforms), *malware* (malicious software creating small security breaches) and credit / debit card transactions fraud.



CONNECTIVITY

5G will make the Internet more accessible and with more fluid searches from mobile devices. Virtual reality and AI experiences will also be faster, promoting the massive use of these technologies within the e-commerce sector.



AI

AI improves pricing prediction, virtual assistant bots with purchase recommendations, demand predictions, user shopping experience analytics, and inventory and marketing management.



IoT

IoT technology gives e-commerce retailers the advantage of tracking customer orders from the time they are placed until the second time they arrive at the customer's door, as well as automated inventory management.



ROBOTICS

Logistics automation reduces problems (slow and / or incorrect deliveries, lost packages, damaged goods) using autonomous mobile robots, articulated robotic arms, and storage and retrieval robots.



VR/AR

Virtual reality allows the establishment of virtual supermarkets with detailed product visualization and examination, as well as virtual product testers and simulators that reduce product returns.

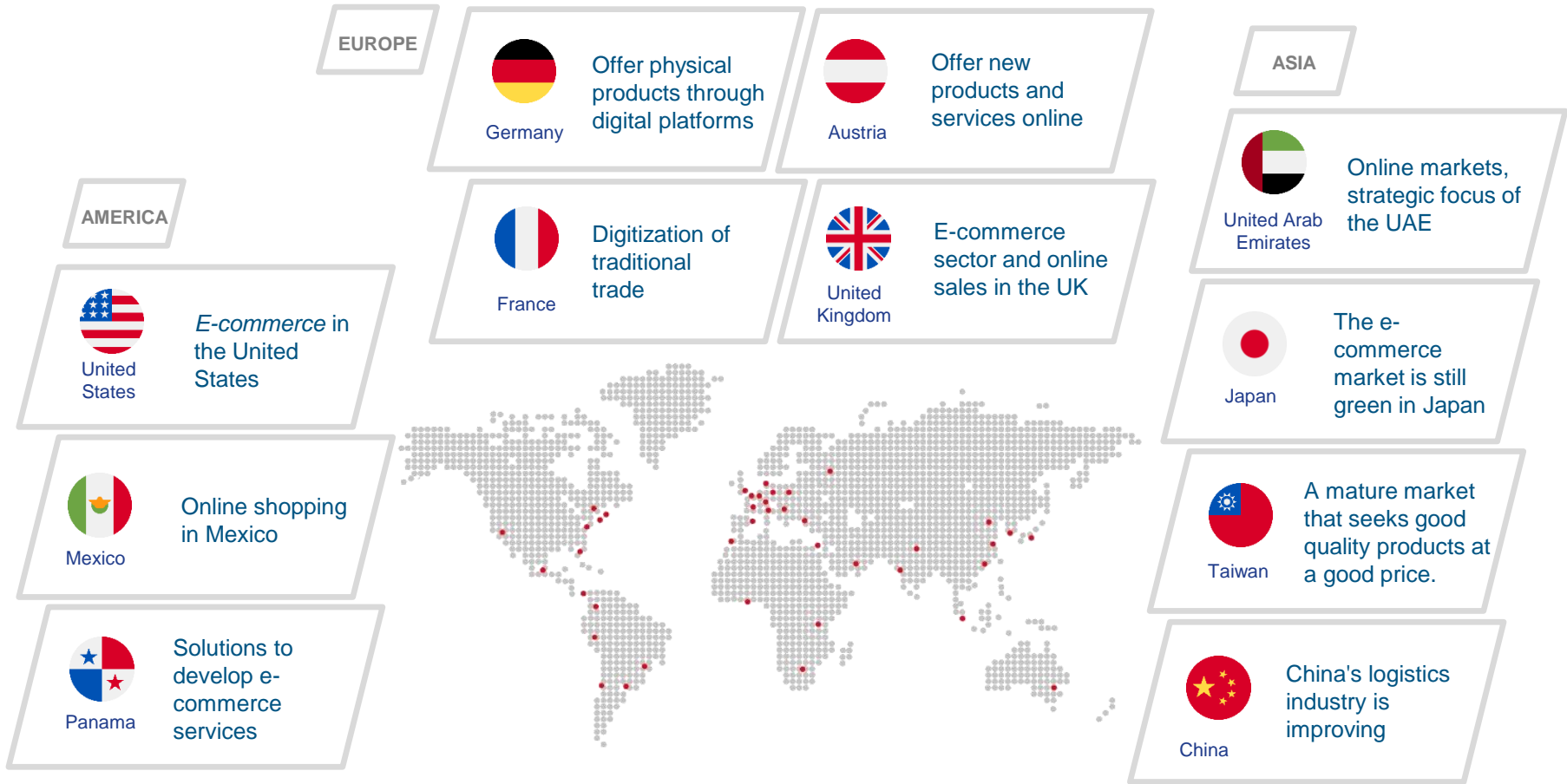


SIMULATION

It enables setting of optimum virtual product layouts to increase sales, as well as the best virtual scenarios and routes within the online store. It also enables improvement in the design of the packaging to minimize risks during shipment.

Source: ACCIÓ

International e-commerce business opportunities for Catalan companies



Source: ACCIÓ based on ACCIÓ international offices

Catalonia, an internationally leading destination for e-commerce FDI

- E-commerce sector FDI accounts for **1.6% of total projects**, **2.2% of capital investment**, and **6.1% of jobs** created in **Catalonia**.
- The **Catalan** inward e-commerce sector FDI accounted for **29.2% of projects**, **26.1% of capital investment**, and **33.4% of the jobs** created into **Spain**.
- Catalonia is the **3rd region in Western Europe** in **number of projects**, ranks the **2nd** in terms of **job creation** and **2nd** in **capital investment** in the e-commerce industry.
- FDI into Catalonia accounts for **5.3% of projects**, **6.2% of capital investment**, and **6.5% of jobs** created in **Western Europe**.

E-commerce companies investing in Catalonia during the period 2015-2019



Font: ACCIÓ based on *Catalonia Investment Table*, Orbis Crossborder and FDI Markets, 2015-2019

5. Catalonia, an unbeatable last mile logistic crossroads to drive e-commerce



Catalonia's four main logistics assets



A major industrial area with a marketplace to match

Strong and specialised industrial ecosystem with the presence of **international companies**, highly **open to the world** and with rapid access to **a large market**.



Unparalleled distribution capacity

An **excellent geostrategic position** allows for efficient intercontinental connections to **Asia** and the **Americas** and easy nearby distribution to **Southern Europe** and **Northern Africa**. Distribution capacity to Spain, Portugal, Italy, France, Morocco, **in 24-48 hours**.



Integrated Logistic Hub

Catalonia is the **only location in Southern Europe** hosting at the same time an international port and airport, **and duty free** and **logistics zones** with **warehousing capacity in an area of 12 km**.



Specialized logistics services and main global and regional logistics operators

A leading ecosystem of **specialized local and international logistics operators**, providing value-added services to industries such as textile, chemicals, automotive, agro-food, pharma and e-commerce.

Source: ACCIÓ

Last mile logistics in Catalonia

The expansion of e-commerce in 2020 has accelerated the development of sustainable last mile delivery in Catalonia.

- Mainly in sectors such as food and textiles, but also in others such as electronics, the development of **new forms of logistics management** is indispensable. Efficiency and cutting delivery times to the client are indispensable to optimize costs. To achieve this, **the location of storage spaces within urban centres is essential**. Last mile distribution prevents the circulation of big vehicles around the city that only fill 30-40% of their loading capacity.
- Thus, in order to reduce traffic, noise and pollution, the city of **Barcelona** is intervening in the goods delivery sector. The City Council has **promoted two microhubs of distribution that distribute via bicycles or clean vehicles**, but this is planned to expand to one microhub in each city district. Value is also given to distribution with electric bikes and gas-run vans to deliver more efficiently and sustainably in areas of difficult access or with time restrictions, such as the *Old Town* district. Private initiatives are also increasing, with **new operators** arriving on the market.

Smart wrappers

Wrappers that can control different delivery parameters, such as temperature, pressure or humidity.

Consolidation centres

A logistic platform used to receive packages from different providers and deliver them in a sustainable and efficient way.



Smart lockers

Lockers displayed in the city that can hold packages from any provider and keep them safely for any client.



On-demand delivery

Immediate or programmed delivery of e-commerce packages using a network of flexible local distributors.



Source: ACCIÓ based on CIMALSA Logistics Observatory and press

6. Global e-commerce trends



Business opportunities and trends



Click & Collect delivery, an opportunity to grow:

Due to its convenience and flexibility, many retailers and foodservice operators launched or ramped up *Click & Collect* services during COVID-19 lockdown. The sub-modalities of *Click & Drive* and *Curbside Pickup* are also being implemented.



Robots and drones making deliveries:

Using robots or drones could be a way of eliminating part of the labour costs associated with delivery. This trend acquired special importance during COVID-19 crisis, as it is the most extreme extension of “*no touch or contactless*” retail.



Social Commerce, social media as a sales channel:

Social Media channel, with its immediacy, flexibility and interaction, is a perfect vehicle to capture online shoppers. Although it is a quite recent modality, it is expected to increase in the future.



From global marketplaces to local marketplaces:

Buying hyperlocal and sustainable products is growing in popularity in the retail channel, but also in the online market. Likewise, marketplaces of ecological products, sustainable fashion, local products, art-craft, and second-hand clothes have proliferated in recent years.



Smaller fulfilment centres and forced reinvention of the Last-mile logistics:

The traditional logistics model have been moved to an urban logistics (*Last mile logistics*) that delivers to the consumer from smaller urban distribution centres, gaining special relevance during COVID-19 crisis.



Technology pushing e-commerce: Livestream, AR, Big Data, machine learning and Chatbots:

Current technology is used in e-commerce in order to attract, engage and retain consumers: AR to mimic the physical touching experience, Livestream for reaching consumers and Big Data to personalize the service.



The rise of Voice Commerce:

Order shopping through *smart speakers* may be one of the implementations that represents the most changes in the online market in the following years. Although currently its presence is not so noticeable, the rise of these devices will impact the e-commerce sector.

Source: ACCIÓ

ACCIÓ

Passeig de Gràcia, 129

08008 Barcelona

www.accio.gencat.cat

www.catalonia.com

@accio_cat

@catalonia_ti

Take a look at the report:

<http://catalonia.com/.content/documents/ecommerce-in-catalonia.pdf>

More information about the sector and related news:

<http://catalonia.com/industries-in-catalonia/sectors/sustainable-mobility-and-smart-cities-industries/logistics-transport-and-ecommerce.jsp>



For the full sector report, please send an e-mail to irodriguez@catalonia.com