E-commerce
Opportunities and challenges

Westminster forum
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The opportunity

Global e-commerce statistics

Source: Forrester 2010 & 2009 – Online retail forecast
Key factors of success

- Improved e-retailer offers
- Consumer empowered to buy online
- Better transport performance
Goods and services ordered online

- Travel, holiday, accommodation: 14%
- Clothes, sports goods: 13%
- Household goods: 10%
- Tickets for events: 10%
- Books, newspapers: 9%
- Films, music: 9%
- Computer & game software: 8%
- Electronic equipment: 8%
- Computer hardware: 5%
- Telecommunications services: 5%
- Food or groceries: 4%
- Shares, insurance & financial products: 3%
- Other: 2%
From e-commerce to m- and f-commerce

M-commerce:
- Mobile banking
- Mobile entertainment
- Mobile info services
- Mobile marketing
- Mobile shopping
- Mobile ticketing

F-commerce:
- 700 million Facebook users
- 50% of them logged in everyday
- 28% check their Facebook profile on smartphone before getting out of bed
Online market in the big 5

Percentage of individuals ordering goods/services online

- **UK**: 60% in 2008, 70% in 2009, 80% in 2010
- **DE**: 50% in 2008, 60% in 2009, 70% in 2010
- **FR**: 40% in 2008, 50% in 2009, 60% in 2010
- **ES**: 30% in 2008, 40% in 2009, 50% in 2010
- **IT**: 20% in 2008, 30% in 2009, 40% in 2010
National versus cross-border online shopping

- National online purchases
- Cross-border online purchases

<table>
<thead>
<tr>
<th>Country</th>
<th>National Purchases</th>
<th>Cross-Border Purchases</th>
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<tbody>
<tr>
<td>FR</td>
<td>38</td>
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<tr>
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<td>EU27</td>
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Level of trust on online domestic/cross-border shopping

- More confident in a domestic seller
- Equally confident
- More confident in a seller from another EU country
- No answer
Why not trust online cross-border shopping?

- Worried about scams or frauds
- Worried about complaints procedures, returns of faulty goods
- Worried about the delivery

Totally agree | Tend to agree | Tend to disagree | Totally disagree | No answer

- Worried about scams or frauds:
  - Totally agree: 5
  - Tend to agree: 18
  - Tend to disagree: 17
  - Totally disagree: 25
  - No answer: 34

- Worried about complaints procedures, returns of faulty goods:
  - Totally agree: 5
  - Tend to agree: 21
  - Tend to disagree: 17
  - Totally disagree: 25
  - No answer: 32

- Worried about the delivery:
  - Totally agree: 6
  - Tend to agree: 24
  - Tend to disagree: 24
  - Totally disagree: 23
  - No answer: 24
Key issues for an EU online single market

Business challenges

- Consumer trust in an online single market
- Language
- Delivery
- Security of payment systems

Regulatory challenges

- VAT
- EU contract law
- Consumer rights
- Collective redress – ADRs/ODRs
- Personal data protection
- Fight against piracy and counterfeiting
Major developments in 2011

Selling online and payments
- Online single market
- Online contracting rules
- Online consumer rights
- ADRs / ODRs – collective redress

Liability of intermediaries
- Spams
- Illegal and harmful content
- Counterfeiting and Piracy

Privacy and security
- Data breach notification
- Cloud computing – applicable law

Review of the e-commerce directive
New consumer rights directive
Review of data protection directive
Review of data retention directive
New IPRs strategy
Thank you for your attention!!