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SHAPING THE
MARKET 2024

THE STATE OF ECOMMERCE 2024: DIGITAL TRENDS AND STRATEGIES FOR SUCCESS

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EXECUTIVE SUMMARY

Michelle Lang
Senior Insights Analyst

Amid a dynamic adjustment in consumer behavior, as the global economic landscape continues to evolve, ecommerce growth has rebounded to a modest 1.4% year-over-year, following a period of decline. This overall expansion is driven by varied performance across different categories, each uniquely influenced by consumer behavior and global economic conditions.

Even as consumers continue to be cautious about their spending, the persistent appeal of fashion and the priority placed on personal care continues to drive growth in their respective industries. Both sectors, heavily influenced by social media and cultural trends, also provide affordable indulgences for budget-conscious consumers.

The Luxury and Jewelry sector continues to be the fastest-growing category. In this case, high inflation in some countries creates an opportunity as wealthier consumers boost their purchases. The category also benefits greatly from the influence of pop culture, fueling consumer interest and spending.

Marketplaces' extensive reach and diverse product offerings continue to attract a wide customer base and have contributed to a slight category growth.

One industry that is not experiencing growth is Consumer Electronics. Shifting consumer priorities, likely influenced by economic constraints, have led to reduced spending on electronic goods.

Overall, the global ecommerce landscape continues to show resilience and the need for adaptability in an ever-changing global market.

This report dives deeper into each category’s digital performance and opportunities, where we highlight new markets worth exploring, product categories to double down on, or new trends to jump into.

KEY STATS

+1.4% YoY

Overall growth in visits to all ecommerce categories (desktop & mobile web)

-2.1% YoY

Decline in the Consumer Electronics category, the only industry with a drop in visits

+24% YoY

Vietnam showed the highest overall growth, mainly driven by Consumer Electronics and Marketplace

52%

Marketplace is the largest industry, making up over half of all visits to ecommerce categories

+16% YoY

Highest category growth observed in Luxury & Jewelry

+142% YoY

Growth in searches related to 'quiet luxury'

+11% YoY

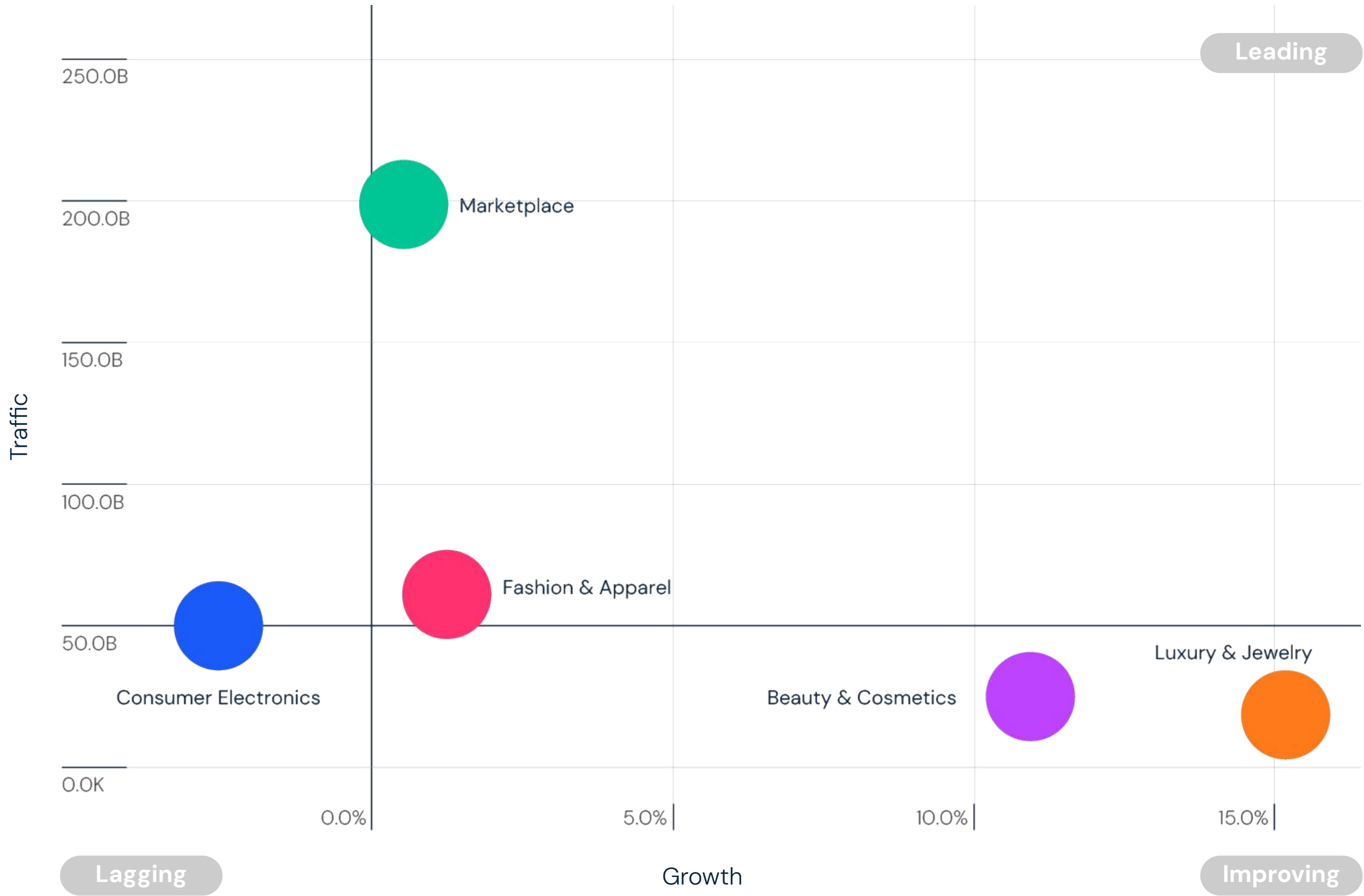
Growth in visits to the Beauty & Cosmetics category

+127% YoY

Revenue growth for Korean Beauty brands on Amazon US, compared to 27% for the overall Beauty and Cosmetics category

Global Industry Overview

Traffic & Growth Matrix by Industry
Worldwide , Desktop & Mobile Web, May 2023 – Apr 2024 Traffic & YoY Growth



The last 12 months have shown some recovery in the online ecommerce sector with 1.4% growth after a drop of 3% in visits in 2022 compared to the previous year. While not all categories experienced growth, this uptick indicates a positive shift in market conditions and a gradual rebound in online shopping.

The Marketplace category, which dominates the digital landscape with over 200 billion visits in the past 12 months, remained steady compared to the previous year, showing a slight increase of 0.8% in visits. Temu's launch and subsequent expansions have significantly contributed to the category's recovery, with the website experiencing an impressive 839% year-over-year (YoY) increase in traffic, although it should be noted that their initial launch in September 2022 was only in the US. In contrast, some of the biggest players, such as Amazon and eBay, saw declines in their number of visits to their global websites of 2.6% and 3.1%, respectively.

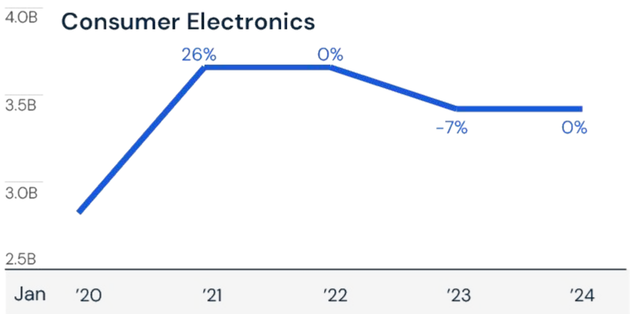
Notably, the Luxury and Jewelry and Beauty and Cosmetics categories have continued to grow. These are the only two categories that have consistently grown every year since the pandemic, and in the past 12 months, they grew at a faster rate than that of the previous year.

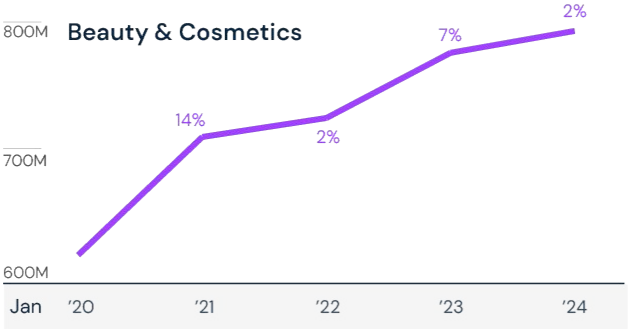
Global Industry Overview

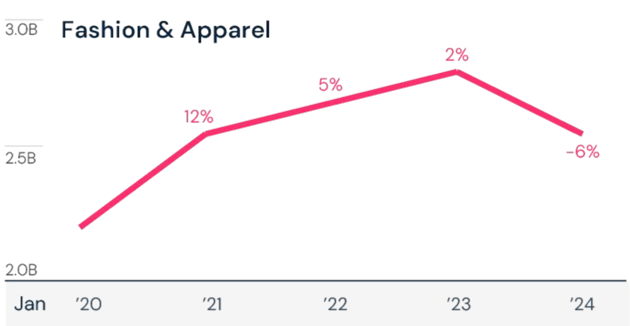
As economic challenges persist, consumers continue to seek small indulgences through Beauty and Cosmetics products. With confidence in purchasing these items online increasing, the category has experienced a 10.5% year-over-year growth in visits. The Luxury and Jewelry category's accelerated growth of nearly 16% YoY makes it the largest growth category in this report. While trends and reasons for growth differ by country, high inflation, often benefiting the wealthiest, may have positively influenced consumer demand in this sector.

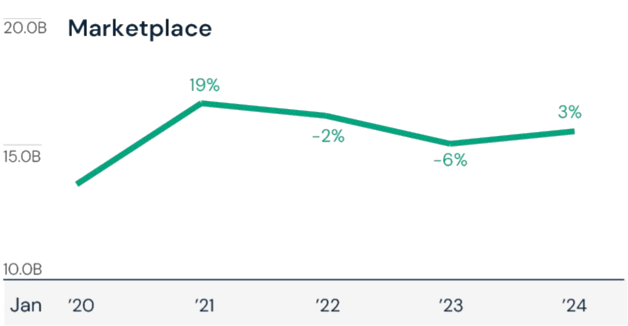
Fashion & Apparel is also seeing some slight growth of 1.3% in the past 12 months, meaning that Consumer Electronics stands out as the only category continuing to decline, with a 2% drop in traffic YoY. The COVID-19 pandemic initially boosted electronics purchases, but shifting priorities have led to stagnation in this category since 2021.

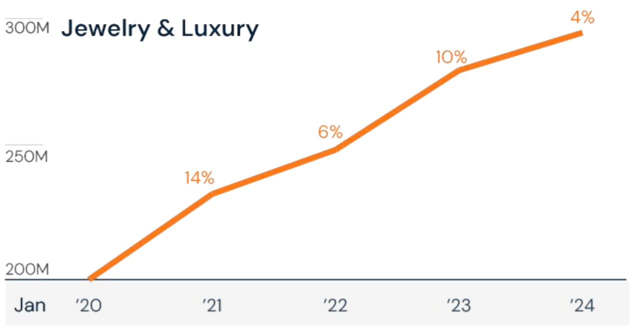
Online Demand Change Across Industries, Pre & Post-COVID
Worldwide, Desktop & Mobile Web, Jan 2020 - Jan 2024











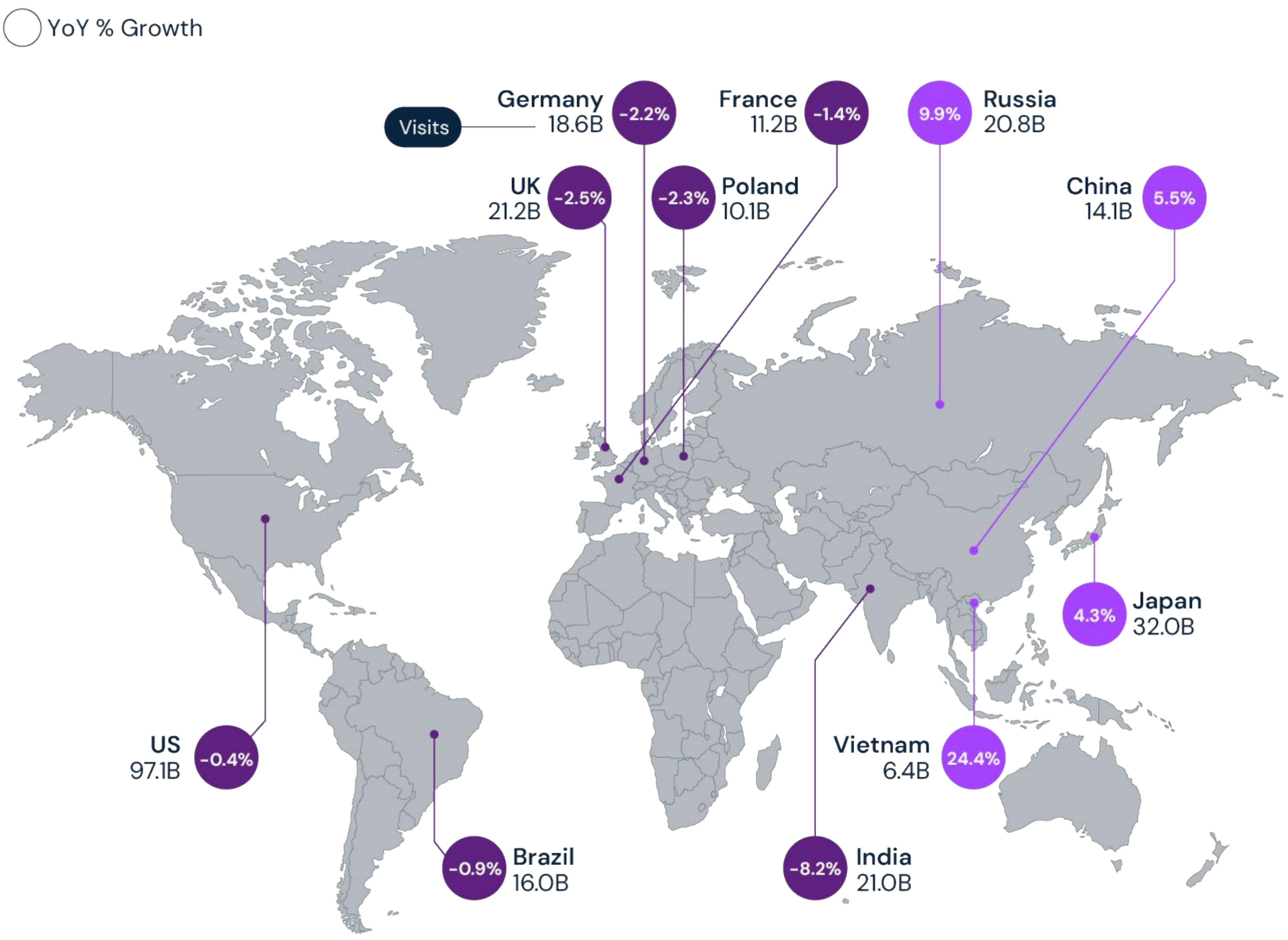
Global Outlook

Of the top 25 countries by visits across the industries listed, 15 of them saw growth with 10 seeing declines, suggestive of encouraging signs following declines experienced by the majority in 2022. The top growth country is Vietnam with growth of +24.4% (17th in traffic with 6.4B visits). Despite this growth for over half of the top 25, 70% of the top 10 saw declines.

Ecommerce Traffic per Country

Beauty & Cosmetics, Fashion & Apparel, Consumer Electronics, Online Groceries, Luxury & Jewelry, Marketplaces, Home & Garden Categories

Worldwide, Desktop & Mobile Web, May 2023 - Apr 2024



This suggests that the top markets have perhaps been hardest hit by inflation and may have already reached something of a saturation point in the online ecommerce space following the pandemic.

Asia and more developing economies like Mexico and Turkey can be seen as opportunity markets for brands that wish to grow their operations.

One country that is noteworthy is Argentina: despite seeing inflation of 289% as of April 2024, they have seen their visits to ecommerce industries grow by 1.6% to 3.0B visits. This suggests that even in high-inflation environments, consumers are still turning to online shopping, potentially for the convenience or wider selection of products. Brands with the right strategies could find these markets ripe for growth.

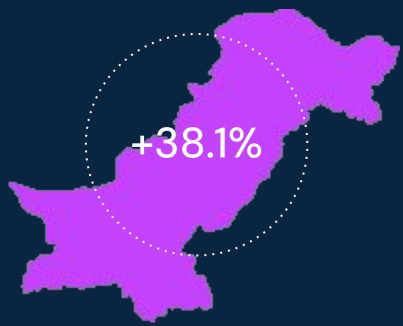
BEAUTY AND COSMETICS

HIGH GROWTH CATEGORY, BOOSTED BY SELF-CARE BEHAVIOURS AND A GROWING ONLINE DEMAND

+10.5%

YoY Growth | May 2023 - Apr 2024

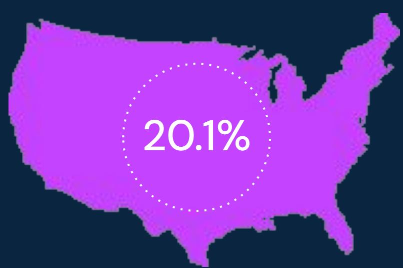
COUNTRY WITH HIGHEST GROWTH:
PAKISTAN



WEBSITE WITH BIGGEST GROWTH:
laurageller.com

+138.7%

COUNTRY WITH HIGHEST TRAFFIC SHARE:
UNITED STATES



TRENDS:
Growth of DTC players and Korean beauty products

Beauty and Cosmetics

The Beauty Industry continues to see substantial growth despite global economic hardship. There are 2 factors at play here that are contributing to this:

The evolving nature of the Beauty industry in the online space means consumers are becoming more comfortable with online purchasing in this category.

With inflation continuing to affect many consumers' disposable income, they are using self-care as a small indulgence over potentially more expensive alternative purchases - also known as the Lipstick Effect.

Overall, the category has seen growth of 10.5% over the last 12 months, surpassed only by that of the Luxury industry (15.8%). In fact, all of the top 10 countries in terms of traffic share have seen their visits grow YoY albeit marginally in the case of France and Poland. Of the top 100 countries with respect to share, only 7 of them saw declining traffic with China being the most notable name experiencing a decline of 30% YoY.

Top 10 Countries for the Beauty and Cosmetics Industry by Total Traffic Share
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024

Visits 400M-599M 600M-999M 1B-4B

Country	Traffic Share	Traffic Growth	Inflation
United States	20.1%	6.9%	3.4%
Japan	14.3%	3.1%	2.5%
Brazil	5.2%	12.8%	3.7%
Russia	5.1%	22.7%	7.8%
United Kingdom	4.1%	5.0%	2.3%
Germany	4.0%	7.6%	2.2%
Poland	3.8%	0.8%	2.4%
India	3.6%	2.7%	4.8%
France	2.8%	0.8%	2.2%
Canada	2.3%	22.0%	2.7%

- The largest market in share, the US, observed growth of almost 7%, an increase from 2023's growth of 4% on 2022
- Japan's growth of 3% YoY means its visits increase to 2.8B but is still below its 2023 visits of 2.9B which in itself was a decline on the previous year of 2%
- Germany's growth sees them move up a few places in the top 10 and looks poised to overtake the UK should this growth continue
- Canada has seen an explosion in growth of 22% YoY in the Beauty category, earning them the final spot in the top 10

Opportunities in the Fastest Growing Markets

Despite the top 10 all seeing growth, the largest growth rates come from more developing nations where the room to grow the category remains much larger and new generations begin to utilize ecommerce more and more.

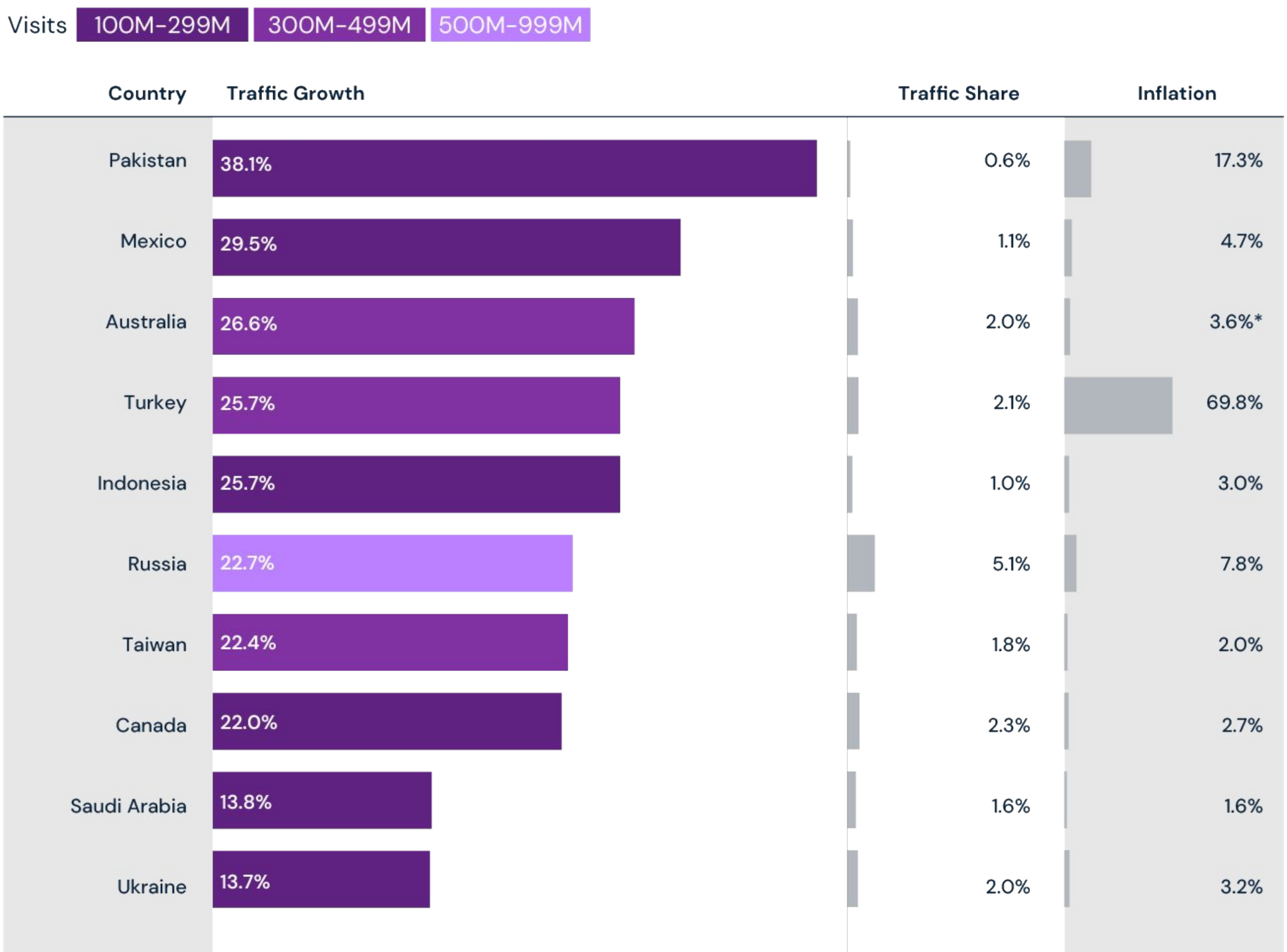
Pakistan has seen YoY growth of over 38% following initiatives implemented by the Pakistani government to improve the ecommerce sector within the country as a whole (leading them to see total ecommerce traffic growth of 8.3% over the last year). Additionally, the younger generations are becoming more invested in personal care as a whole as a result of social media influence bringing trends from around the world to all.

The top 10 countries for growth include 4 countries classified as developing by the OECD in addition to Pakistan: Mexico (30%), Turkey (26%), Indonesia (26%), Ukraine (14%).

The continued conflict between Ukraine and Russia sees Russia with growth of 23% vs. their leading overall ecommerce growth of 10%, highlighting the Lipstick Effect even further.

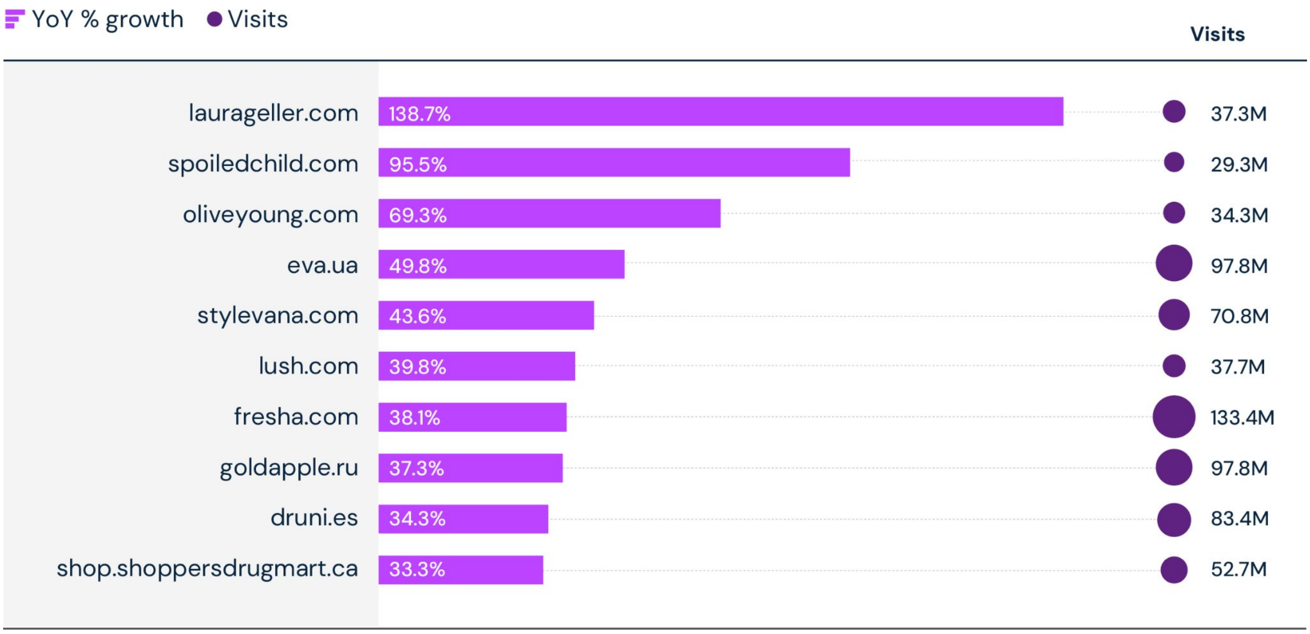
Top 10 Countries for the Beauty and Cosmetics Industry by Total Traffic Growth
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024

*Inflation for March 23



Trends from the Fastest Growing Players

Top 10 Websites in the Beauty and Cosmetics Industry by Total Traffic Growth
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



K-Beauty's glow up worldwide

Aided by the increasing popularity of Korean culture - think K-Pop, Korean cinema and dramas - Korean beauty products have taken the world by storm. Both oliveyoung.com and stylevana.com, specializing in K-Beauty, have seen substantial worldwide growth. K-Beauty advocates a meticulous approach - cleansers, toners, essences, serums, sheet masks, and moisturizers - all formulated with specific functions, working together in a holistic way to address individual skin concerns. Social media opens this process up to the masses, both seeing and hearing real-world testimonies from users has fostered a strong sense of community and trust among consumers worldwide. Additionally, there is a strong focus on innovative ingredients - such as snail mucin - that some consumers may feel means a lesser environmental impact and as such be more drawn to the products.

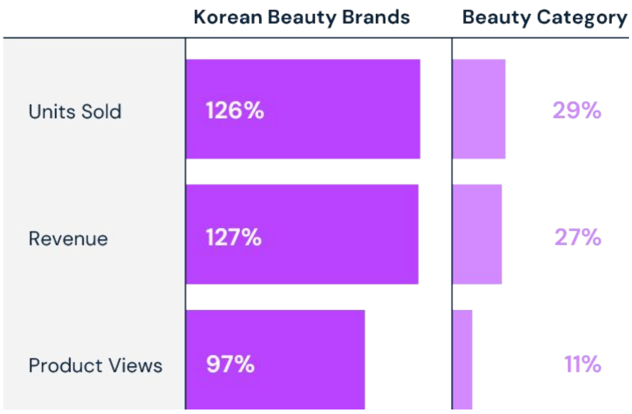
DTC revolutionizes beauty with direct connection

Traditional beauty brands often cater to a broad audience with generic products. DTC brands, in contrast, leverage direct consumer interaction and develop targeted solutions for specific skin concerns and preferences as is the case for the largest growth website, laurageller.com, who specializes in products for a more mature audience. This direct connection goes beyond just the audience that the products are tailored for but also addressing the individual concerns of users. In particular, 2 of the top websites have looked to mitigate environmental impact in the case of both spoiledchild.com (focused on ensuring sustainability through recycling packaging and refillable products) and lush.com (taking a natural-first approach, handmade, vegetarian and cruelty-free products). These actions foster a community culture and strengthens brand loyalty, creating a deeper connection with customers.

K-Beauty Brands Taking the US By Storm

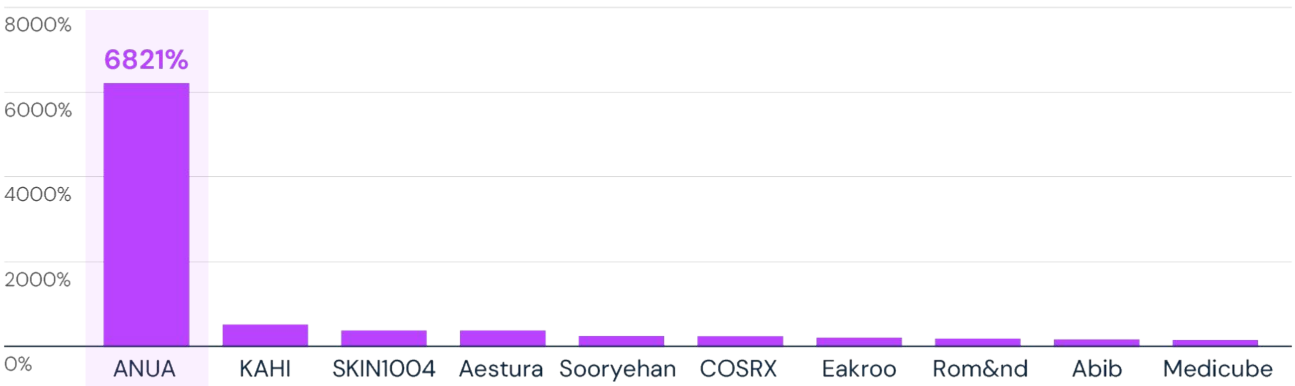
Units Sold, Revenue, Product Views - YoY Change On Amazon - US
Desktop, Mobile Web & Mobile App, May 2022 - Apr 2023 vs. May 2023 - Apr 2024

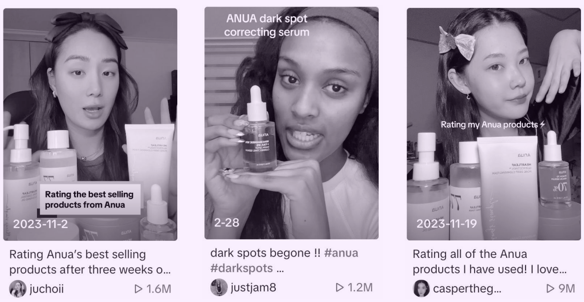
On Amazon US, Korean Beauty has skyrocketed in popularity, significantly outpacing the overall Beauty category's year-over-year growth. This surge in consumer interest extends beyond browsing – sales are converting at a higher rate than product views. While research is clearly on the rise, Korean Beauty is translating that interest into strong sales figures.



An emphasis on natural ingredients is becoming more important among consumers. At least half of the fastest-growing brands focus on this: ANUA, KAHI, SKIN1004, Sooryehan, and Abib. Another key feature among the fastest-growing players is a focus on gentle, soothing products that can be used on even the most sensitive skin.

Top Korean Beauty Brands by YoY Change In Units Sold On Amazon - US
Desktop, Mobile Web & Mobile App, May 2022 - Apr 2023 vs. May 2023 - Apr 2024





ANUA has soared to become a favorite among skincare enthusiasts. Their minimalist approach features natural formulas that combine familiar ingredients with Korean botanicals. The Heartleaf line, particularly known for its soothing properties, has become a huge hit. Multiple skincare influencers on TikTok have showcased ANUA products, generating millions of views and driving the brand's popularity.

MARKETPLACE

SEEING MARGINAL GROWTH PERHAPS DUE TO SATURATION BUT STILL SOME AREAS OF OPPORTUNITY

+0.8%

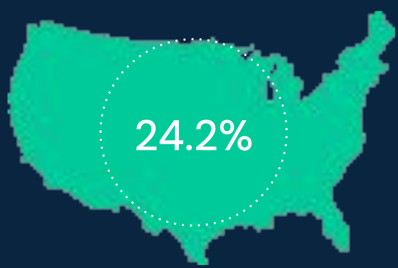
YoY Growth | May 2023 - Apr 2024

COUNTRY WITH HIGHEST GROWTH:
VIETNAM

WEBSITE WITH BIGGEST GROWTH:
temu.com

+838.5%

COUNTRY WITH HIGHEST TRAFFIC SHARE:
UNITED STATES



TRENDS:
Ultra-low cost retail, competition between Asian retailers

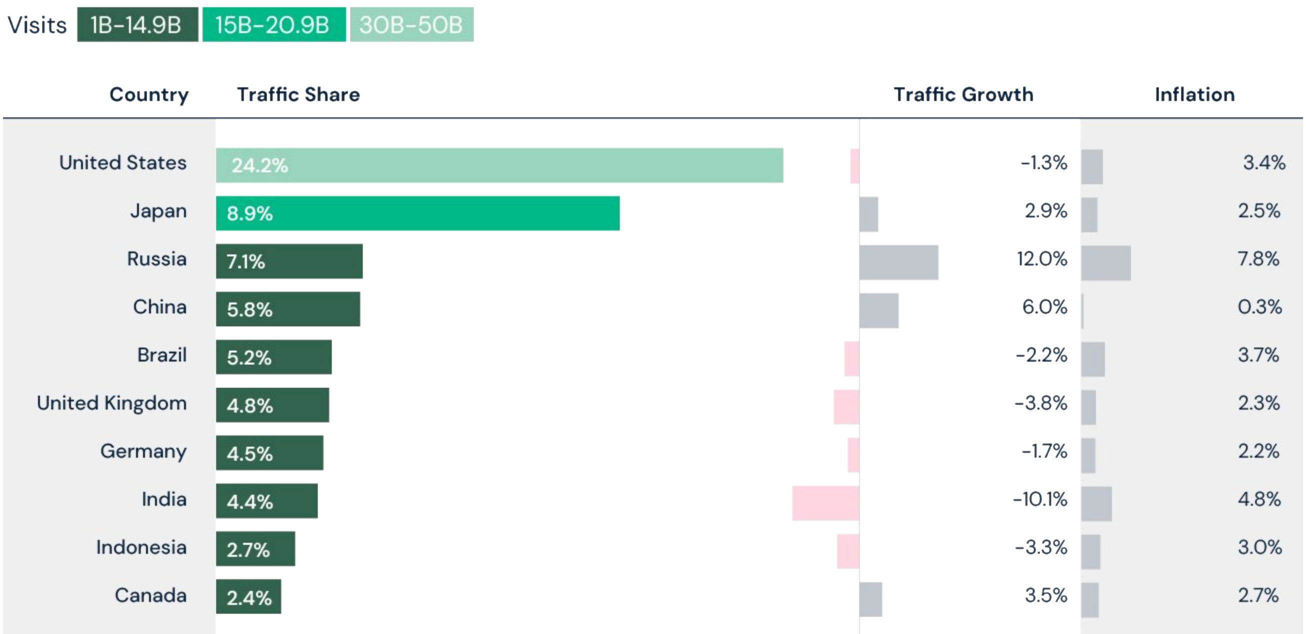
Marketplace

Globally, the Marketplace category has seen marginal growth of 0.8% YoY, below that of many other industries as rising inflation proves to be affecting the mature ecommerce industry as a whole.

Perhaps it is unsurprising then that 6 out of the 10 top markets by visits for this category have seen declines with India in particular seeing a drop of over 10% YoY.

Notably, the largest country by visits - the US - has also seen a mild decline of 1.3%. There are likely a couple of factors in addition to inflation that are contributing to this; a resurgence in physical shopping after the dramatic rises in ecommerce following the pandemic and the increased usage of D2C players as consumers go direct, seeking a more curated selection from specific brands and a brand-specific experience, bypassing the multi-brand Marketplace model.

Top 10 Countries for the Marketplace Industry by Total Traffic Share
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



- Overall traffic to the Marketplace industry is on a path to slight recovery since 2023 where a 5% drop was seen on 2022
- India's decline has seen them drop 2 ranks to 8th, below the UK and Germany despite both these markets also seeing declines YoY
- The US continues to be Marketplaces' biggest market in terms of traffic and makes up over 24% of global traffic, actually marginally increasing its traffic share despite the 1.3% decline
- 9 of the top 10 are the same as in 2023, however, Canada is now the tenth biggest country in the category, boasting 2.4% of the overall share after a 3.5% increase

Opportunities in the Fastest Growing Markets

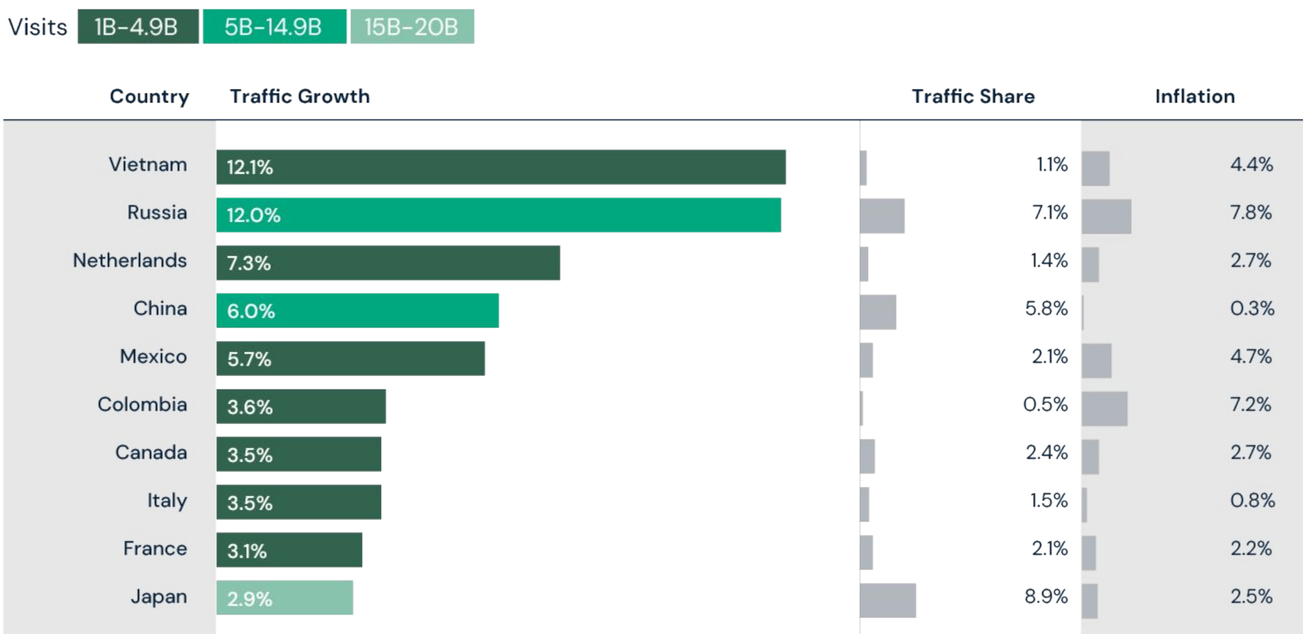
Opportunity appears to be in more developing nations despite a few names making the top 10 for both growth and size - Russia, China, and Japan.
Vietnam is a country of note and has seen growth in excess of 12% YoY with this growth being attributed to a few factors.

Firstly, their population is highly rural with 65% of their total population living in rural areas. This makes ecommerce a more attractive option particularly as logistics improve in order to purchase products that perhaps consumers are unable to find locally.

Secondly, their younger generation is extremely tech-savvy and comfortable with online interactions compared to their parents and this is fueling the adoption of ecommerce in general.

Additionally, the lack of space in much of Vietnam's built-up areas means that ecommerce is a much more viable business model for both new and existing businesses and as such is being utilized more frequently than ever before. In fact, McKinsey has forecast that Vietnam's ecommerce market could be as big as traditional retail as soon as 2025.

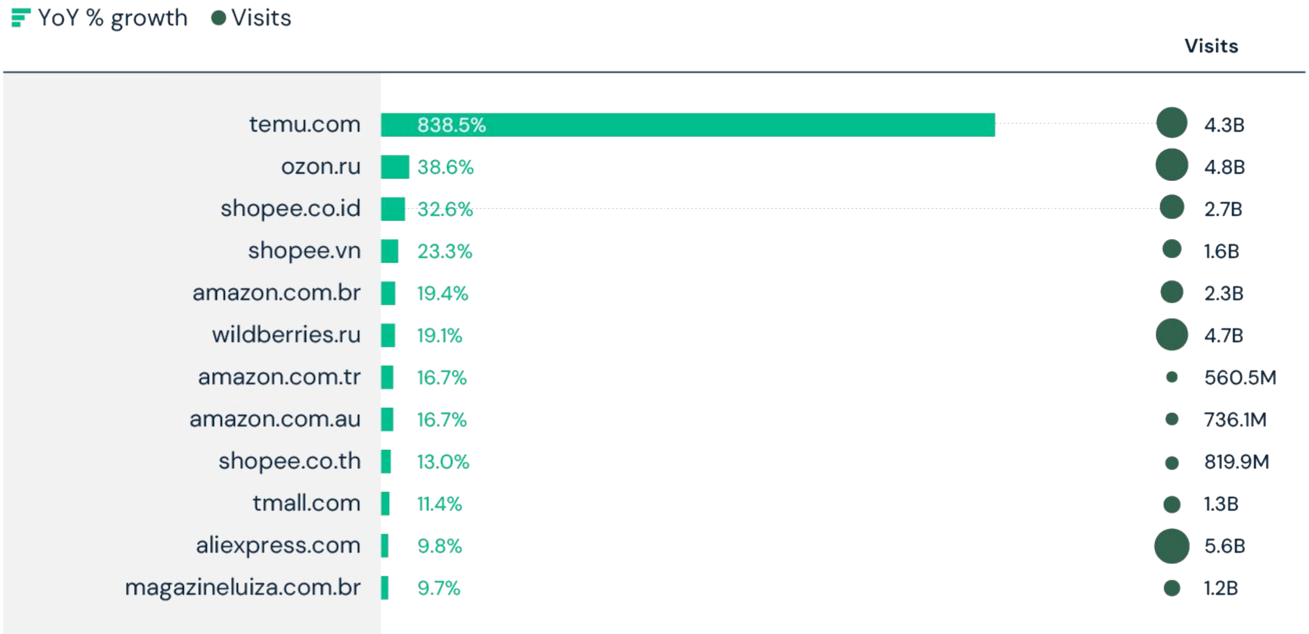
Top 10 Countries for the Marketplace Industry by Total Traffic Growth
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



- Russia's leading growth of 12% follows suit with their overall ecommerce growth, seeing visits increase as the ecommerce landscape within the country continues to bounce back following dramatic declines stemming from the war in Ukraine
- 3 EU countries - Netherlands, Italy, and France - all make the top 10, despite the UK and Germany experiencing declines
- The Americas have 3 countries showing promise - Canada as previously highlighted, Mexico is seeing growth of almost 6% and Colombia's growth exceeds 3%
- Japan rounds off the top 10 with the largest traffic share of the 10 also seeing decent growth of almost 3%

Trends from the Fastest Growing Players

Top 10 Websites in the Marketplace Industry by Total Traffic Growth
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



Temu's growth is hard to ignore

Temu of course has seen the largest overall growth in the last 12 months, growing 839% over the last 12 months to 4.3B visits globally, making it the 5th largest Marketplace platform worldwide. After its initial launch in the US in September 2022, they have gone from strength to strength, launching in Australia and New Zealand in March 2023; European markets and the UK the following month and most recently in South Africa in January 2024, taking the number of countries they currently operate within to 49.

Asian players react to this success

Another Chinese giant - AliExpress - has seen growth of 10% YoY to 5.6B visits globally. AliExpress has seen a surge in activity over the past year, driven by a confluence of factors. With inflation impacting budgets, AliExpress' reputation for competitive prices attracts value-seeking shoppers. They have also expanded their product range beyond electronics to include trendy fashion, homeware, and more, becoming a one-stop shop. While it's difficult to isolate the exact influence, the rise of Temu appears to have contributed to AliExpress' increased visibility.

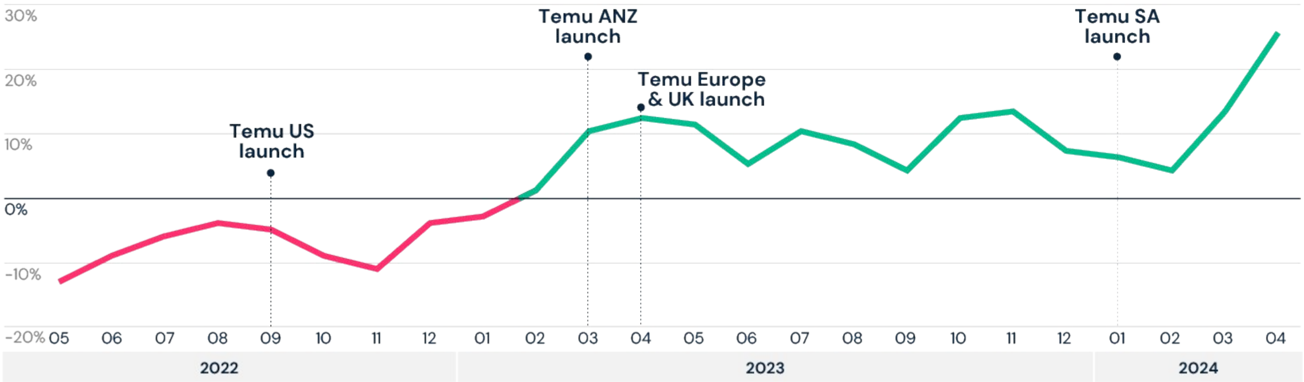
As Temu's influence rapidly grows, those who operate in markets where Temu has yet to break into are watching with eager eyes and making moves to protect their dominance. Shopee makes several appearances on the list - the Indonesian, Vietnamese, and Thai domains specifically - and is currently the largest Southeast Asian ecommerce platform.

Where Shopee operates differently is in the breadth of products that it offers. While offering products at ultra-low costs comparable to Temu, they also sell used goods like mobile phones, offer groceries, and a range of branded products. This is giving it the edge currently, but it remains to be seen how long they might be able to hold the Chinese giants off.

Temu vs. AliExpress: Showdown on the Silk Road

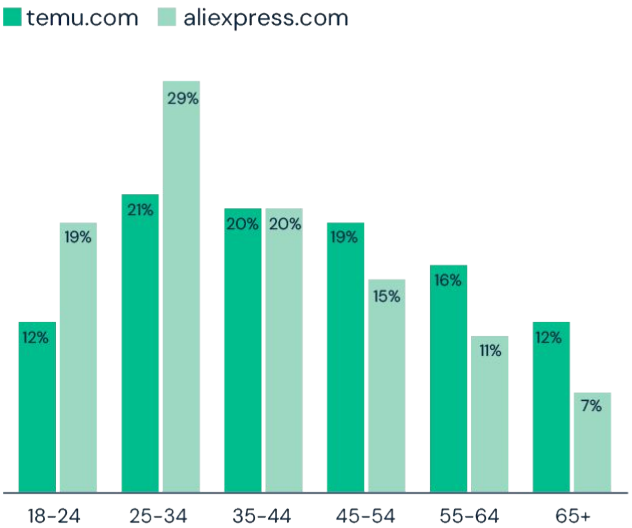
In the first two months after Temu's initial launch in the US, AliExpress experienced some of its biggest YoY declines in monthly traffic. However, as Temu continued to increase their global presence, AliExpress has recovered and has had continuous growth since February 2023. As mentioned previously, Temu's presence looks to have actually benefited AliExpress, especially as their target audiences seem to differ in terms of age group.

Aliexpress.com Monthly Visits YoY Change
Desktop & Mobile Web, May 2022 – Apr 2024

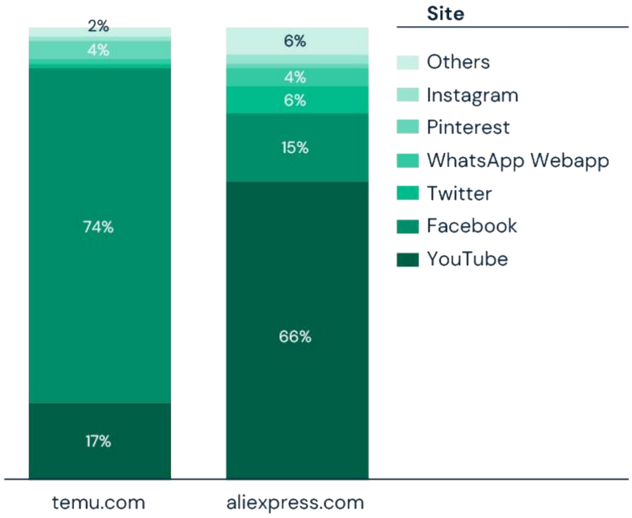


Temu's ultra-low prices attract Baby Boomers and Gen X, while younger shoppers, particularly Gen Z, remain more cautious. Nearly half of AliExpress visitors (48%) are 34 years or younger, while this group only represents a third of Temu's audience (33%).

Age Group Breakdown
Desktop & Mobile Web, May 2023 – Apr 2024



Social Media Traffic
Desktop, May 2023 – Apr 2024



Temu's marketing strategy appears to be the reason behind this customer demographic difference. While AliExpress focuses on YouTube, popular with younger audiences, 74% of Temu's social media traffic comes from Facebook, a platform with a higher concentration of older audiences.

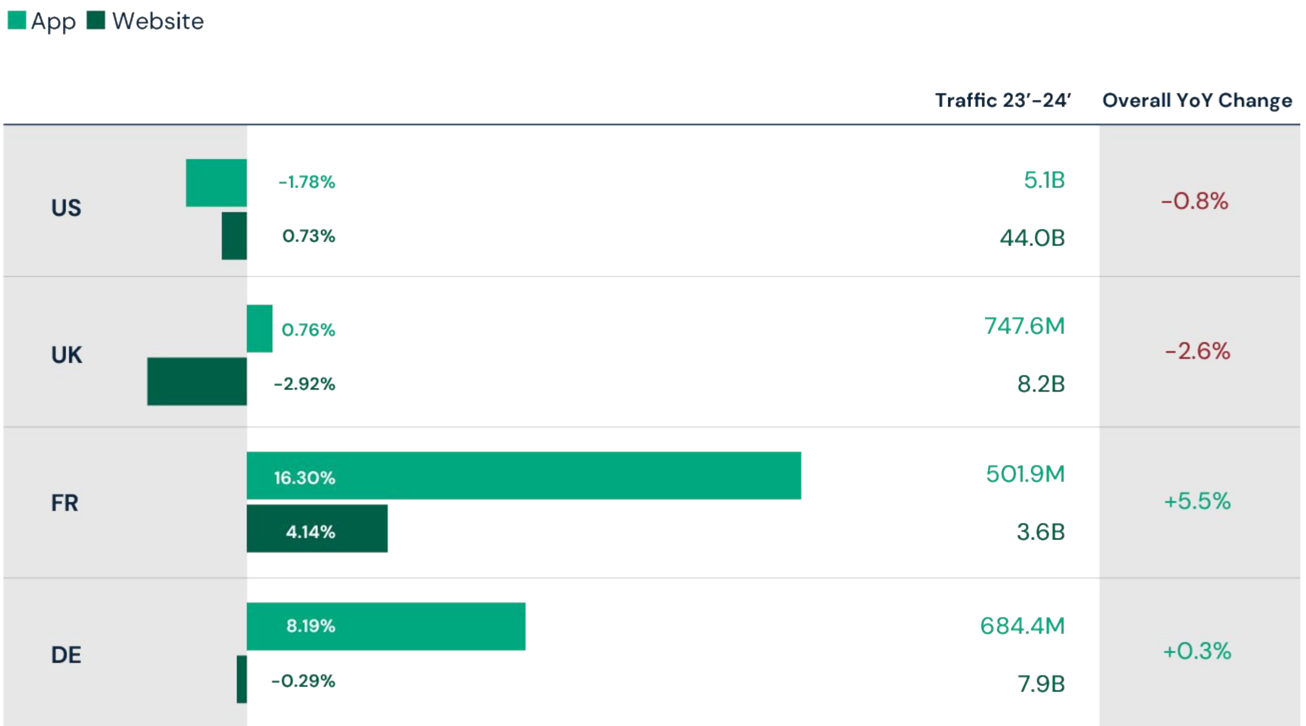
Mobile First: Capitalizing on App Growth as Web Traffic Wanes

Although web traffic to leading marketplaces in the UK and Germany has declined YoY, app usage has seen an increase. In France, app usage for top marketplaces has surged at a rate four times faster than website traffic. This trend highlights a significant opportunity for companies to prioritize expanding their app user bases. By leveraging apps, companies can gain deeper insights into customer behavior and execute more effective targeted marketing strategies.

While Temu's launch in Europe and UK in April 2023 significantly impacted all markets, the substantial growth in app usage in France was also driven by other brands. Discount retailer Action, one of the country's largest marketplaces, launched its app in October 2022 and has seen continuous growth since then. The app reached over 600,000 sessions within a month of its launch and grew to 1.02 million sessions by April 2024. Other low-price-focused marketplaces also experienced notable year-over-year growth in app usage, including Decathlon (+32%) and LightInTheBox (+26%).

Consumer loyalty towards low-cost marketplaces seems to be strengthened in other markets as well, as shoppers go through personalized shopping experiences offered by their apps. In the US, Costco's app sessions grew by 18%. In the UK, AliExpress saw a 7% increase in app sessions, while in Germany, Lidl and AliExpress experienced growth of 21% and 14%, respectively.

Web Traffic and App Sessions - YoY Change - Top 10 Marketplace Websites and their Apps
Desktop , Mobile Web & Android May 2022 - Apr 2023 vs. May 2023 - Apr 2024



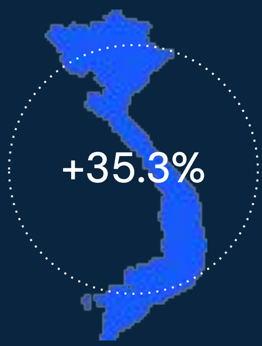
CONSUMER ELECTRONICS

DECLINING CATEGORY AS INFLATION CAUSES SOME CONSUMERS TO REDUCE BIG TICKET PURCHASES

−2.1%

YoY Growth | May 2023 – Apr 2024

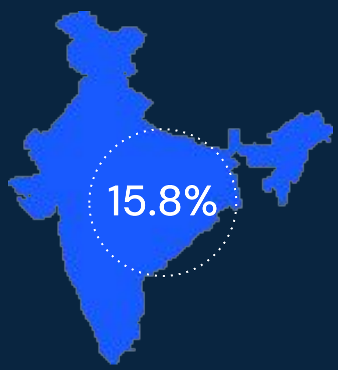
COUNTRY WITH HIGHEST GROWTH:
VIETNAM



WEBSITE WITH BIGGEST GROWTH:
dienmaycholon.vn

+63.8%

COUNTRY WITH HIGHEST TRAFFIC SHARE:
INDIA



TRENDS:
Asian market opportunities, DTC brand offerings evolving

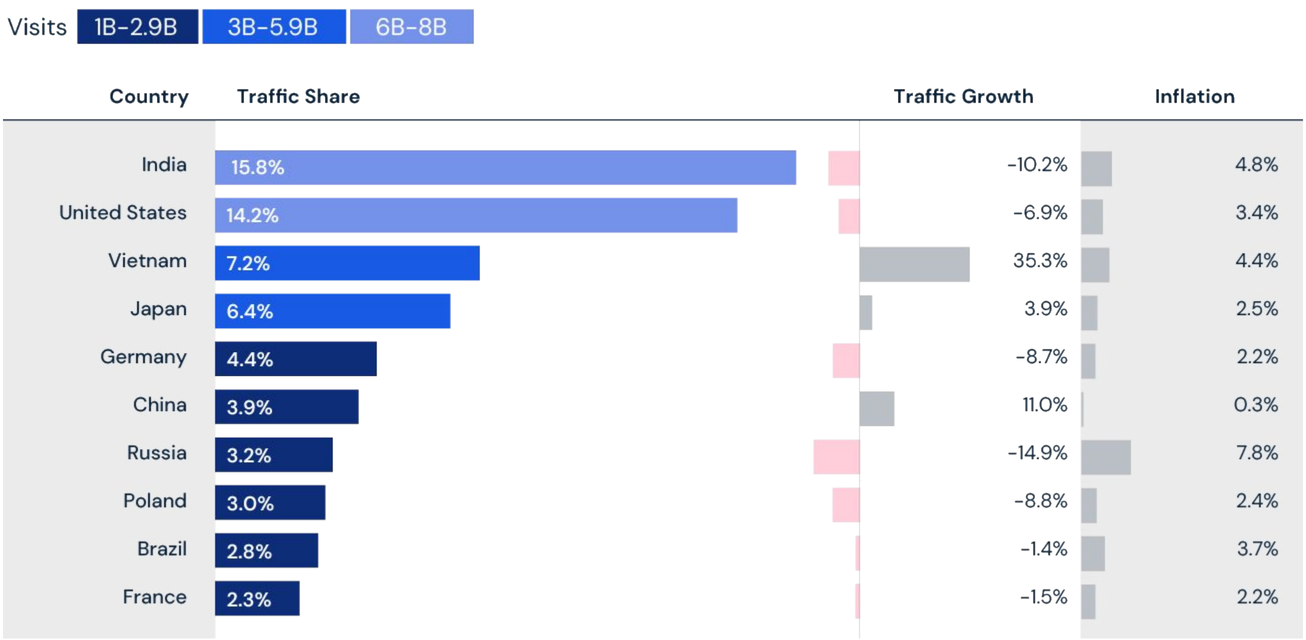
Consumer Electronics

The Consumer Electronics category has seen a decline of 2.1% YoY, owing to inflation causing many consumers to think twice about big-ticket items and cut back on non-essential purchases.

India, the largest country by visits, has seen a dramatic decline of over 10%, followed closely by the United States, the second largest by visits, which has seen a decline of nearly 7%.

While these declines are attributable to inflation, there is also a growing environmental concern contributing to these declines. Consumers are aware of the impact of these purchases on the environment and are perhaps waiting to upgrade devices or opting to repair them instead of buying new ones.

Top 10 Countries for the Consumer Electronics Industry by Total Traffic Share
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



- Overall traffic to the industry has continued to decline following a 1% decline in 2023 compared to the previous year
- Vietnam's growth has seen it leapfrog Japan to 3rd place in terms of share, with 7.2%
- China's growth has allowed it to overtake Russia
- The UK has now dropped out of the top 10 by share and has been replaced by France after declining by 4%, even though France also experienced a decline of more than 1%.

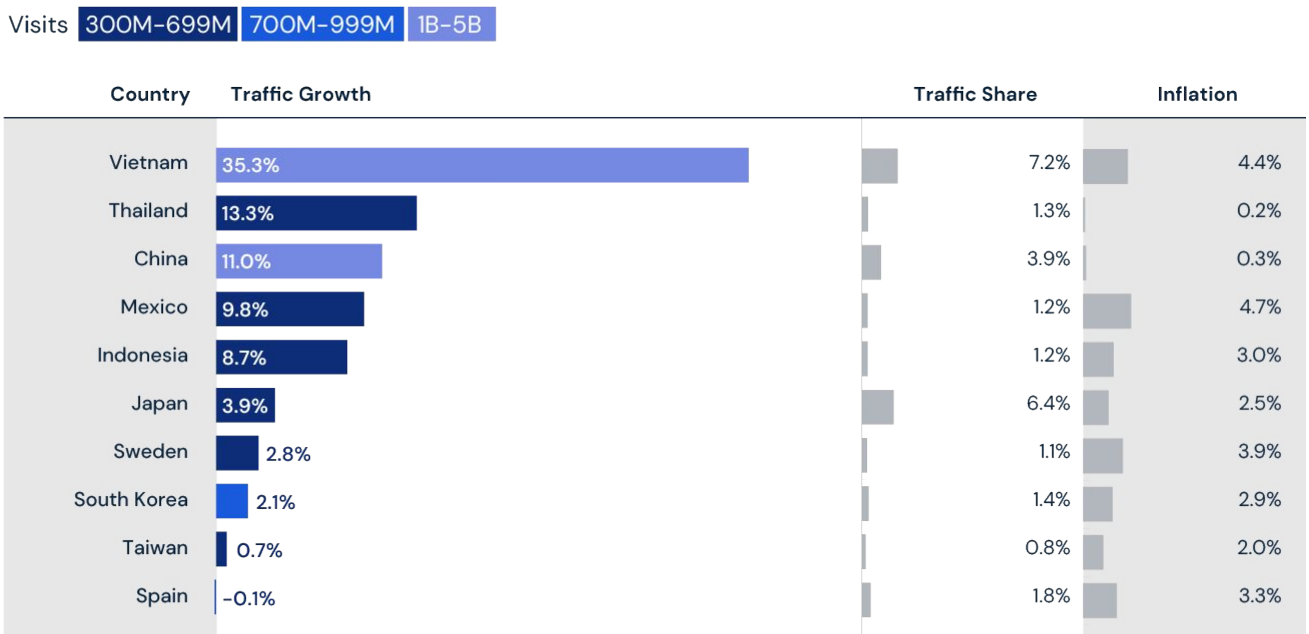
Opportunities in the Fastest Growing Markets

Market opportunities appear to be in Asian markets, with only 3 of the top 10 growth markets from outside this region.

Vietnam's growth can be explained similarly to its growth in the Marketplaces category, with Vietnamese retailers accounting for 2 of the top 10 largest growth websites in the category.

China's Consumer Electronics market continues to boom, ranking third globally with an impressive 11% YoY growth. This surge is partly due to foreign brands like Samsung, which previously neglected the market due to regional preferences, starting to prioritize growth in China. Historically, Samsung, the number 2 global leader in smartphones behind Apple, lagged in China, where Apple and local brands like Huawei and Xiaomi reigned supreme. However, this seems to be changing. Recognizing a lucrative opportunity, Samsung upped its game in China with the release of the Galaxy S24 earlier this year and partnered with Chinese tech company Baidu to provide AI features versus Google's inclusion in other markets. This strategic move has yielded impressive results, with samsung.com.cn experiencing a staggering 267% growth in visits over the last year, reaching 196.3 million visits.

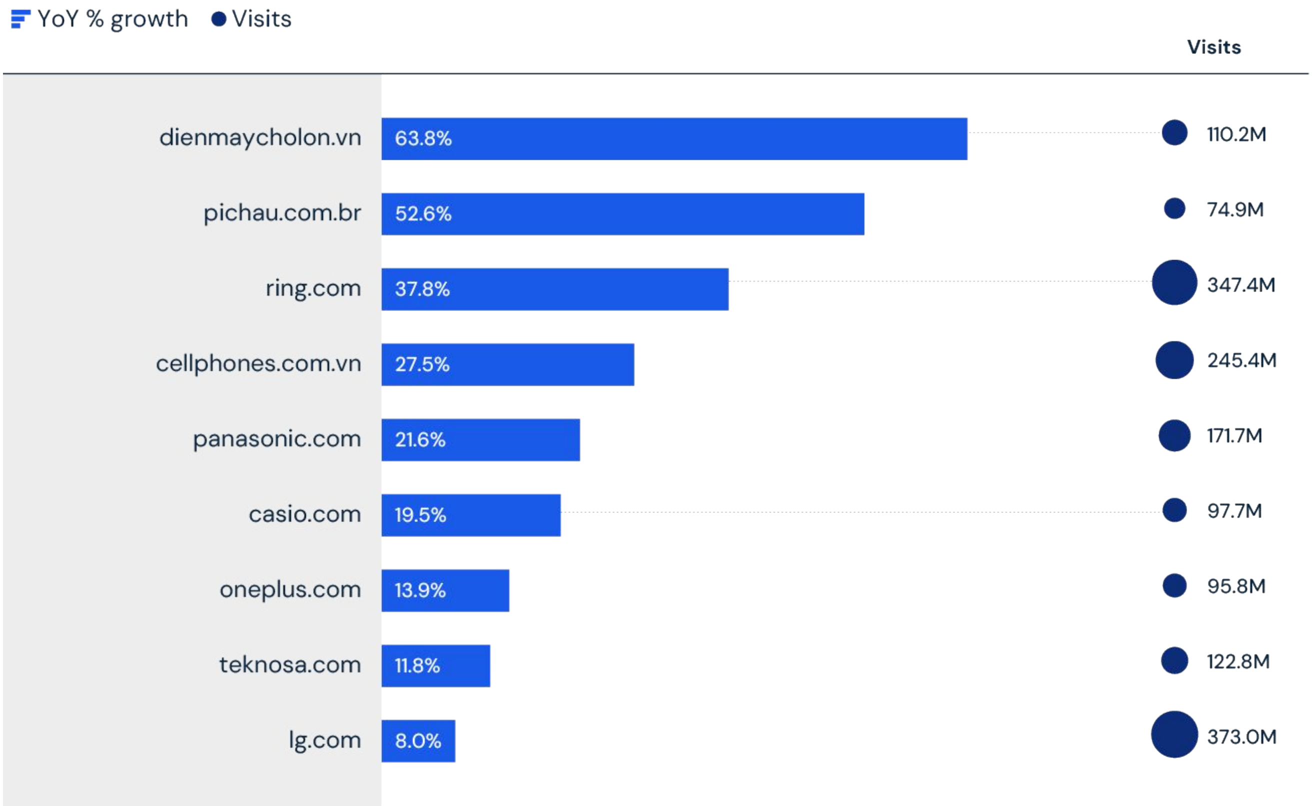
Top 10 Countries for the Consumer Electronics Industry by Total Traffic Growth
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



Monthly Visits - Samsung.com.cn
Desktop & Mobile Web, May 2022 - Apr 2024

Trends from the Fastest Growing Players

Top 10 Websites in the Consumer Electronics Industry by Total Traffic Growth
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



DTC reigns supreme

As brands evolve their direct offerings, more consumers are going directly to brand websites to make their purchases instead of using the more traditional multi-brand retailers they might have frequented in the past. Sixty percent of the top 10 growing websites are DTC brands that are continuing to grow their DTC presence. This allows them to lead a more direct relationship with their customers and have higher control over price points and offers, such as Casio, which has seen a 19.5% YoY growth globally for their website.

OnePlus is another example of the rise of DTC websites, with a 14% YoY growth. A common trend for consumers looking to purchase a smartphone is through their carriers. OnePlus, however, has moved away from these partnerships in the hope of personalizing the experience and giving their customers a feeling of exclusivity. Additionally, their latest smartphones offer features comparable to or better than Apple and Samsung premium models but at lower prices. As consumers look for better deals without compromising on quality, this is one of OnePlus' main advantages.

Consumers get smart on security

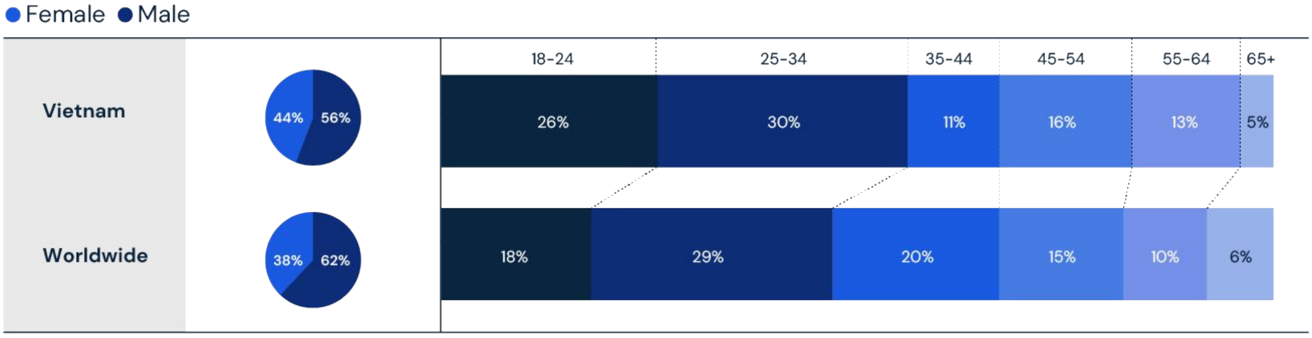
Continued security and privacy concerns have prompted consumers to invest in smart security systems like Ring. As internet penetration continues to grow in developing nations and younger, more tech-savvy generations start to become the predominant consumers, these smart home devices will only continue to see growth moving forward.

Vietnam: Young Consumers with Evolving Online Preferences

Younger consumers

As noted earlier, Vietnam's younger generations are driving growth in various sectors, including Marketplaces and Consumer Electronics. More than a quarter of visitors to consumer electronics websites in Vietnam are 24 years old or younger, compared to just 18% globally. Additionally, the proportion of women consumers in this category is higher in Vietnam, constituting 44% of all visitors, compared to 38% worldwide.

Age and Gender Distribution in the Consumer Electronics Industry
Desktop & Mobile Web, May 2023 - Apr 2024

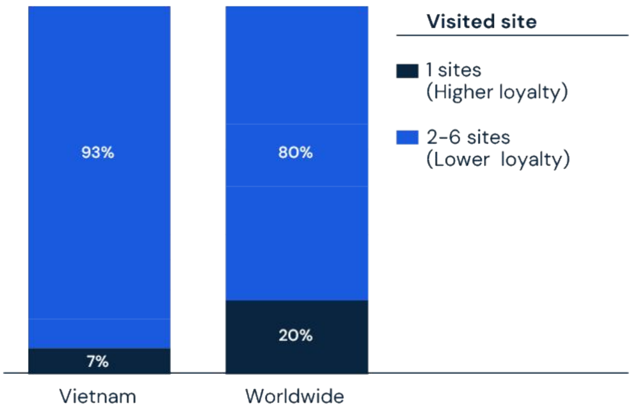


Low loyalty

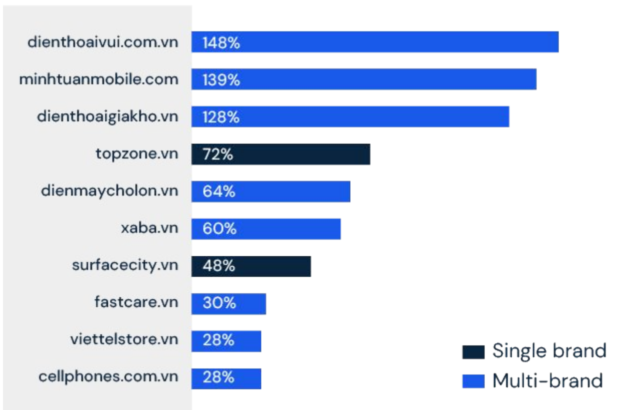
According to a study by McKinsey, 90% of Vietnamese consumers reported having switched brands or stores in the previous three months. As seen in our data, Vietnamese consumers tend to shop around more than the global average consumer within the Consumer Electronics category. Globally, 20% of monthly visitors browse only one site in the category, while the rate is only 7% in Vietnam.

Adding to this, consumers are increasingly browsing for the best deals and the best products to meet their needs, regardless of the brand. Eighty percent of the top fastest-growing websites are multi-brand retailers, a higher proportion than the global industry.

Audience Loyalty in the Industry - Vietnam
Desktop, May 2023 - Apr 2024



Top Websites by YoY Traffic Growth - Vietnam
Desktop And Mobile Web, May 2023 - Apr 2024



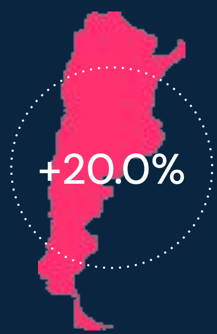
FASHION AND APPAREL

STEADY CATEGORY HIGHLY SHAPED BY GLOBAL AND LOCAL CULTURAL AND CURRENT TRENDS

+1.3%

YoY Growth | May 2023 - Apr 2024

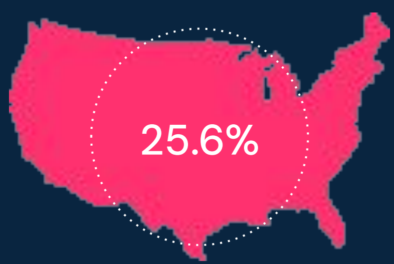
COUNTRY WITH HIGHEST GROWTH:
ARGENTINA



WEBSITE WITH BIGGEST GROWTH:
vinted.co.uk

+80.2%

COUNTRY WITH HIGHEST TRAFFIC SHARE:
UNITED STATES



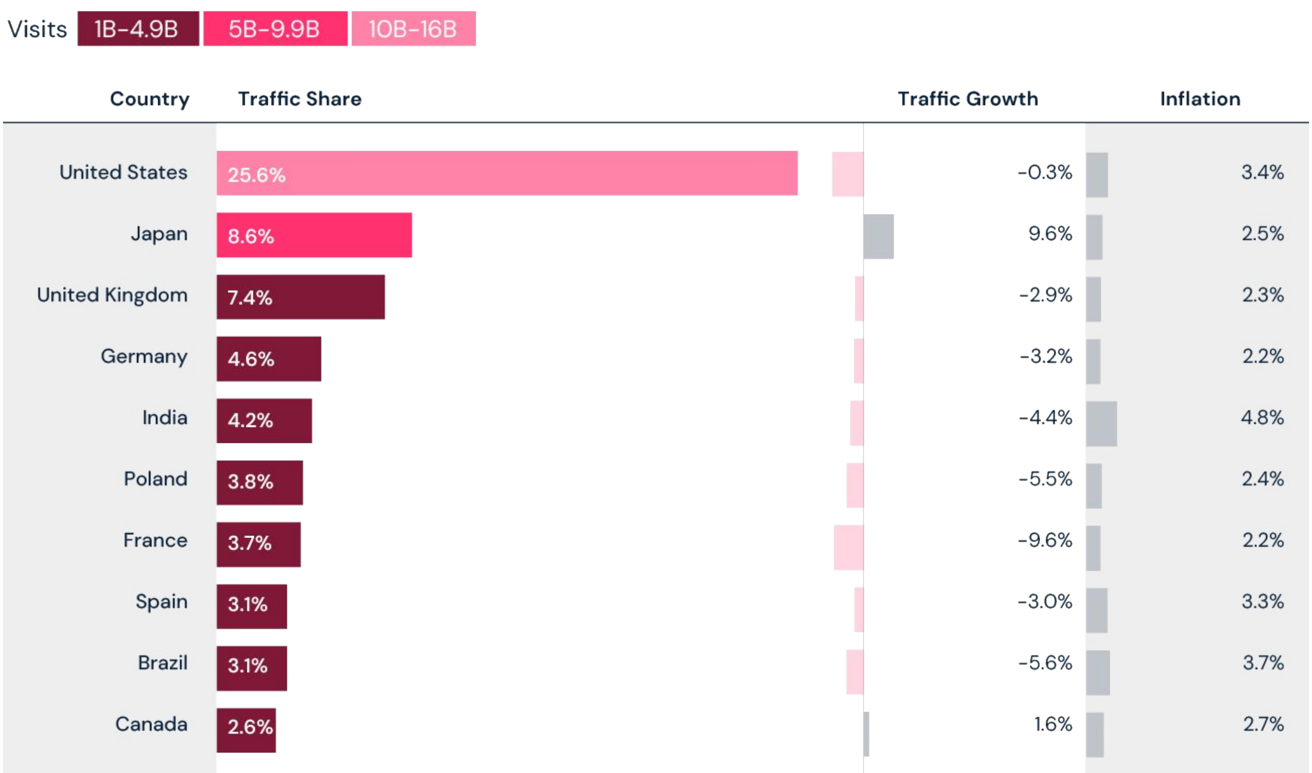
TRENDS:
Pre-owned, K-culture, celebrities / influencers partnerships

Fashion and Apparel

The Fashion and Apparel category has remained steady with slight worldwide growth YoY of 1.3%. However, it seems that emerging markets boast the biggest opportunities, with 80% of the largest markets showing signs of saturation and experiencing a decline in the number of visits YoY.

Top players in the Fashion & Apparel industry must respond quickly to local and global cultural trends. As is evident from the data, environmental awareness, economic concerns, and popular and local culture have a high impact on the evolution of the category.

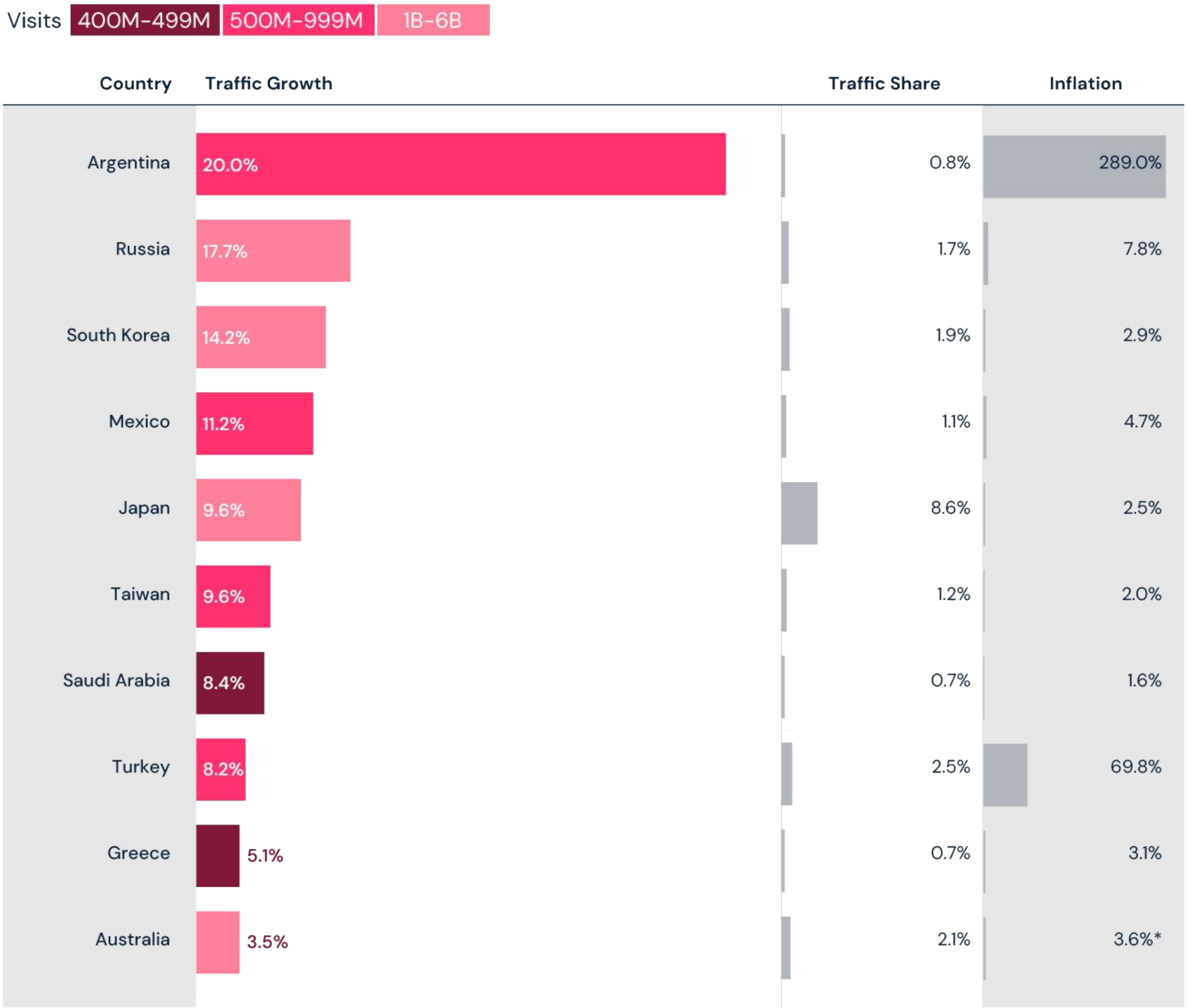
Top 10 Countries for the Fashion And Apparel Industry by Total Traffic Share
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



- Nine out of the top ten countries by total traffic have remained consistent with the trends observed in 2022. However, most of these countries are experiencing a gradual decline in the number of visits YoY
- The exception to this trend is Japan, which has emerged as one of the fastest-growing countries in the industry
- The US continues to be Fashion & Apparel's biggest market in terms of traffic and makes up over 25% of global traffic
- Canada is now the tenth biggest country in the category, while it only holds 2.6% of global traffic, it is still experiencing steady growth

Opportunities in the Fastest Growing Markets

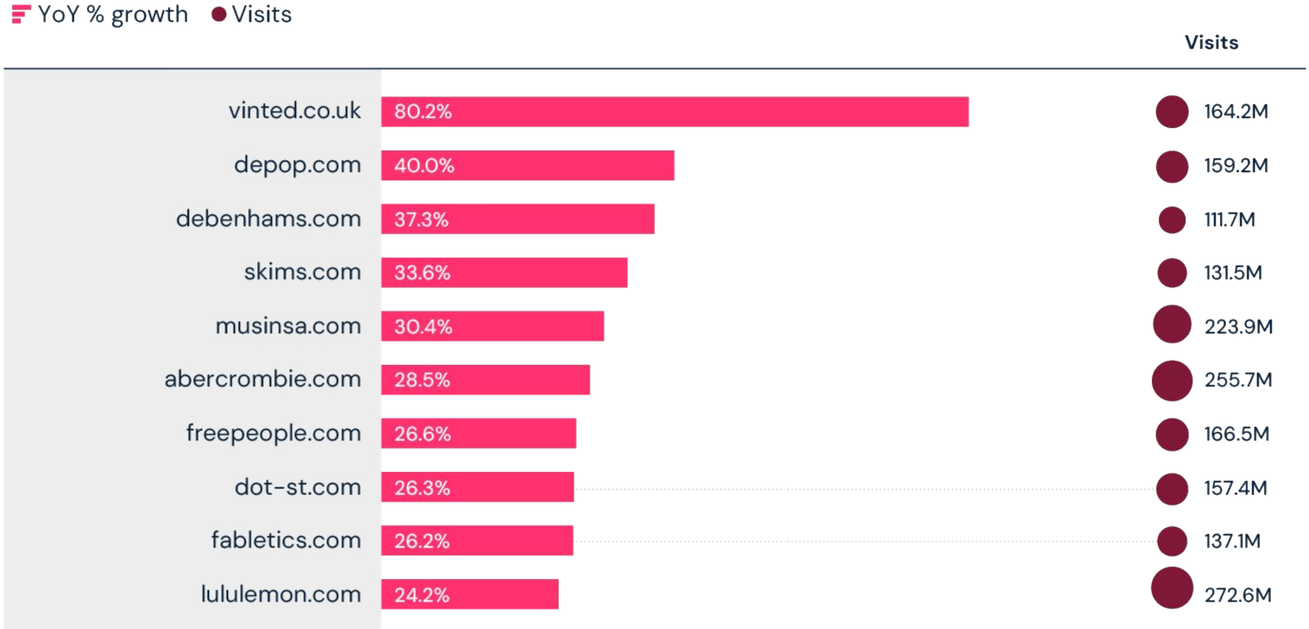
Top 10 Countries for the Fashion And Apparel Industry by Total Traffic Growth
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



- Despite high inflation, Argentina is the fastest-growing country in Fashion & Apparel, with an increase of 20% YoY
- Russia is the second fastest-growing country for Fashion & Apparel, with 17.7% YoY growth. With the war in Russia, international brands are not as widely available, which has likely contributed to this growth
- The influence of K-culture is also seen in this category, with South Korea's demand for Fashion & Apparel growing by 14.2% YoY
- Mexico, with a YoY growth of 11.2%, is categorized as upper-middle-income while still showing growth in internet penetration, key elements likely driving this growth

Trends from the Fastest Growing Players

Top 10 Websites in the Fashion And Apparel Industry By Total Traffic Growth
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



Pre-owned continues to grow

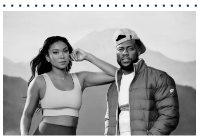
As consumers become more aware of fashion's environmental impact and as challenging economic conditions persist, demand for pre-owned apparel has continued to grow. Vinted, with an impressive 80% YoY growth, followed by Depop with a 40% growth, are at the forefront, ranking at the top of the fastest-growing websites in the industry.

The influence of pop culture

Skims: The brand's growth is fueled not only by founder Kim Kardashian's popularity but also by its multiple campaigns featuring top celebrities like pop star Sabrina Carpenter and podcasting powerhouse Alex Cooper.

Musinsa: The Korean fashion retailer is benefiting from the global popularity of K-culture. The brand's site is growing at a rate of 33% year-over-year globally, and in the US, it has seen a remarkable growth of nearly 250%.

Free People: This brand has been key in driving growth for its parent company, URBN, in recent months. High-profile celebrities like Taylor Swift and Hailey Bieber are frequently seen wearing Free People, boosting its popularity.



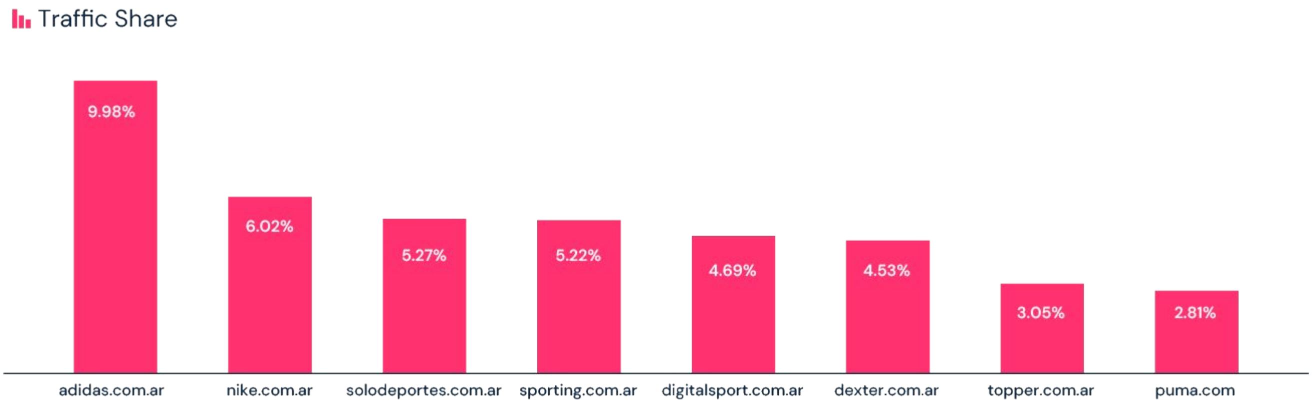
Fabletics: Founded by Kate Hudson, the brand leverages long-term collaborations with influencers and consistently partners with celebrities like Kevin Hart and Khloe Kardashian to represent the brand.

Sportswear and DTC in the Argentinian Market

Argentina's fast-growing is dominated by sports brands and retailers, with the top 8 biggest websites operating within this space and capturing over 40% of visits to the industry.

Nike, the second-largest website in Fashion & Apparel in Argentina over the last 12 months, launched their local DTC website in April 2023. While the brand was already available through retailers, this new presence expands Nike's product offering in the country and enables a more direct relationship with their customers. This follows the company's global strategy and a trend seen in multiple categories, where brands are making concerted efforts to expand their DTC presence. Already, half of those top fashion websites are DTC sportswear brands, and they hold over 20% of the total traffic to the industry.

Top 8 Websites in the Fashion & Apparel Industry - Argentina
Desktop & Mobile Web, May 2023 - Apr 2024



Despite Adidas' website seeing the largest growth, they have actually seen a decline in direct brand searches of 9%, while Nike has seen their volume grow by 37%. The largest growth in athletic footwear brands belongs to Vans, with 73%, who also have the 3rd largest volume overall behind Adidas and Nike.

Top 10 Athletic Footwear Brands by Search Volume And Yoy Growth - Argentina
Desktop & Mobile Web, May 2023 - Apr 2024

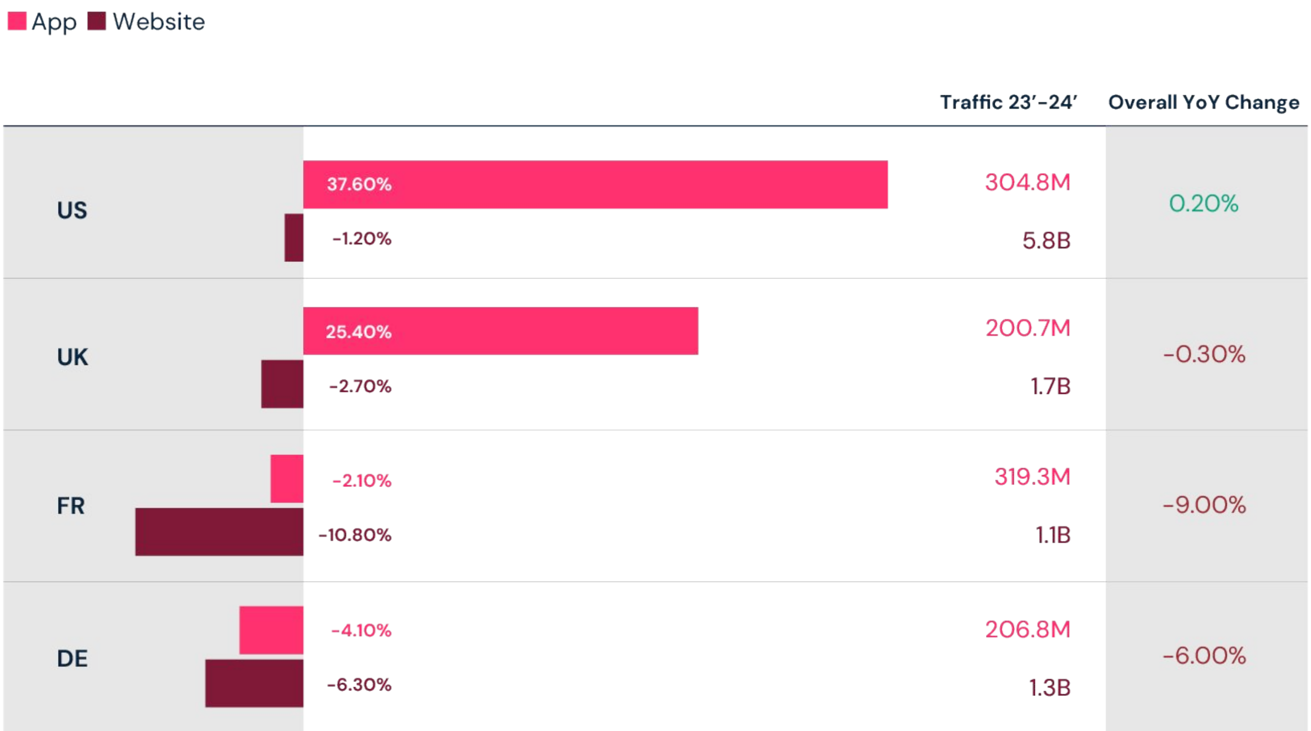
App Development: Key To Retention In An Increasingly Fragmented Market

Just as with the Marketplace industry, app usage is increasingly becoming the primary mode of interaction between customers and fashion brands. Despite a decline in visits to top fashion websites in the US and the UK, app usage has surged by 38% and 25% respectively, counteracting this decline overall. Conversely, app usage has decreased in France and Germany in addition to web traffic declines, though app usage has declined at a slower rate. Overall, in these four markets, consumers' shift towards apps is helping to offset the impact of faster-declining website visits for fashion brands.

Low-price retailers are significantly driving the growth of app usage across all countries. Notably, Shein stands out as one of the fastest-growing fashion apps among top players in all four markets, with growth rates of 63% in the US and 49% in the UK. In the UK, Vinted also plays a major role in boosting app usage, with app sessions increasing by 72%. Additionally, other low-price retailers contributing to this growth include Sports Direct in the UK, Kiabi in France, and C&A in Germany.

The Fashion and Apparel industry faces stagnant global growth, with consumers increasingly drawn to direct-to-consumer (DTC) brands that prioritize a seamless shopping experience. To compete, larger retailers must prioritize app development. Mobile apps allow them to collect valuable customer data, enabling them to personalize experiences and target consumers with greater effectiveness, ultimately driving customer acquisition and retention.

Web Traffic and App Sessions - YoY Change - Top 10 Fashion Websites and their Apps
Desktop , Mobile Web & Android May 2022 - Apr 2023 vs. May 2023 - Apr 2024



LUXURY AND JEWELRY

HIGH GROWTH CATEGORY HIGHLY INFLUENCED BY GLOBAL INFLATION

+15.8%

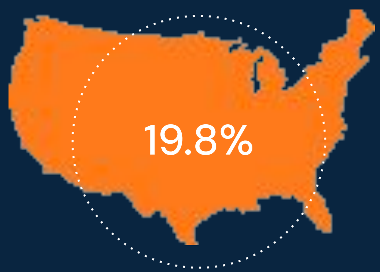
YoY Growth | May 2023 - Apr 2024

COUNTRY WITH HIGHEST GROWTH:
TURKEY

WEBSITE WITH BIGGEST GROWTH:
rarecarat.com

+95.9%

COUNTRY WITH HIGHEST TRAFFIC SHARE:
UNITED STATES



TRENDS:
Quiet luxury, pre-owned, celebrity partnerships

Luxury and Jewelry

The Luxury and Jewelry category grew by 15.8% YoY, a higher rate than we saw last year, and much higher than other categories. High inflation has likely been a key factor in driving this, as it can often benefit the wealthiest.

Turkey is a key example of this, which shows a growth of 38.8% YoY despite inflation of almost 70%.

As some countries' economies stabilise, demand for luxury and jewelry products has started to show signs of recovery - such as UK, France, and Germany - which had seen a decline in visits to the category last year. All top countries by traffic share are now also growing.

As the influence of celebrities, social media, and pop culture continues to grow, the Luxury and Jewelry category must adapt with it, following global and local trends.

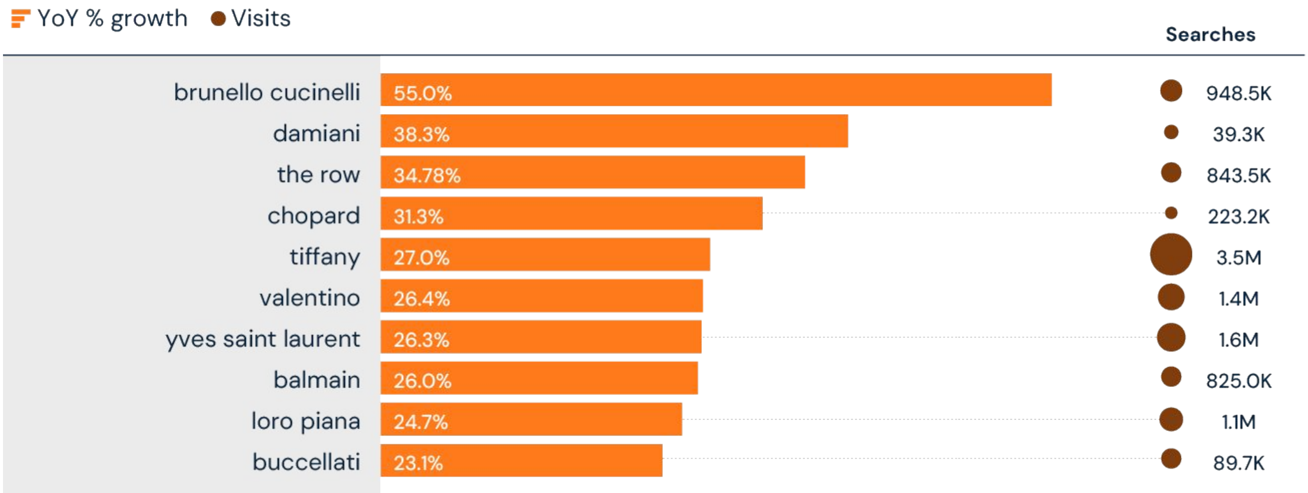
Top 10 Countries for the Luxury and Jewelry Industry by Total Traffic Share
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024

Visits 200M-299M 300M-499M 500M-2B

Country	Traffic Share	Traffic Growth	Inflation
United States	19.8%	11.8%	3.4%
India	7.5%	23.0%	4.8%
Japan	7.5%	24.2%	2.5%
United Kingdom	5.9%	5.4%	2.3%
Russia	5.4%	6.0%	7.8%
Turkey	4.4%	38.8%	69.8%
Germany	3.9%	10.4%	2.2%
France	3.8%	9.6%	2.2%
Vietnam	3.7%	17.6%	4.4%
Poland	3.4%	18.1%	2.4%

Quiet Luxury and Celebrity Influence in the US

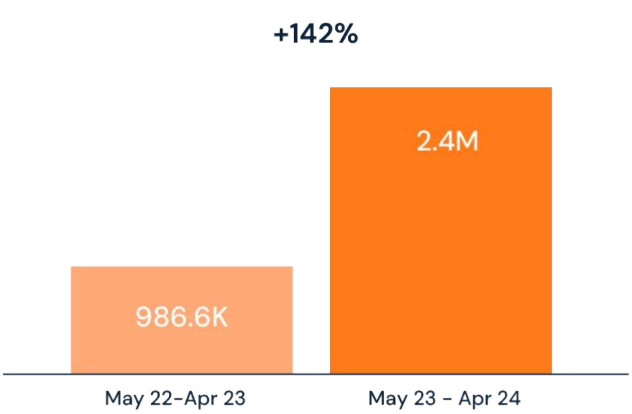
Top 10 Luxury Brands by YoY Growth In Searches - US
Desktop & Mobile Web, May 2022 - Apr 2023 vs. May 2023 - Apr 2024



The US, which holds 20% of visits to the category globally, continues to grow with an 11.8% increase in visits YoY, indicating there is still opportunity for growth. Consumer demand is growing for brands that match popular trends or have strong celebrity endorsements.

- Similar to the broader Fashion industry, brands tied to popular celebrities have seen some of the highest growth in consumer interest. Some examples include Valentino with brand ambassador Suga from BTS and YSL with Dua Lipa
- Bruno Cucinelli showed an impressive 55% YoY increase in searches. The brand is known for its 'quiet luxury' styles, which have gained popularity on social media and seen growth in searches of over 140%, driven in part by shows such as Succession. Other rapidly growing luxury brands known for this style include The Row and Loro Piana

Volume of Searches Related To "Quiet Luxury" - US
Desktop & Mobile Web, May 2022 - Apr 2024



Turkey and Japan – Big Opportunities With Very Different Focuses

Top 10 Countries for the Luxury and Jewelry Industry by Total Traffic Growth
Desktop & Mobile Web, May 2022 – Apr 2023 vs. May 2023 – Apr 2024

Visits: 288.3M | 496.0M

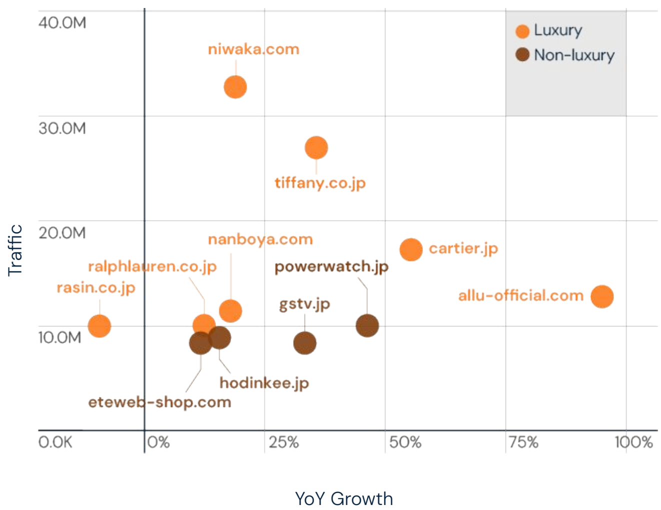
Rank by Growth	Country	Traffic Share	Traffic Growth	Inflation
1st	Turkey	4.4%	38.8%	69.8%
4th	Japan	7.5%	24.2%	2.5%

Japan and Turkey are two of the biggest and fastest-growing countries in the Jewelry and Luxury category. However, both countries exhibit very different consumer behavior:

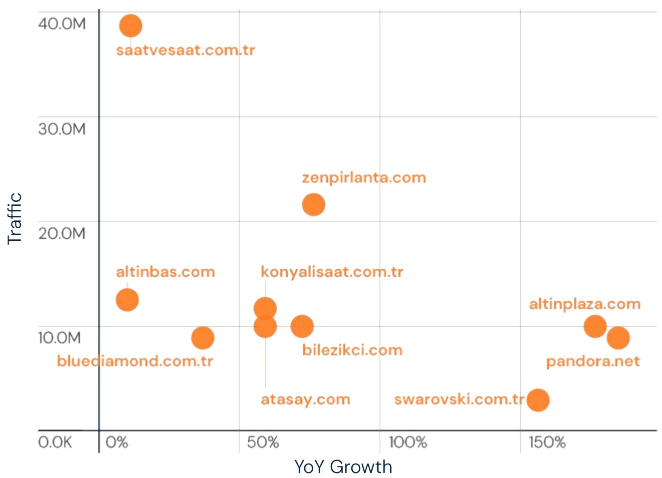
Japan
Luxury focused and pre-owned

In Japan, consumer demand is highly focused on ultra-luxury brands, whether directly through DTC websites or retailers. There is an increasing demand for pre-owned goods. Three of the biggest websites in the category (allu-official.com, nanboya.com, and raisin.co.jp) are pre-owned luxury retailers. Allu, specifically, is the fourth largest website in the category and has almost doubled its traffic YoY.

Top 10 Websites In the Luxury and Jewelry Industry by Traffic Growth – Japan | Desktop & Mobile Web, May 2022 – Apr 2023 vs. May 2023 – Apr 2024



Top 10 Websites in the Luxury And Jewelry Industry by Traffic Growth – Turkey | Desktop & Mobile Web, May 2022 – Apr 2023 vs. May 2023 – Apr 2024



Turkey
Local shopping going international

Turkish consumers are more focused on local brands or retailers and are not especially interested in ultra-luxury items. Interestingly, global brands Swarovski and Pandora are some of the top competitors with the fastest growth, indicating that demand for more international brands is on the rise.

LOOKING FORWARD

Daniel Reid
Senior Insights Analyst

The retail landscape is poised for a shift in the next 1-2 years, with a more optimistic outlook compared to the challenges of 2023. Here's what we can expect:

- **Economic easing:** Relief is on the horizon. Inflation is projected to slow down, and interest rates have already begun to fall across much of the globe. This will provide much-needed breathing room for both businesses and consumers.
- **Ecommerce rebound:** The overall online shopping trend is expected to recover, with the exception of a few sectors. While consumer electronics may see a continued slowdown, most other industries can expect a resurgence in online sales.
- **Beauty & luxury boom:** Beauty and cosmetics are well placed to continue to see growth, driven by increased consumer desire for these products globally that shows little sign of slowing. Luxury retail appears to be similarly positioned but has a smaller potential audience of consumers..
- **Brick-and-mortar potential:** Though the decline of traditional retail might continue, it's not a complete shut-down. The focus will shift towards offering a more compelling in-store experience that complements online options (think click-and-collect, personalized service).
- **Generational shifts remain:** Millennials and Gen Z will continue to be major players, influencing retail trends with their digital savviness and focus on value.

Based on our analysis, businesses should focus on optimizing efforts in these three key areas:

- **Traffic trends:** While digital traffic growth might not reach pre-pandemic highs, it's expected to stabilize and continue to experience modest increases in most sectors.
- **Conversion is key:** Businesses need to prioritize strategies that convert digital traffic into actual sales. This could involve targeted advertising, personalized recommendations, or improved user experiences.
- **Data-driven approach:** Big picture data remains important, but retailers who delve deeper into customer behavior will be better positioned to capitalize on growth opportunities and improve conversion. Two ways in which brands and retailers can improve their data collection are through their direct offerings (DTC) and through app adoption - both trends that we are seeing with greater frequency.

The takeaway?
Retailers who adapt and embrace this evolving landscape will be well-positioned for success in the years to come.

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Translating millions of digital behavioral touchpoints into meaningful insights across the customer journey, from Google and social media to marketplaces, so you can be on top of the changing consumer.

Full View of the Market

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Granular Actionable Insights

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Benchmark your digital performance against competitors on all channels

Understand overall market dynamics to prioritize the right regions and markets

Track digital signals to uncover and capitalize fresh customer trends

ABOUT SIMILARWEB

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Our market research division identifies trends, tracks market changes, and analyzes online behavior to create meaningful commentary on the digital economy and provide actionable recommendations.

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Fashion & Apparel	adidas	Levi's	PUMA
Retail	Walmart	ebay	Carrefour
Beauty & Personal Care	Walgreens Boots Alliance	COTY	Beiersdorf
Luxury & Jewelry	FERRAGAMO		

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Lead Authors, Research & Insights

Daniel Reid | Senior Insights Analyst
Michelle Lang | Senior Insights Analyst
Daniel Schneider | Director of Content Marketing
Monique Ellis | Content Marketing Manager

Strategy

Marta Sulkiewicz | VP Global Research Solution
Yaara Zajicek | Team Lead, Global Marketing

Design & Data Visualization

Shirley Ohava | Senior Brand Designer