2013 - 2023 | e-Chamber Report

Decade

of Polish e-commerce

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ANALYSIS AND STUDY

Mobile Institute

SECTORAL PARTNER

tpay

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Key figures of the Decade

87%

The percentage of Internet users who buy online has increased over the past decade from 45% to 87%, an increase of almost 2 times.

96%

e-customers know exactly why they buy from e-commerce and, on average, point to more than 2 digital shopping advantages that determine this.

3,8

devices with access to the web are now used for shopping purposes by the statistical Internet user. This is 3 times more than 10 years ago.

850 mld zł

This is the value that online sales to consumers and businesses, so e-B2C and e-B2B together, could reach by the end of 2022.

150000

So many Polish entrepreneurs sell their products and services over the Internet (their own website, sales through a company account on Allegro, sellers exclusively on Allegro).

58%

Poles believe that online shopping is the most optimal.

Dear Sirs,

The beginnings of e-commerce in Poland date back to the second half of the 1990s. It was then that the first online stores, e-commerce catalogs and auction platforms were established. However, it is in the last decade that e-commerce has developed most rapidly. And also for the past ten years, the Chamber of the Electronic Economy has been working vigorously, both in legislative and educational terms. We educate e-consumers to be able to buy safely online, and we support companies and advise them on how to build or develop an e-store, how to carry out digital transformation, and how to export online.

Poles have fallen in love with online shopping! And it's hardly surprising - they are simple, fast and safe. They are accessible to anyone from anywhere, at a convenient time, which was especially important during the pandemic period, and allow you to buy more cheaply and reasonably, which has become an important factor in the past year. A few important figures summarizing the last 10 years of e-commerce in Poland:

- from 60% in 2012 to 96.2% in 2021, the number of households with Internet access has increased (CSO);
- as many as 9 out of 10 Polish Internet users now shop online - up from 45% in 2013
- we see a significant increase in the popularity of online shopping among people who have not previously shopped online, such as the Silver Power generation or rural residents
- there has been a 5-fold increase in the value of the B2C e-commerce market
- there has been a 3.5-fold increase in the value of the B2B e-commerce market
- there has been a 3-fold increase in the share of digital sales in total retail sales
- and the number of registered online stores has increased 2.5 times.

E-commerce is growing rapidly and analysts forecast its further expansion. The key drivers of e-commerce development are undoubtedly modern technologies, omnichannel development, as well as the growing awareness that e-commerce knows no borders and is the most effective form of online export development. Hence the growing number of B2B companies that are choosing to develop sales in this channel. Technologies are mainly concerned with personalization, programmatic buying, mobile shopping, the use of artificial intelligence in e-commerce, augmented reality for product visualization or the use of intelligent chatbots, increasingly used effectively in the shopping process.

Globally, there has been a huge increase in investment in research into AI solutions, with Berkshire Hathaway estimating that the amount is expected to exceed $200 billion as early as 2025. This will have a huge impact on the development of new innovative applications and technologies based on intelligent algorithms, machine learning and deep neural networks. As a result, companies around the world are already planning to invest sizable budgets in artificial intelligence. This creates even more opportunities for the digital economy.

Without a doubt, the Chamber of the Electronic Economy has made a huge contribution to the development of the e-commerce market over these past 10 years. In addition to its legislative and educational activities, e-Isba plays an invaluable role as an integrator of the industry. It is a meeting place for people, companies, organizations and institutions that make up the ecosystem of Polish e-commerce. We also perfectly integrate the industry by organizing events and competitions such as e-Commerce Poland awards, e-commerce Director of the Year and Performance Marketing Diamonds. In addition, our research and reports are a source of valuable market analysis and a barometer of consumer behavior. We continuously promote Polish e-commerce, also outside our country, as part of the international organization E-commerce Europe.

The report "A Decade of Polish E-commerce" was created as a summary of what has happened in Polish e-commerce over the past 10 years, which our organization has given direction to and greatly influenced. I would like to thank all member companies and friends of e-Isba for jointly creating this very interesting and developing market.

I invite you to join us in 2023 and realize our ambitious plans together.
You will learn about our plans for this year here: https://eizba.pl/wp-content/uploads/2022/12/PLANY-IZBY-GOSPODARKI-ELEKTRONICZNEJ-2023.pdf

100 years of Polish e-commerce!

I invite you to read more.

Patrycja Sass-Staniszewska
CEO
Chamber of Digital Economy

DZIAŁANIA LEGISLACYJNE E-IZBY

LEGISLACJA KRAJOWA

- POLSKA CYFROWA. PAKIET ZMIAN
- TAKI SAM START: RÓWNE RAMY PRAWNE DLA KONKURENCJI MIĘDZY POLSKIMI I AZJATYCKIMI E-SPRZEDAWCAMI
- UDZIAŁ W POLSKICH PRACACH NAD WDROŻENIEM ROZPORZĄDZENIA AKT O USŁUGACH CYFROWYCH
- ZMIANY W PRAWIE KONSUMENCKIM I PODATKACH
- SZKOLENIA DLA CZŁONKÓW E-IZBY Z ZAGADNIEŃ PRAWNYCH ISTOTNYCH DLA BRANŻY E-COMMERCE
- KSIĘGA NIWELOWANIA BARIER LEGISLACYJNYCH. NOWE WYDANIE

STRUKTURA LEGISLACYJNA E-IZBY

STANOWISKA, POSTULATY, OPINIE E-IZBY

LEGISLACJA ECOMMERCE EUROPE

LEGISLACJA MIĘDZYNARODOWA

- DALSZE ZAANGAŻOWANIE W PRACE NAD ROZPORZĄDZENIEM E-PRIVACY
- AKTYWNY UDZIAŁ W PROCESIE LEGISLACYJNYM DOTYCZĄCYM ROZPORZĄDZENIA AKT W SPRAWIE SZTUCZNEJ INTELIGENCJI
- BIEŻĄCA WSPÓŁPRACA Z ECOMMERCE EUROPE

ECOMMERCE EUROPE

Luca Cassetti

Secretary General
Ecommerce Europe

When looking at the past, a lot has changed since the early days of e-commerce, when the first online shops started appearing and when more traditional catalogue retailers started making their moves into the digital world. A lot has changed indeed since the first e-commerce transaction, which apparently happened in August 1994, when a CD of the singer Sting was sold in Philadelphia. In the past years, e-commerce has grown significantly, and if we specifically look at the European Union, despite the lifting of the Covid-19 pandemic measures and the United Kingdom leaving the EU single market, B2C e-commerce turnover grew at a rate of 16% in 2021 reaching 520 billion €. E-commerce turnover is expected to grow even further this year and reach 572 billion €, with an estimated growth rate of 11% in 2022. It is even more impressive when comparing these figures with figures from 2017, when B2C e-commerce turnover in the EU was 313 billion €.

In parallel, a lot has also changed in Ecommerce Europe, which recently celebrated its 10-year anniversary. We have grown our membership from 7 founders, the national e-commerce associations that joined in 2012, to 24 national associations today, together with more and more company members, business partners and associative partners. We joined forces with EMOTA, to speak as one single association representing more that 150.000 e-retailers in Europe. We are running successful working committees in cooperation with our members, to provide policymakers the perspective of the sector on crucial policy matters. Finally, we have increased our staff in Brussels.

When looking at the future of the sector, there is no doubt that the pandemic has greatly accelerated the digital transformation of both businesses and consumers. At Ecommerce Europe, we thus believe that the future of commerce can only be omnichannel, and there is no way back. That's why we need channel-neutral legislation, and the reason why we advocate to go beyond the old-fashioned distinction of "online vs. offline", who are actually not in competition but complement each other. We also believe that the future of commerce will be sustainable. Sustainability is a priority for the EU, but also a priority for an increasing number of companies and for consumers, who are both more and more conscious of their impact on the environment and are trying to reduce it. Finally, we also believe the future of commerce will be data-driven and AI-based. That's why we need to make sure that EU legislation strikes the right balance between allowing business innovation to provide a seamless shopping experience to consumers, and protect them at the same time. These are just some of our priorities, but you can find more information in our Priority Paper 2023, published last December in cooperation with our members.

When looking at the future of Ecommerce Europe, our intention is to grow, both in terms of members and human resources who, together, represent the engine of our activities in Brussels. The amount of work on EU legislation impacting our sector is not going to decrease in the coming years and having more members and more staff will mean being able to even better represent the industry when we talk to EU stakeholders on crucial policies for digital commerce.

I would like to take the opportunity to congratulate the Polish e-commerce association for its anniversary and thank it for its continuous strong support to Ecommerce Europe over the years".

CHAPTER 1

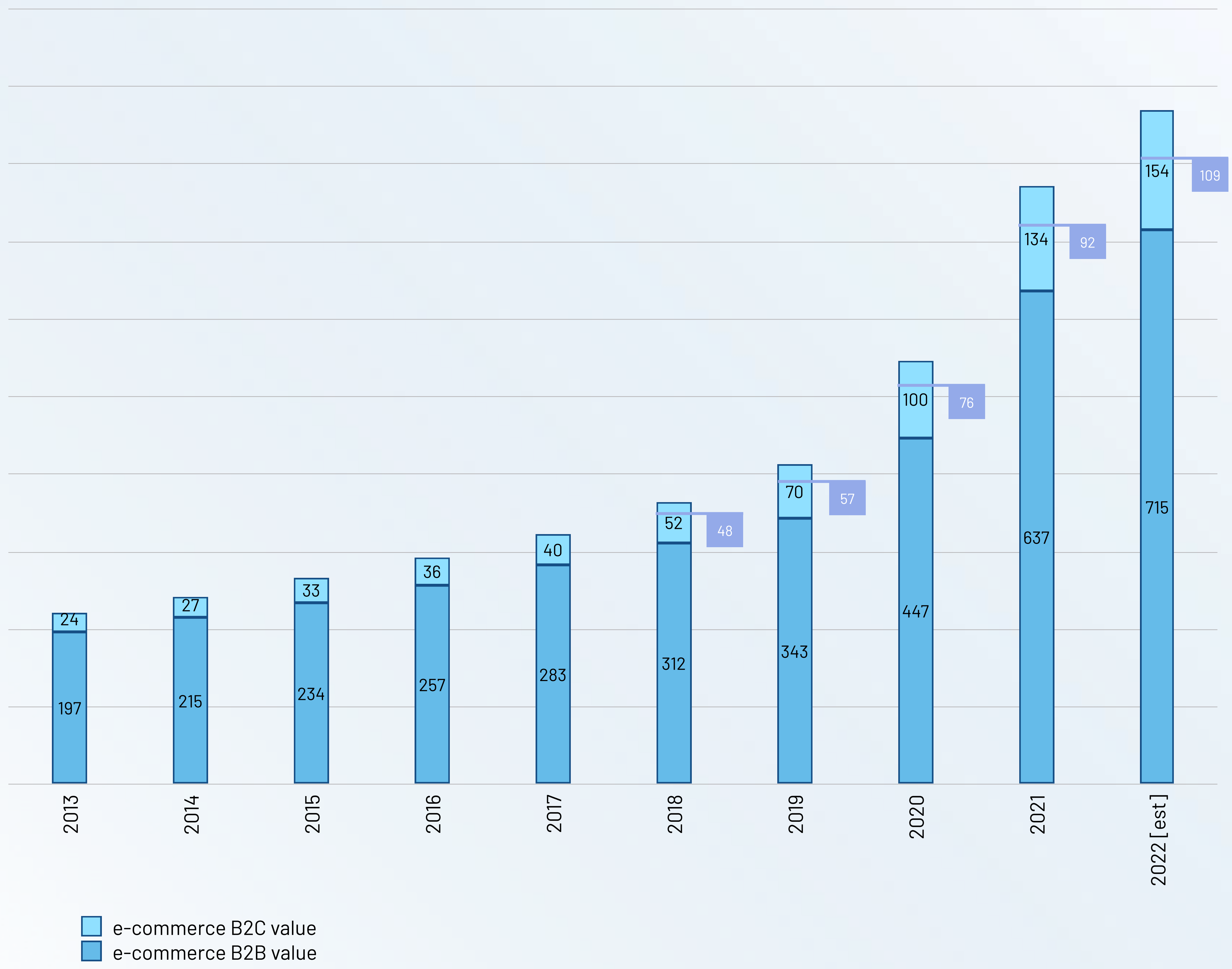
Digital market

E-market value

„E", that means a lot

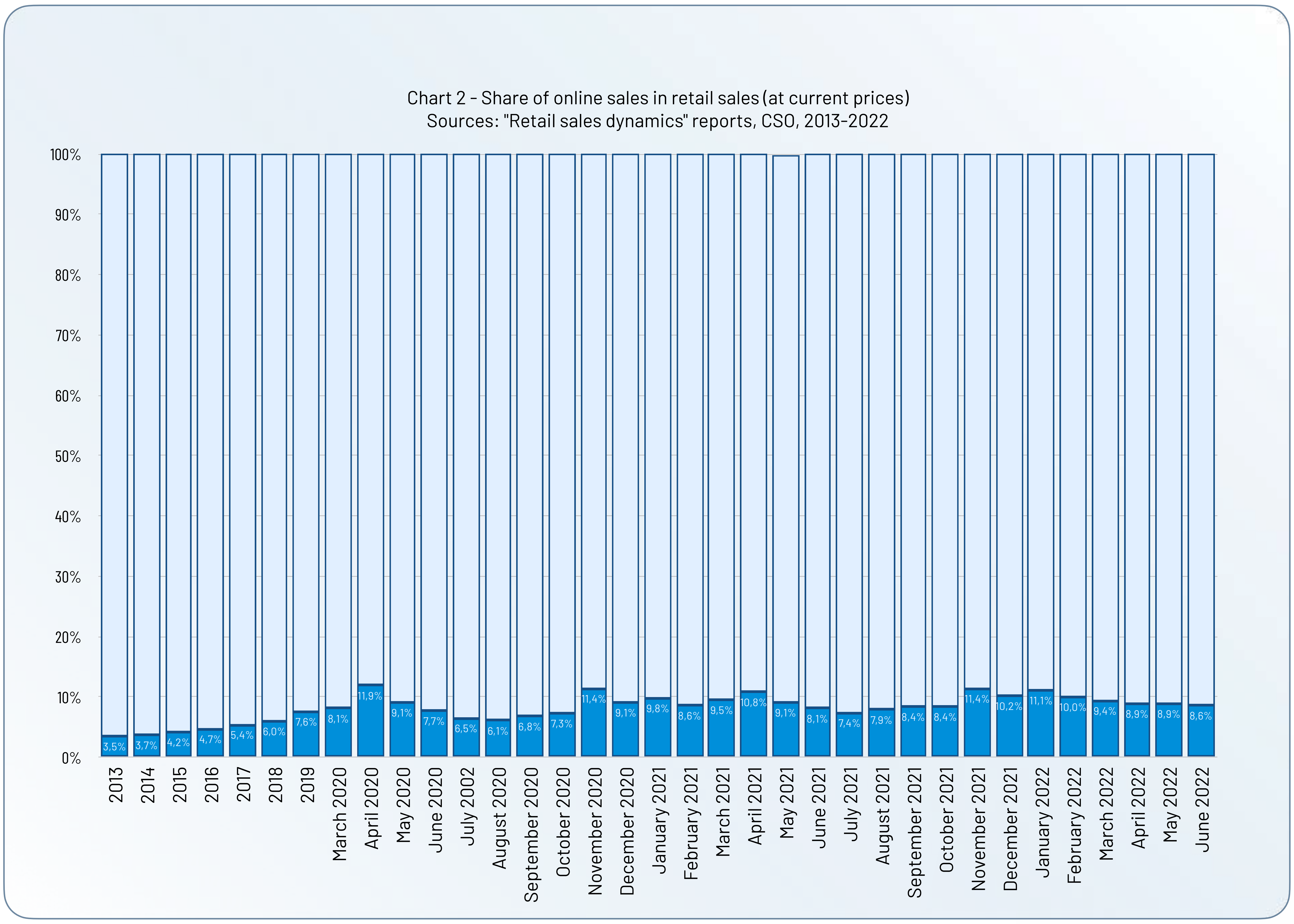
At the end of 2020, the value of the B2C e-commerce market, i.e. aimed at the end consumer, exceeded the long-awaited PLN 100 billion. At the same time, the value of the e-commerce market, which takes into account online trade between companies, reached PLN 447 billion in the aforementioned 2020. Taking into account the dynamics of B2C e-sales, estimated at 34% in 2022, and the dynamics of B2B e-sales, which, based on the declarations of companies, can be estimated at 42%, at the end of 2022 digital sales to consumers and businesses counted together have a chance to break through the limit of PLN 850 billion. In turn, e-commerce to consumers alone will reach PLN 187 billion by 2027, according to PwC forecasts. Such a rapid pace of growth in the value of e-commerce puts Poland at the forefront of the countries that are most rapidly developing the digital part of their economy.

Chart 1 - The value of the e-commerce market in Poland from billion PLN,
Sources: Report „European E-commerce Report 2021", E-commerce Europe, 2021; report „E-commerce B2B. Biznes w sieci", Santander Bank Poland, 2021; data and communications from the Chamber of Digital Economy; Eurostat data; report „Perspektywy rozwoju e-commerce w Polsce 2018-2027, PwC, 2021; Mobile Institute data; Statista.com data



Note: According to Eurostat, the growth rate of online retail sales in Poland is 34%. PwC estimates the growth rate lower - at 18-20%, hence the discrepancies in estimating the value of the e-commerce market in subsequent years, PwC predicts that B2C e-commerce will reach 155 billion PLN in 2025, and at the end of 2027 - 187 billion PLN.

The pandemic has decisively accelerated e-commerce growth since 2020. 10 European countries, including Poland, achieved a high growth rate of e-retail sales of more than 30%. On the other hand, 2022 inflation and the specter of the economic crisis, on the one hand, directed 76% of Polish consumers to shop more online (they increased spending in various categories or moved online completely), but on the other hand, reduced purchasing power and consumer optimism and investment on the part of companies, which will probably negatively affect the growth dynamics of digital sales and reduce the e-growth rate to 14-15% per year. All the while, however, e-commerce remains the fastest growing part of the Polish economy, making it crucial to the country's future.



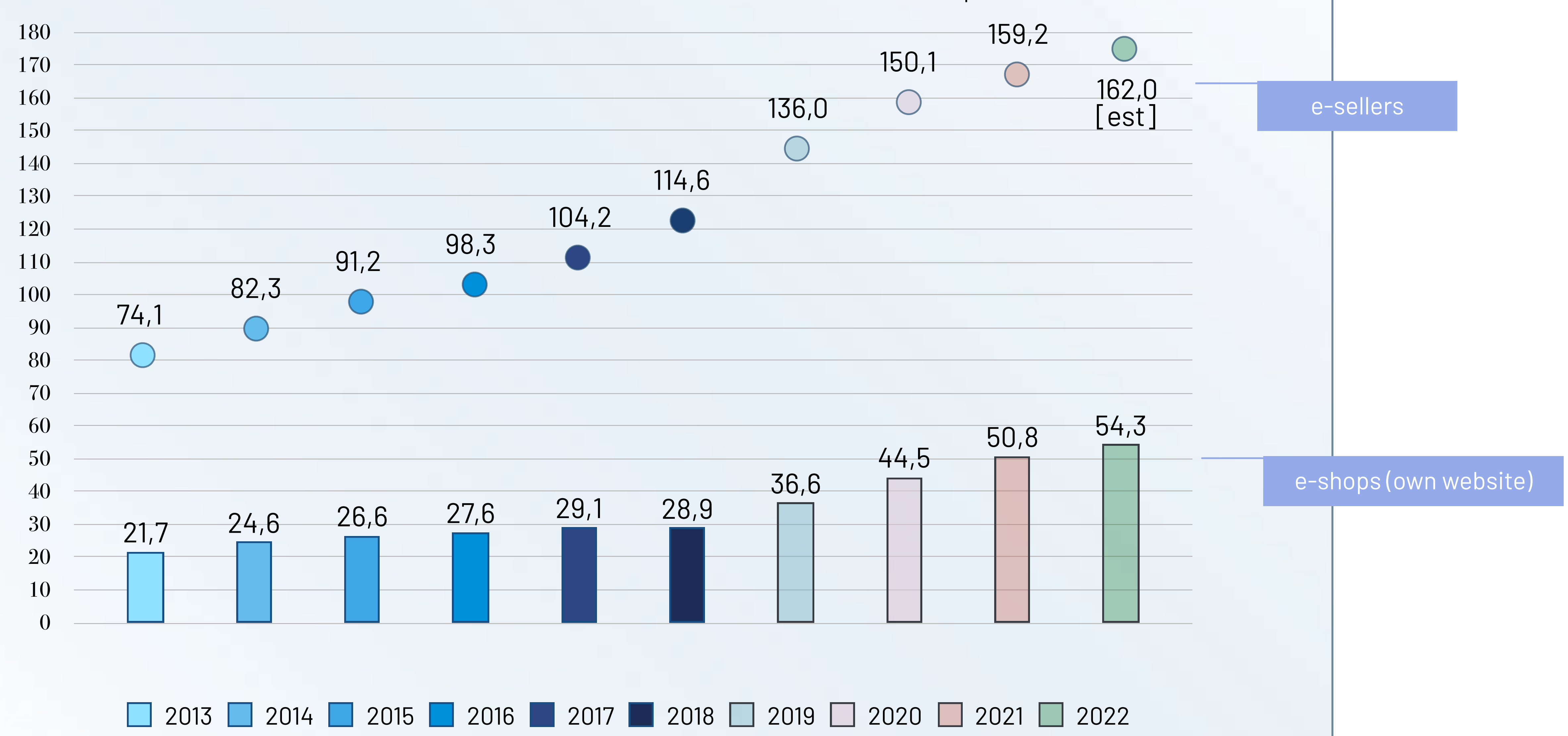
Significantly, online sales are also taking an increasing share of Poland's total retail sales. And in a decade, this share has increased from about 3,5% in 2013 to an average of 10% in 2021 and 2022. It is also worth noting that in some categories e-commerce already generates one in every five zlotys of sales. In particular, this is the case in the "textiles, clothing, footwear" category, where e-commerce accounts for 21,7% of all retail sales. In the "furniture, consumer electronics, household appliances" category, it is 16,4%, and in the "press, books, other sales in specialized stores" sector. - as much as 22%.

Thousands of e-shops

Number of e-sellers

The number of online stores in Poland has also been growing steadily for a decade, with growth rates of 14% per year over the past covid years, up from nearly 20% at the start of the pandemic. This puts Poland once again among the fastest-growing e-commerce markets in Europe. There are now twice as many digital sellers as there were 10 years ago. According to PwC, there are currently about 150,000 Polish entrepreneurs selling their products and services online (their own website, selling through a company account on Allegro, sellers exclusively on Allegro). What worries is the not-so-good financial condition of a large part of e-retailers. Since the beginning of 2021, more than 4.4 thousand e-shops registered in Poland with their own websites have suspended operations, and 67% - according to an assessment by international business intelligence firm Dun & Bradstreet - are currently in poor financial condition. The situation of 8,3% of e-stores can be assessed as very bad. In contrast, 23% of stores are in good financial condition, and only 1,5% are in very good financial condition.

hart 3 - Number of online stores and online sellers (independent, dedicated e-shops (own site), selling through a company account on Allegro, sellers exclusively on Allegro) in Poland in thousands
Sources: Dun & Bradstreet and Mobile Institute data and estimates based on press releases



It is not only the number of e-stores that is changing, but also how they operate and what solutions they offer to digital customers. E-tailers are well aware of the competitiveness of the online market and the dynamically increasing demands of consumers, including the increasing scale of shopping cart abandonment by consumers and the increasingly short time to win their affection and trust. As a result, it is now hard to find an e-store that is not adapted to mobile devices, with the help of which 6 out of 10 Internet users buy, or does not offer a full range of payment and delivery methods. E-shops are also increasingly operating on well-known and proven solutions such as the currently most popular WooCommerce, PrestaShop or Shoper, which allows for quick and less costly development. The power of well-known and well-liked shopping platforms such as Allegro is also widely used, allowing additional outreach to customers and taking advantage of pro-customer innovations implemented by the big players. Again referring to PwC's data - already more than 1/3 of companies with online stores have a presence on the Allegro platform in addition to their own site.

Partner commentary

Paweł Działak

CEO & Co-founder
Tpay

tpay

Remember what was happening in e-commerce 10 years ago?

The last decade has seen huge changes for online shopping. What we consider standard today, quite recently was just crawling or a song of the future. Sit back - we are embarking on a technological journey through time!

In 2012, the map of Polish e-commerce was not yet so tight, but it was becoming clear that many changes and big numbers were ahead. An e-Izba and FACT-Finder report from that year reads that "year after year, Poland is recording big increases, and forecasts indicate that e-commerce's best period is yet to come."

At the time, as many as **54,5%** of Polish online stores were operated by just one or two people (Internet Standard eCommerce Report 2012). Vendors operating on the Polish e-commerce market tended to treat the Internet as an additional source of sales - only **12%** of those surveyed relied exclusively on online commerce. Of course, this should not come as a surprise. Although at the time two-thirds of Internet users taking part in Gemius' annual survey declared that they had done e-commerce at least once, **only 16%** had done so mobile! Shopping with a smartphone in hand, however, was just around the corner....

Toward the so-called „mobilka"

Among the trends for 2013 has emerged a kind of catalyst for mobile payments - **NFC** technology.
An article on the Elektroonline website, published on December 17, 2012, stated that "researchers predict that by 2014, already one in five phones will be equipped with an NFC module." Chip magazine, on the other hand, mentioned as early as November of the same year that "thanks to the Orange Cash service (...) it will be possible to buy products and services by paying contactless with a payment card on your phone." Quite a while ago, shopping literally at your fingertips was starting to become possible, wasn't it?

Partner commentary

Paweł Działak

CEO & Co-founder
Tpay

Even faster

In the following years, we went from a fast march to a run (at one point, thanks to Pandemic, even downhill). Most of the technological innovations, including the solutions created at Tpay, were moving in one direction: a few clicks and purchases could even reach the customer the same day.

What was very memorable for me was the launch of **BLIK** - on February 9, 2015. The National Bank of Poland estimated that as early as 2019, the number of BLIK transactions exceeded the number of those made on the Polish Internet using payment cards. At that time there were 1,27 million, and 5 years later - already 423 million a year. With BLIK, customers have gained time when shopping both online and in-store. From the retailers' perspective, this payment method opened the way to solutions such as the One Click Widget or shopping completely in Messenger.

Let's stay a while longer in 2015. Back then, on November 16, the Council of the European Union approved **PSD2**, a directive that increases online security and introduces open banking. The regulations got the light of day a few years later, at the end of 2019, but this was the moment when approving transactions via **Face ID** ceased to be just a fragment of a science-fiction movie scenario..

Tick, tock, boom!

The following year, 2019, brought to life a fragment of another movie, also "not from this earth" - a coronavirus pandemic broke out. It was an accelerated maturation course for the e-commerce industry, despite so many previous breakthroughs!

Everything that had previously been either something unique to the store or just fledgling became a must have. Vendors immediately had to put in place solutions to help take care of those whom the pandemic had put against the wall, or rather - locked inside four walls. At the same time, the number of stores began to grow at a dizzying pace, so conscious e-business owners, looked closely at **every step of the shopping path in their e-commerce**. "Easy, fast, and convenient" - these three words were keeping people awake at night.

Over time, which is hard to pinpoint a specific date, it has also become important to give customers a choice, which in terms of e-payments has to do with the merchant and what his cooperation with the payment operator looks like. This is a topic that concludes our journey in time (we are back in 2023) and, in my opinion, at the same time opens up a future in which **stability, trust and predictability** will mainly matter.

Expert Commentary

Dorota Hechner

Permanent Recruitment Director
Recruiting and advisory company Devire

The last 10 years in Poland have been a period of dynamic development of the e-commerce channel. The value of the e-commerce market, which is valued at around 90 billion zlotys in 2022, has obviously changed. It was also a time of constitution of organizational structures, professional development of industry leaders, as well as successive product categories in which Poles decided to shop online.

From a talent management perspective, the e-commerce industry reports and has reported a greater need for specialized experts than the market supply of job candidates. This is because online sales and marketing departments in recent years have often been built by specialists and managers coming from adjacent business areas, such as offline sales, logistics and IT departments. Significantly, over the past few years, the key names of Polish e-commerce have been an almost closed catalog. Working for the big players, e-commerce directors held strategic positions on a rotating basis, swapping brands with each other every few years. Recently, there has been a slow increase in diversity among e-commerce directors, but the market continues to report a need for strategically oriented strong leaders who would bring both knowledge and a fresh perspective to the organization.

The beginnings of Polish e-commerce were primarily associated with the sale of consumer electronics, as well as books, multimedia or products from the Home and Garden category. Over time, consumers became increasingly willing to purchase clothing, footwear and accessories or products from the Health and Beauty category online. Grocery shopping, however, resisted large-scale digitization for a long time. Although grocery chains (such as Auchan and Carrefour) and so-called pure players (such as Frisco.co.uk), were already recording increases before 2020, it was the lockdown caused by the Covid-19 pandemic that contributed to a significant increase in consumer openness to online grocery shopping with home delivery. The last 2 years have also seen an increase in the importance of q-commerce solutions.

Although rankings of companies dictating trends always carry the risk of subjectivity, without a doubt among the Polish leaders today are Allegro, Answear.com, RTV Euro AGD, CCC, E-obuwie, Modivo and Empik. We have come a long way from the model of leading retail through the first attempts at omnichannel integration to the reality that e-commerce is coming to the forefront in many product categories. In addition to technological issues, among the challenges that Polish e-commerce will face in the next decade is certainly the systemic education of a cadre of future experts and leaders. This is a task for both the education sector and the employers themselves, who must ensure the effective transfer of knowledge in the reality of increasing employee turnover rates.

SZKOŁA GOSPODARKI CYFROWEJ Junior

WWW

SŁUCHOWISKO EDUKACYJNE O TECHNOLOGIACH DLA DZIECI

RÓŻA, A CO CHCESZ WIEDZIEĆ O E-COMMERCE?

DOŁĄCZ DO INICJATYWY

ROZWIJAJMY RAZEM KOMPETENCJE CYFROWE DZIECI I MŁODZIEŻY

PATRONI PROJEKTU:

Federacja Konsumentów

FUNDACJA DAJEMY DZIECIOM SIŁĘ

HONOROWY PATRONAT
Sekretarza Stanu w KPRM ds. Cyfryzacji
Janusza Cieszyńskiego

NASK

Rzecznik Praw Dziecka Mikołaj Pawlak

Expert Commentary

Marcin Kubik

Head of Client Service & Partner
Whites

Over the past 10 years, the e-commerce market in Poland has undergone a number of significant changes in terms of its structure, size, technologies and mode of operation.

Since 2013, the market related to online sales in Poland has grown more than 4 times, as a result of the growing popularity of online shopping. 10 years ago, the value of the market was PLN 26 billion, and in 2022, according to estimates by Strategy& Poland of the PwC group, as much as PLN 109 billion.

One of the main factors contributing to such dynamic growth was the increase in consumer confidence in online shopping and the growing demand for convenient and attractively priced shopping methods. This especially drove the market until 2019. In the following years when the pandemic occurred, i.e. from 2020 to 2021, e-commerce developed mainly through the closure of stationary stores and numerous restrictions. That's when the market recorded gigantic increases of more than 33% year-on-year. On the other hand, from the beginning of 2022, the growth was already mainly related to inflation, i.e. rising product prices with weakening consumer demand. Such a dynamic development of the e-commerce market in Poland over the past 10 years would not have been possible without the increasing access of Poles to the Internet. In 2013, only 66% of households had such access, compared to more than 93% currently, according to the Central Statistical Office.

One of the most important changes that has taken place in the e-commerce market in Poland has been the consolidation of the big players, especially those operating in the platform (marketplace) model. They have dominated the market and become one of the most obvious places to shop online for many Poles. Of which the most recognizable platforms include Allegro, Amazon, and Zalando. However, it is worth mentioning that despite such a competitive market, many new players have emerged over the past 10 years. Such a successful example was the Shopee service. It appeared in Poland in August 2021, and a year later, in the Gemius / IAB survey, it was already ranked 6th in spontaneous recognition of sites related to online shopping.

The development of e-commerce in Poland would not have been possible if it were not for new technologies. Over the past 10 years, new tools and solutions have emerged that have enabled online stores to improve their customers' shopping experience. This translated into an increase in their shopping satisfaction and their loyalty. These included personalization and automation of the shopping process using artificial intelligence, chatbots, fast payments, including mobile payments, and even virtual fitting rooms, known, for example, from CCC Group stores.
In an era of such rapid development of technology, we want to have the product here and now! This is why Q-commerce (quick commerce) has gained in importance. Consumers expect not only free, but also fast delivery. Waiting time increasingly determines the choice of a store, so today many stores offer delivery of orders within a few hours or even several minutes.

In summary, over the past 10 years the e-commerce market in Poland has undergone a number of significant changes that have affected its structure and the way it operates. Growing consumer confidence in online shopping, the emergence of large players and the development of technology were the main factors influencing the development of the e-commerce market in Poland, in addition to pandemics and inflation.

Top Changes of the Decade

Digital market

A 3-fold increase in the share of digital sales in total retail sales.

A 5-fold increase in the value of the B2C e-commerce market.

A 3,5-fold increase in the value of the B2B e-commerce market.

150000 Polish entrepreneurs selling their products and services over the Internet.

Significantly increasing the number of e-commerce sites adapted or dedicated to mobile devices.

Popularize dedicated e-commerce technologies and build e-commerce stores based on professional and standardized open source or SaaS solutions.

Significant growth of e-stores selling through well-known Polish and foreign platforms.

SZKOŁA GOSPODARKI CYFROWEJ
PROFESSIONAL

KURS PRODUCT OWNER

DOSTARCZAMY NA RYNEK E-COMMERCE WYKWALIFIKOWANYCH PRODUCT OWNERÓW

CHCESZ DOKSZTAŁCIĆ PRACOWNIKA - ZGŁOŚ SIĘ DO NAS!

CHCESZ PRZEKAWALIFIKOWAĆ PRACOWNIKA - ZGŁOŚ SIĘ DO NAS!

Najbliższy kurs już 28.01.2023

Program kursu

Zapisy

CHAPTER 2

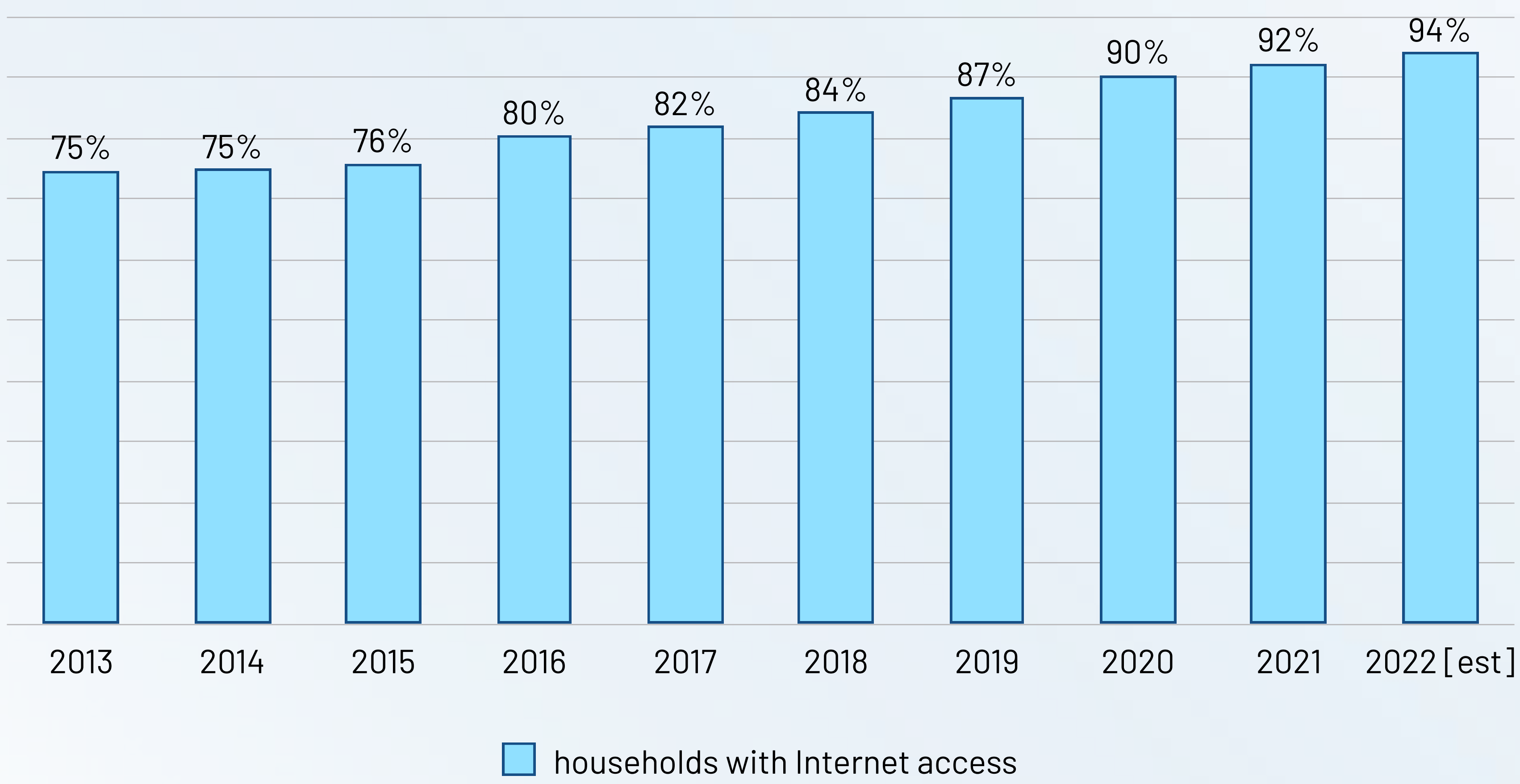
E-customers

Poles more and more digital

Digitization level

Looking at today's widespread and extremely intensive use of web-enabled devices - desktop computers, laptops, tablets or, eventually, smartphones, smart watches, smart TVs and various smart weareables, it seems unimaginable that just 10 years ago Poland was "in the tail" of Europe when it comes to household Internet use. In 2013 and 2014, our country ranked 25th out of 28 countries analyzed in this regard. In 2018, Poland and Polish households had already moved up in the ranking to 18th place. It only got better further. In the last year for which data is available, i.e. 2021, Poland is already in 12th place, ahead of countries such as France, Italy, the Czech Republic and Portugal. Unfortunately, in terms of so-called frequent and regular use of the Internet, we are still in a distant 21st place out of 27 EU countries surveyed, but even here there have been revolutionary changes over the past 10 years.

Figure 4 - Internet access in households in Poland,
Source: Report Information Society in Poland, Results of Statistical Surveys from 2013-2021, CSO, year 2022 estimated

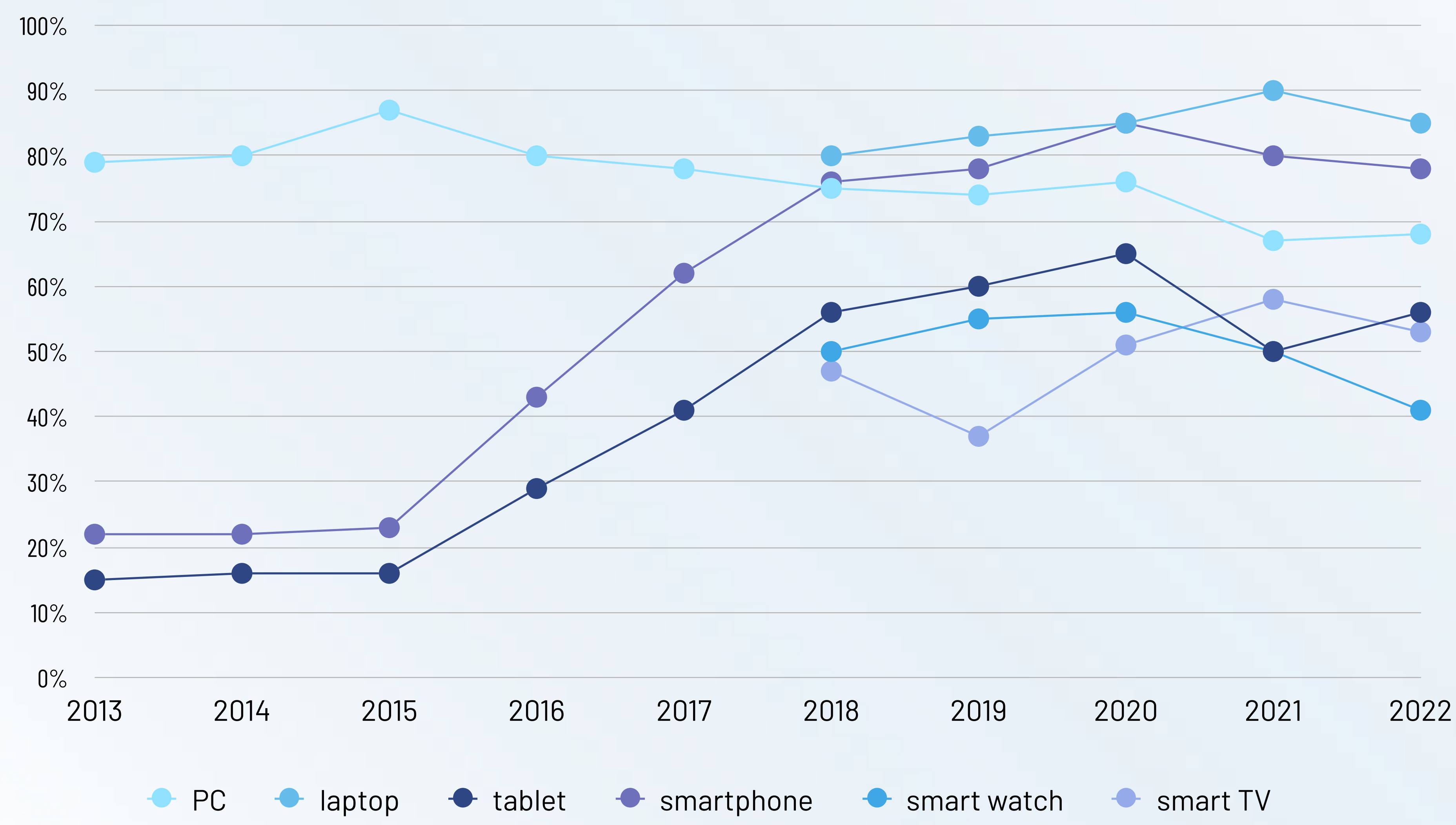


84% of Poles use the Internet on a regular basis, compared to 73% just four years ago, a -11p.p. decrease. Use less than once a week is now declared by less than 2% of Internet users. What's more, the number and variety of purposes for which Poles "go online" and "click through" various websites and online services has increased significantly. Not only are we increasingly consuming information content this way, but more than half of us are using digital banking services. Over the past four years, the percentage of people banking online has increased by +12pc, and in 10 years by as much as +25pc. This is an increase from 27%, which is almost double.

E-shopping on e-devices

Poles are also using the Internet much more frequently for shopping purposes. In 2022, practically every Internet user has already declared that they perform at least one of the shopping-related activities on the Internet, i.e. search for information about products and services, read reviews, look for shopping inspiration, compare prices and offers, look for promotions, buy, pay, share opinions about the purchase or track their orders. Simply searching for information about products and services is the share of 3 in 4 Internet users and 2/3 of all Poles. The number of various web-enabled devices that are used for shopping has also increased in 10 years, although here it is worth mentioning that the covid-19 pandemic, or rather the related work and learning remoteness that has become the lot of more than 8 million adult Poles and 3 million children (with 54% of the active population having no previous experience with remote work), has resulted in the need for household members to share devices. As a result, the number of devices used per person has now dropped slightly, but is still now as high as 3,8.

Chart 5 - Internet-enabled devices used for shopping, Internet users owning a given device
Sources: data from Mobile Institute, 2013,-2015; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy



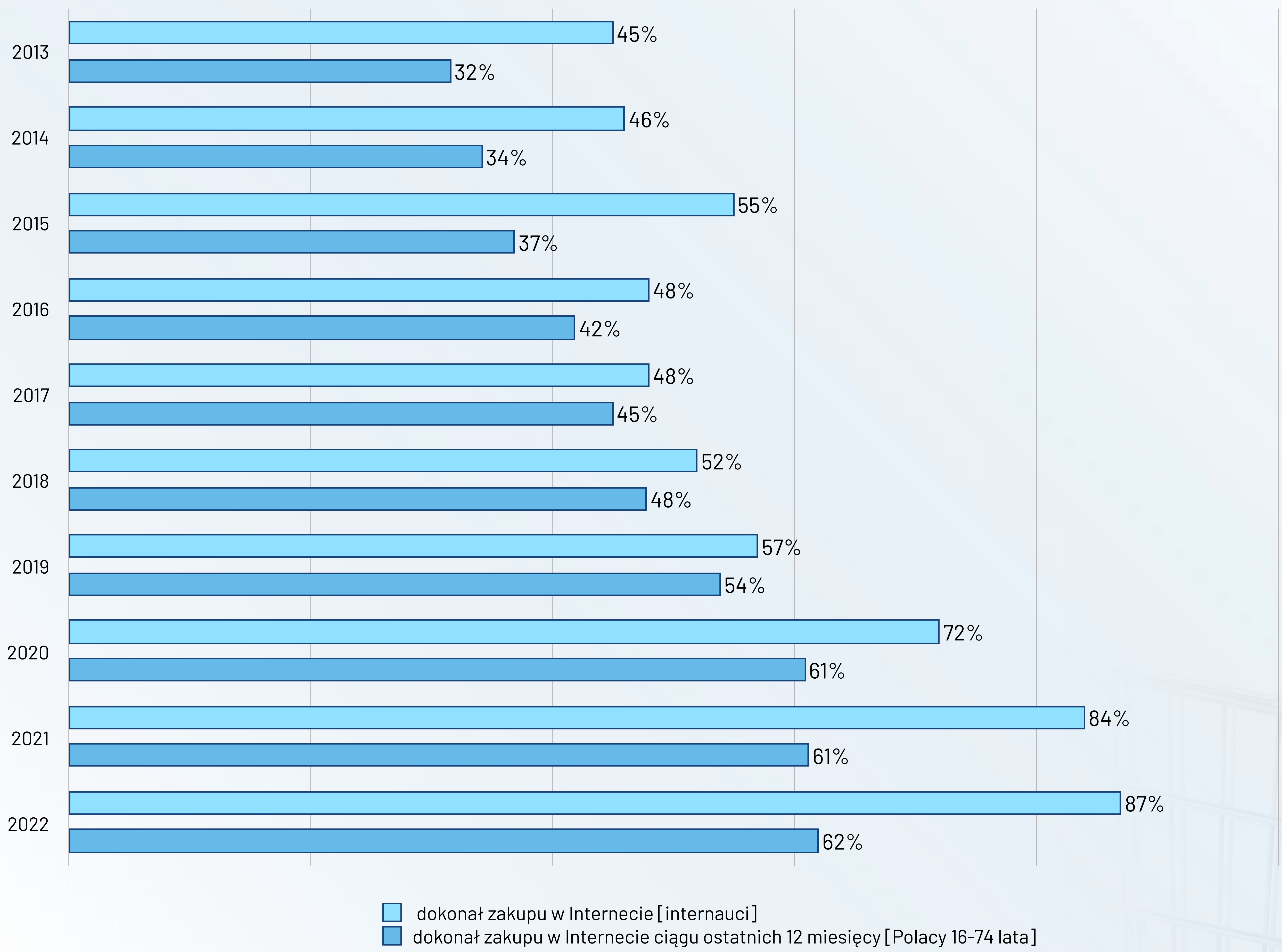
Note: Until 2017, laptop and desktop were surveyed together in Mobile Institute projects. Starting in 2018, smartwatch and smart TV were added to the devices surveyed.

There has also been quite a reshuffle over the past 10 years in terms of what devices Poles use to access the Internet and e-buy. In 2013, full-size devices, i.e. a desktop or laptop computer (surveyed together at the time), led the way. Mobile devices generated only 10.1% of Internet traffic, including smartphones at 7.5%. Meanwhile, by the beginning of 2022, mobile devices were already responsible for 54% of web traffic in Poland (57% globally). The main fiddle here is, of course, the smartphone, which is used by 8 out of 10 Internet users for shopping purposes. A smart watch or smart TV are also slowly joining the ranks of devices used for shopping, although here consumers still point out many problems with usability and the lack of various key functions that would make shopping easier. It is worth remembering that according to the smart approach, which is invariably characteristic of Poles, the devices used for shopping are those on which shopping is easy, fast or cheaper. These conditions are currently best met by the smartphone and laptop.

E-shopping

The last decade has also seen a huge increase in the popularity of online shopping. E-commerce has become the share of almost 9 in 10 surveyed Internet users. The percentage of Internet users buying online increased from 45% in 2013 to 87% in 2022. It can be said that the group of e-buyers practically doubled during this time. A significant jump in the popularity of e-commerce occurred in 2020 and 2021, when, due to the pandemic, almost 30% of those who had not yet bought online began their e-purchasing adventure. The percentage of e-buyers in different age groups and regions of Poland also equalized significantly. Nowadays, not only are Poles not afraid to buy online, but 58% believe that it is the most optimal channel, where shopping is attractively priced, but also convenient, fast and safe. Already 6 out of 10 Internet users confirm that their digital shopping carts are larger or the same as when shopping in stationary stores. The share of those who can point to any product category in which they would not make a purchase online or on mobile has also dropped below 5%. Indications of concern about the security of online payments and whether the e-tailer will deliver the goods and the quality of the goods decreased threefold. Instead, there was a 1.5-fold increase in the number of indicated advantages of online shopping. In 2022, optimization of spending due to the need to implement new shopping habits in the face of the economic crisis has also become an additional and key e-commerce asset. Online shopping has turned out to be the No. 1 strategy in this context for Poles, with 76% of surveyed consumers admitting that they are moving shopping in some categories to the Internet precisely in order to optimize spending and better control the money they spend, as well as to reduce shopping risks by taking advantage of free returns and deferred payment options.

Figure 6 - Online shopping, Respondents aged 16-74, Internet users aged 15+,
Sources: Mobile Institute data from 2013,-2015; report series „M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I Buy Conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy; report series "Information Society in Poland. Statistical survey data", 2012-2021 ,CSO



Note: It is worth noting how the question about e-purchasing is asked in different surveys. In Mobile Institute research projects, respondents are asked "Have you ever made an online purchase?", in CBOS surveys respondents are asked "Have you ever bought anything online?", in CSO sources the question is about purchases in the last 12 months.

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KTO DOSTANIE GŁÓWNĄ NAGRODĘ W V EDYCJI KONKURSU?
DOWIEMY SIĘ JUŻ W MAJU 2023

WWW

Jakub Gierszyński

Board Member, Zdrowit S.A.
CEO, Melissa sp. z o.o

With a hint of nostalgia, I went back in my memory 10 years and found reports treating e-commerce AD 2013. The works from that period describe the online customer as: "impatient, valuing convenience and intuitiveness, aware, accustomed to the familiar; open to novelties, which they are eager to use, paying attention to what is popular; capturing current trends." - That is, all in all, after a decade not much has changed :)

However, quite a lot has changed considering the business data presented in Gemius reports after both vectors of the decade:

1. The number of Internet users has increased significantly: from 13.5 million in 2013 to 30 million in 2022.
2. The number of online shoppers has increased significantly, from 41% in 2013 to 78% in 2022.
3. The financial situation of online shoppers has changed positively. In 2013, 63% of consumers described their situation as average and 29% as good. In 2022, 53% described it as average and 40% as good.
4. We have shifted from cell phones to smartphones. In 2013, 83% of Poles used cell phones, and at that time only 5% of us declared ownership of a smartphone. In 2022, these figures have completely reversed. Today, 77% of people own a smartphone, and cell users account for only 17%.
5. We have put aside cash (22% in 2013) and traditional transfers (29% in 2013) in favor of pay-by-links (70% in 2022) and Blik (originated in 2014).
6. We opted for parcel machines while giving up Polish Post and KEP. In 2013, Polish Post and KEP were chosen by 70% of customers. Now Parcel Machines are chosen by 81% of e-commerce customers.
7. Price is no longer the main motivator. In 2013, the motivation for online shopping was: lower price (71%), home delivery (70%), convenience (61%). In 2023, the motivation for online shopping is: availability around the clock (75%), convenience (70%), lower price (67%).

It must be admitted that customers have become very familiar with the Internet. They spend more time in it, they are not afraid to buy - online transactions are natural for them. Technology has become a permanent part of everyday life. The Internet is no longer a place where only content is consumed. It is part of our new reality, where we socialize, transact and spend most of our day. The smartphone is an integral prop of our daily life, and algorithms know us better than our other half.

Expert Commentary

Karol Ignatowicz

Chief E-commerce and Customer Value Officer
Empik

This year Empik.com will celebrate its 25th birthday. So we can safely say that as one of the first online stores in Poland, we co-created Polish e-commerce market, and thus we know it very well.

The last decade, especially 2020-2022, was a real revolution. We have seen a tremendous acceleration of online, which, from being the younger brother **of traditional commerce** has become an equal channel and a real business opportunity, even in times of crisis. Thanks to focusing on areas such as **technology, ubiquity, security as well as availability and breadth of offerings** ~~the~~ Polish e-commerce market has undergone an impressive transformation, and its value in recent years has exceeded the symbolic threshold of PLN 100 billion. If I were to single out the key words, in Polish e-commerce, especially in the last 5 years, they would definitely be: **customer, omnichannel, marketplace, mobile and subscription**.

Today, we are dealing with a dramatic change and a gigantic increase in customer expectations, to which we, as e-commerce platforms, try not only to respond properly, but above all to anticipate them early. It is in this field that the main "battle" for the customer is played out - who will satisfy their need faster and better, while offering some additional value at the same time. The customer today shops on their own terms - **in stores, on desktop or mobile (and most often multichannel); with the best possible price,; opting for convenient express payment or today's popular deferred payments; with instant, preferably free delivery to the door, or much greener pickup at a favorite store or other pick-up point**. On the other hand, we also have an older consumer who, in the last 2-3 years, has taken his first steps in e-commerce and expects mainly a clear shopping path, support and a sense of security in this new environment for them. The categories we look for online have also changed - today we buy literally everything online, from home furnishings, electronics and household appliances to the rapidly growing FMCG. Ideally, we find many of these things in one place, and that's the comfort marketplaces provide.

And what did the last decade look like on Empik.com? Fun fact - in 2012, we were the first in Poland to allow splitting payments into several methods within one transaction. Today it sounds like a standard, or even a relic of the past, and for those times it was a real innovation. However, it is the last 5 years that particularly influenced the current shape of our platform - **in 2017, third-party sellers joined Empik.com and we became a marketplace, which today is listed among the TOP3 shopping platforms in Poland** (according to Euromonitor & Google 2022). In 2019 we launched the **Empik Premium** subscription service, and a year later its completely free version - **Empik Premium Free**, thus setting new standards in the Polish market.

The data show best that we've gone a long way - the number of registered Empik.com customers has increased more than 7 times over the last decade. **Empik Premium and Premium Free programs are used by more than 8 million Poles today**. Finally, this year **our marketplace (EmpikPlace) reached a historic growth rate, exceeding the ceiling of 6 million orders completed by our Partners**. At the same time, we are intensively developing our mobile application, which is at the forefront of shopping apps in Poland. This is the heart of our ecosystem, which allows us to achieve synergy between the online and offline worlds and directly influences the growth of multichannel customers - for example, in the last year alone, **the number of clients using our app in stores has more than doubled.**

And what lies ahead in the next decade? Recent years and "black swans" have shown that it is difficult to take anything for granted today. Ahead of us are dynamic times, still marked by uncertainty, further investments in technology, intensive development of ML/AI and the ever-growing role of omnichannel in commerce, with a special focus on the mobile channel. These are also times that will determine which pandemic trends will stay with us for the long term.

Top Changes of the Decade

E-commerce customers

A twofold increase in the number of e-commerce customers - from 45% to 87% of Internet users.

Increase in the number of devices with network access used for purchases from 1,6 to 3,8 per person.

A 3-fold decrease in the variety of concerns about online shopping, and a 1-5 fold increase in the number of e-commerce advantages cited.

The level of shopping Internet usage has leveled off in different parts of Poland (although it is still +4pc higher in the Mazowieckie and Silesian provinces).

A significant increase in the popularity of online shopping among people who have not previously shopped online - the Silver Power generation, rural residents.

The popularization of higher-value online shopping and a drop to 35% in the share of consumers indicating that their digital shopping carts are smaller than stationary ones.

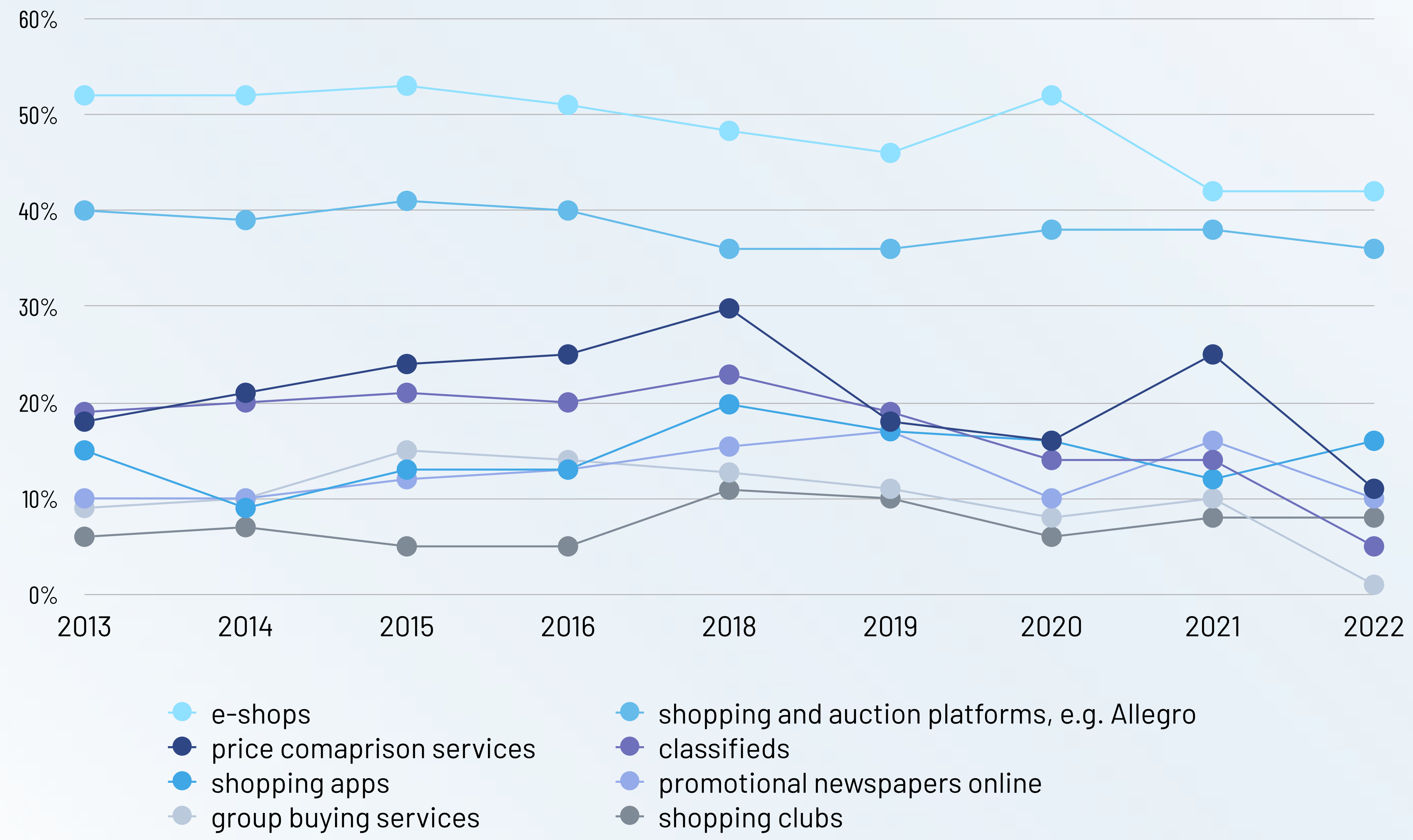
CHAPTER 3

Where for e-shopping ?

For e-commerce where we like it

Poles are pragmatic customers. This trait, does not change despite the passing years. Polish consumers primarily buy where it is, from their point of view, most convenient, fastest and, above all, where there are attractive shopping conditions, i.e. prices, promotions, delivery and returns. These elements invariably take the top spots among indications of the factor of choosing where to buy. Also extremely important, and increasingly important, is trust in the e-tailer, and increasingly the habit of a known and proven brand, which some e-shops and shopping platforms have managed to develop over years of e-commerce operations. What can also be seen over the past 10 years is the consistent high popularity of well-known shopping destinations - top apps, platforms and e-shops. In particular, those who shop online most often, i.e. at least 5 times a month (about 1/5 of e-commerce customers), use 1-2 selected shopping sites and it is to them that they default their steps, or "clicks," if they are about to make a purchase. Interestingly, in the coming crisis, the use of tried and trusted shopping sites has also become one of the most important shopping strategies. 30% of Internet users want to minimize their shopping risks this way.

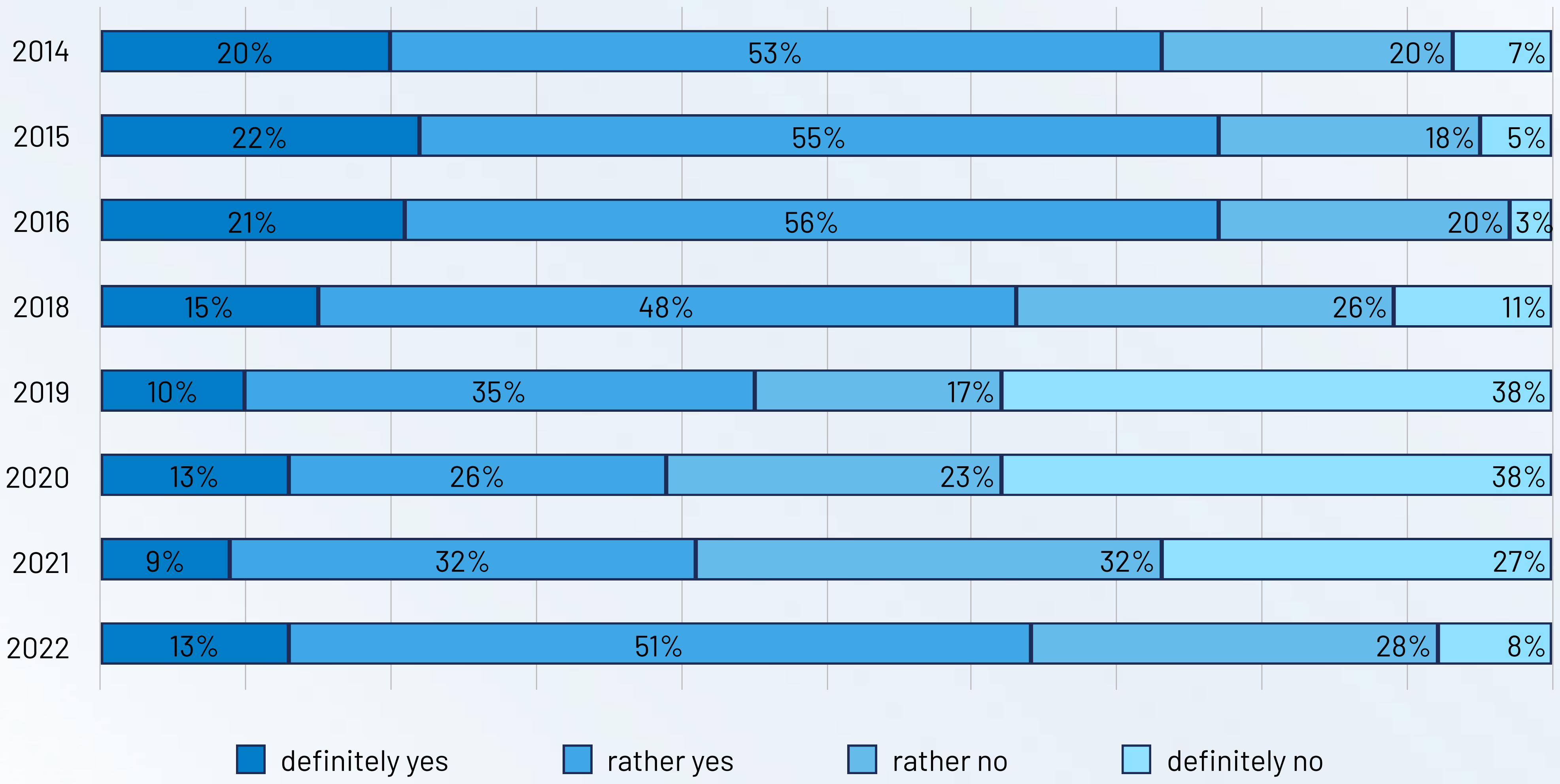
Wykres 7 - W których z podanych serwisów i na jakich stronach internetowych zwykle robisz zakupy w Internecie?, internauci,
Źródła: dane Mobile Institute z lat 2013,-2015; cykl raportów „M-shopper. Polacy na zakupach mobilnych", 2015-2016, Mobile Institute dla Allegro; cykl raportów „M-commerce. Kupuję mobilnie" oraz „Omni-commerce. Kupuję wygodnie", 2015-2022, Mobile Institute dla Izby Gospodarki Elektronicznej



Digital shopping trigger

However, shopping does not take place only online, although the digital channel takes part in 7 out of 10 purchases, even if payment is ultimately made in a stationary store, for example. Why is this happening? Because earlier Polish consumers use the Internet to search for product information, seek inspiration, compare offers, or check the availability of products at various shopping sites. What's more, the realization of the aforementioned various shopping-related activities applies not only to those who shop online, but also to 78% of those who have not yet indulged in e-shopping. The ROPO (research-online-purchase-offline) effect, i.e. starting the shopping process online and finishing it in a stationary store, where we are guided by the information we found online, has been consistently strong for the past 10 years. The phenomenon weakened only during the first 2 waves of the pandemic, when trade restrictions made it impossible to go to a stationary store freely. Today, however, the strength of the Internet's influence on stationary shopping has increased again, and it can be said that these 2 shopping channels function perfectly together and complement each other.

Chart 8 - Does information found online encourage you to visit a stationary store?, Internet users, Sources: 2013,-2015 Mobile Institute data; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy

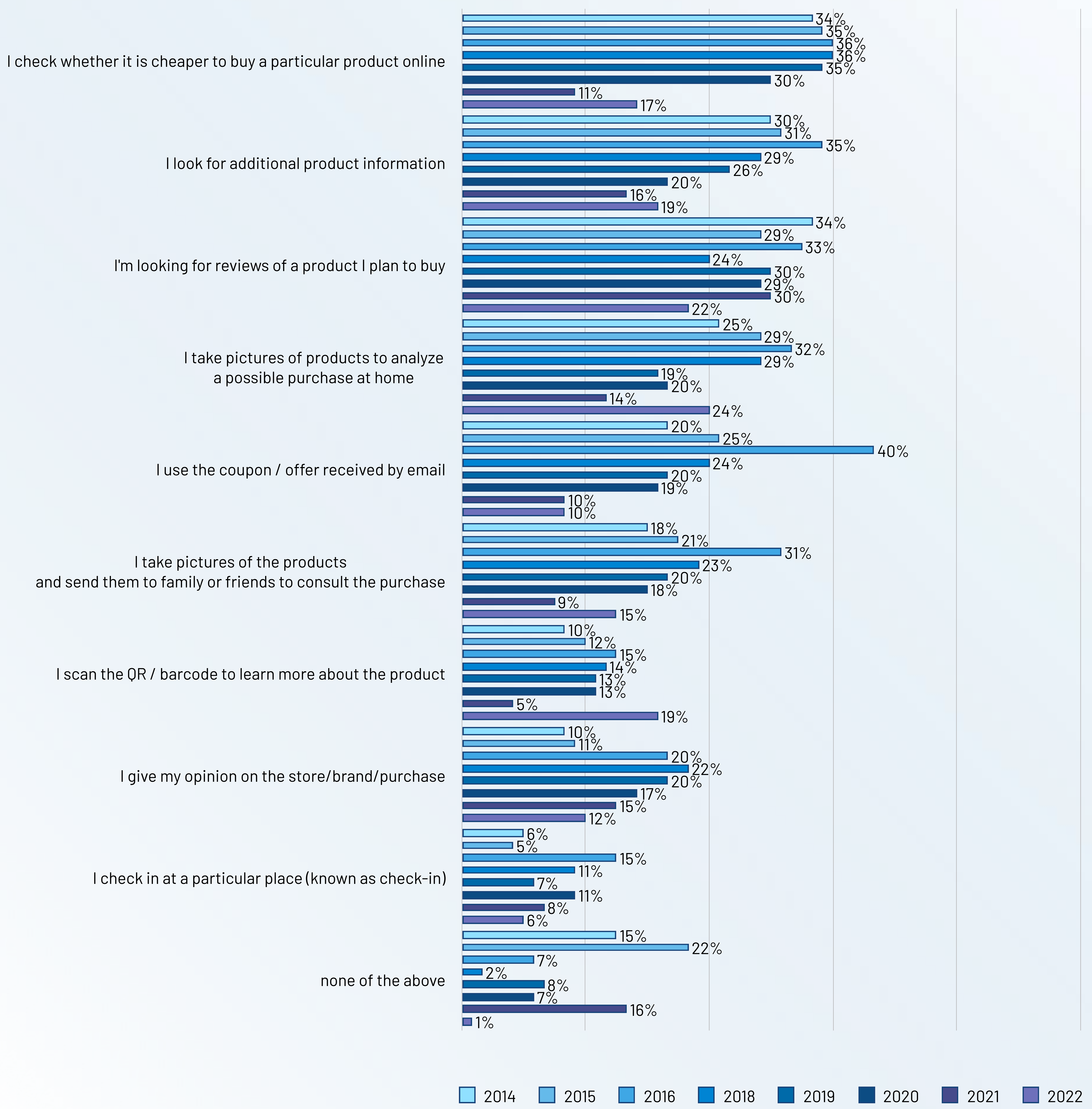


It can be said that the scale of the phenomenon that is ROPO has actually returned to the level of 2018. 66% of Internet users say that information found online encourages them to visit a stationary store. Importantly, this phenomenon - consistently for the past 10 years - is much stronger among online and mobile shoppers. Thus, it can be seen that the different channels of purchase do not cannibalize each other, but rather drive each other. In fact, it is worth mentioning that the scale of the phenomenon of show-rooming, which is, in turn, the search for additional descriptions and information about products and offers online while visiting a stationary store has also returned to pre-pandemic levels in post-pandemic 2022. Poles are eager to take pictures of products in order to later consult their purchase with loved ones and, for example, buy the product online, or to check whether the products they are just looking at are at better, often promotional prices online. This usually leads to a digital purchase, which actually illustrates the reverse ROPO (research-offline-buy-online) phenomenon.

For information to the web

ROPO

Chart 9 - Which of the following activities do you do in the store?, Internet users with a mobile device,
Sources: 2014,-2015 Mobile Institute data; report series "M-shopper. Poles na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy

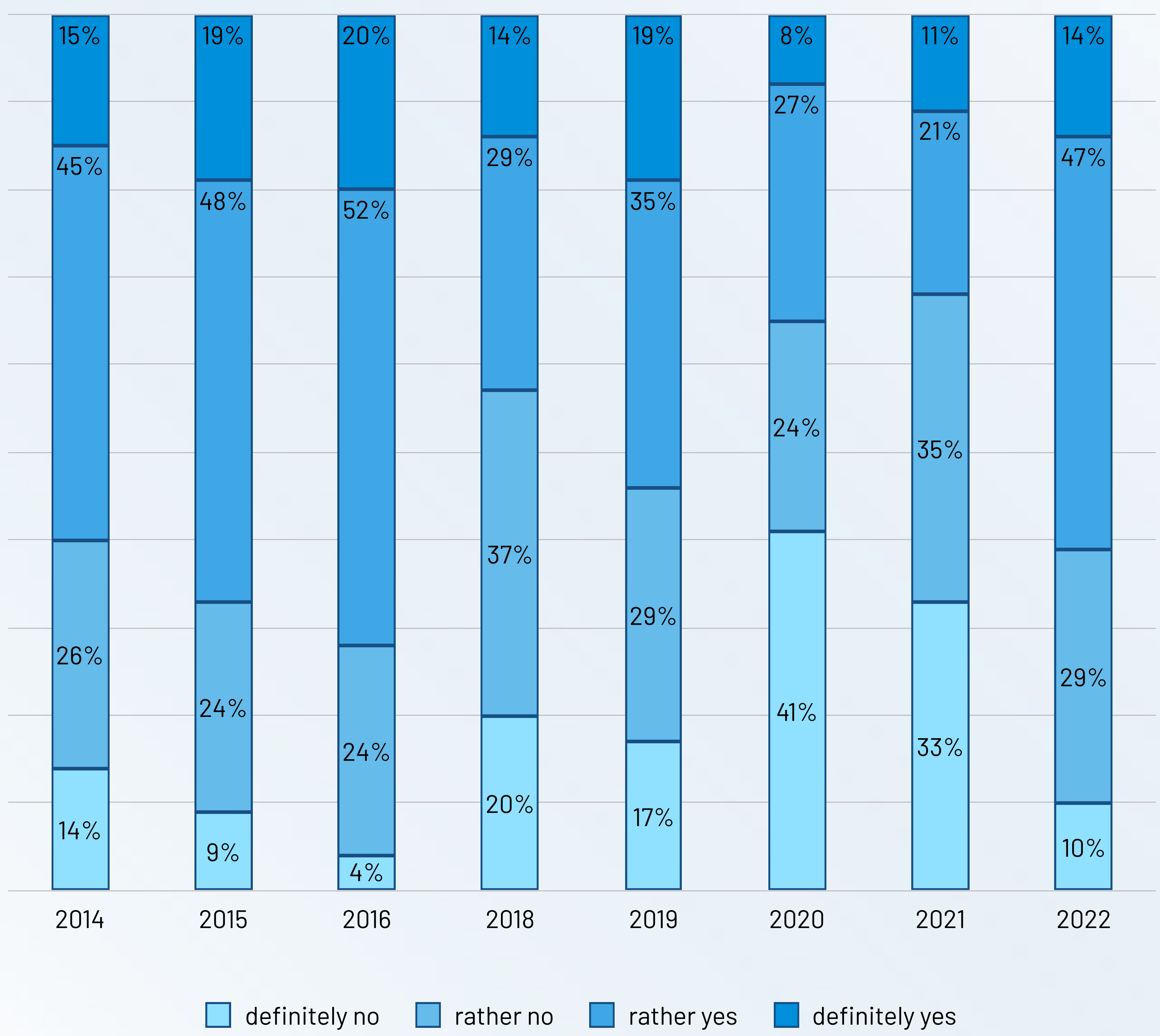


Thus, it can be seen that Polish consumers are very comfortable moving between multiple shopping channels, choosing the places that are most optimal for them. They are also increasingly likely to have their favorite shopping destinations (78% vs. 73% in 2018), which, however, does not preclude the expectation that a brand will be available in multiple channels and - moreover - its offerings will be consistent across them.
This is currently expected by 69% of Internet users.

Omni-accessibility at a price

The growing expectation that a brand should be shoppable across a variety of channels - offline, online, mobile and social media - is translating into real buying across multiple channels. Currently, 61% of respondents say they buy the same brands in multiple locations, but in fact, over the past 10 years, the percentage of omni-channel shoppers has never fallen below 30%, with the biggest declines occurring in 2020 and 2021 and due to external factors (pandemics) rather than consumer preference.

Chart 10 - Do you happen to buy the same brand/product in multiple places (e.g., once using a laptop/PC and another time on mobile or in a real store)?, Internet users,
Sources: 2014,-2015 Mobile Institute data; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy



When analyzing shopping destinations, it is impossible not to mention the fact that Polish consumers are also increasingly daring to buy abroad. They are taking advantage not only of the shopping opportunities provided by global platforms like Amazon or Aliexpress, but also foreign e-stores. Among e-buying Internet users, the percentage of cross-boarder buyers, i.e. buying abroad, has increased over the past four years from 10% to 29%.

Dyrektor Commerce Roku

GALA 15.06.2023, WARSZAWA

NAJBARDZIEJ PRESTIŻOWE NAGRODY DLA LIDERÓW E-COMERCE I ICH ZESPOŁÓW

1.03.2023 - START ZGŁOSZEŃ

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PRESTIŻ DLA MAREK

DOCENIANIE ZESPOŁÓW

LEADERSHIP

NOWE KATEGORIE ZESPOŁOWE
NOWE KATEGORIE INDYWIDUALNE: CSR, FINANSE ITP.

Expert Commentary

Marta Mikliszańska

Head of Group Public Affairs & ESG
Allegro

allegro

The last decade has been a time of rapid growth in the digital market, but also the formation of new consumer expectations and mechanisms in the relationship between seller and buyer.

The boom of online shopping is inextricably linked to the intensive development of the mobile channel. In 2013, the Allegro app already had a million downloads, but it only foreshadowed the scale of the coming changes that have transformed how we buy online for good. Today, for the most part, we can no longer imagine a more convenient form of buying than through a smartphone. We buy when we have the time to do so and where it is convenient, while UX and interface issues are key areas of concern for developers. The development of mobile channels is not losing momentum, and the applications themselves are increasingly moving in the direction of so-called Super Apps with many additional micro-services and services.

Recent years have brought significant innovations in online financial products. Some of them have even been loved by customers such as: the rapidly growing and record-breaking NPS service Allegro Pay. This innovative buy now, pay later solution has already won the trust of more than a million customers since its launch in 2021, and the number continues to grow.

With the growth of e-commerce and user convenience also comes the issue of delivery. As we do more and more of our errands online, shipping costs, diversifying delivery points become more important, especially now. That's why five years ago we launched the Allegro Smart! free delivery program, which already has more than 5 million customers who have saved more than 5.2 billion zlotys on deliveries so far.

Another important change is greater consumer awareness of pro-environmental solutions in logistics and packaging. At Allegro, we are taking steps to reduce our environmental impact. We are developing steps towards a more sustainable last mile, running certified recycled packaging, or meeting climate goals.

It's also impossible not to mention the landmark regulations that have ushered in a new order in personal data management. These include GDPR, for example, but also new rules for competition, fighting illegal content and online marketing communications like DSA and DMA, which have just hit implementation by EU countries.

Many of the above trends gained additional momentum in the face of by far the most important global event of the last decade, the pandemic. This difficult time has remodeled our shopping habits. Consumers have converted to online offerings, which has also increased the share of e-commerce in the economy. Likewise with entrepreneurs - according to data from E-commerce Europe and the Chamber of Electronic Commerce, more than 110,000 moved online during the peak of the pandemic, from March 2020 to December 2020. As many as 70% of them stayed there permanently.

We at Allegro are fully aware that customer and seller loyalty is not a given once and for all, which is why we are constantly evolving to make shopping easier and faster.

Top Changes of the Decade

The growing popularity and importance of top shopping sites and platforms, such as Allegro, e-obuwie.pl, answear.com and Zalando.

The growing importance of trust and habit as factors in choosing a particular shopping destination.

A 3-fold increase in the number of in-store buyers and foreign platforms among e-buyers.

The rise in popularity of omni-channel shopping and the expectation of brands to have consistent communications and offers across all channels (omni-channel).

The rise of social media as a shopping channel.

CHAPTER 4

What is in e-basket?

Fashion is always in vogue

6 in 10 Internet users report that the value of their digital shopping carts is at least the same or even greater than when shopping in stationary stores. Additionally, only 4% of Internet users are now able to indicate any category in which they would not make a purchase online or on mobile. Just 5 years ago, the group of customers who excluded certain industries from their digital purchases by default was 4 times larger.

E-shopping categories

Wykres 11 - Najpopularniejsze kategorie zakupowe w e-commerce, internauci,
Źródła: dane Mobile Institute z lat 2014,-2015; cykl raportów „M-shopper. Polacy na zakupach mobilnych", 2015-2016, Mobile Institute dla Allegro; cykl raportów „M-commerce. Kupuję mobilnie" oraz „Omni-commerce. Kupuję wygodnie", 2015-2022, Mobile Institute dla Izby Gospodarki Elektronicznej

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Electronics	Electronics	Electronics	Fashion	Fashion	Fashion	Fashion	Electronics	Fashion	Fashion
2	Fashion	Fashion	Fashion	Electronics	Electronics	Home & Garden	Electronics	Fashion	Electronics	Children's Products
3	Beauty	Beauty	Beauty	Beauty	Home & Garden	Elektronika	Beauty	Beauty	Home & Garden	Electronics

Wykres 12 - Najpopularniejsze kategorie zakupowe kupowane wielokanałowo, internauci,
Źródła: dane Mobile Institute z lat 2014,-2015; cykl raportów „M-shopper. Polacy na zakupach mobilnych", 2015-2016, Mobile Institute dla Allegro; cykl raportów „M-commerce. Kupuję mobilnie" oraz „Omni-commerce. Kupuję wygodnie", 2015-2022, Mobile Institute dla Izby Gospodarki Elektronicznej

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Fashion	Fashion	Electronics	Spożywcze	Electronics	Sport	Fashion	Fashion	Electronics	Spożywcze
2	Leisure	Leisure	Fashion	Electronics	Fashion	Home & Garden	Electronics	Food	Fashion	Fashion
3	Apps & Games	Beauty	Beauty	Beauty	Children's Products	Fashion	Home & Garden	Apps & Games	Apps & Games	Beauty

E-shopping categories

Poles are shopping online more and more, but there is also an increasing variety of products in their shopping carts. However, it must be admitted that over the past 10 years the top shopping categories are quite distinct. Undeniably, the first place is taken - in terms of the value of digital shopping - by fashion. The next places belong to electronics and beauty products and services. Interestingly, the categories bought generally online, as well as omni-channel and mobile, have become more consistent over the decade. This proves that Poles no longer rule out certain shopping channels as insecure for major purchases, but rather buy where it is most convenient and the terms of purchase are most attractive. What can be seen in turn over the last 3 pandemic years is the rapid popularization of grocery shopping in the e-commerce channel, and therefore also omni-channel and mobile. It can also be seen that during these years Poles, working and studying at home and lacking the ability to travel freely, retrofitted their households with electronics and decorated and upgraded their interiors. This resulted in a strengthening of the electronics and home and garden categories.

Wykres 13 - Najpopularniejsze kategorie zakupowe w m-commerce, internauci,
Źródła: dane Mobile Institute z lat 2014,-2015; cykl raportów „M-shopper. Polacy na zakupach mobilnych", 2015-2016, Mobile Institute dla Allegro; cykl raportów „M-commerce. Kupuję mobilnie" oraz „Omni-commerce. Kupuję wygodnie", 2015-2022, Mobile Institute dla Izby Gospodarki Elektronicznej

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Fashion	Fashion	Electronics	Fashion	Electronics	Fashion	Fashion	Fashion	Electronics	Home & Garden
2	Leisure	Leisure	Fashion	Electronics	Fashion	Sport	Beauty	Electronics	Fashion	Fashion
3	Apps & Games	Beauty	Beauty	Sport	Children's Products	Home & Garden	Home & Garden	Beauty	Apps & Games	Apps & Games

In the context of the recent pandemic years of 2020-2022, it is also impossible not to mention the shopping category that has taken e-commerce by storm (which we have already done). These are grocery products. For many years, this category was considered typically "stationary" due to Poles' habit of buying groceries practically every day, in small quantities, often on the way from work at nearby neighborhood stores (such a model was declared by 75% of Internet users as recently as 2018). Covid-19 has drastically changed these habits, limiting the possibility of stationary shopping, while forcing people to plan well in advance and carry out larger purchases at a time. All of this has led to the fact that for the past 2 years, one in eight Internet users (and one in three e-buyers) regularly buys groceries online. It can be said that this shopping category is the digital winner of the pandemic, as it has not only significantly increased its penetration among e-buyers, but also gained consumer recognition as the one that has adapted the fastest and best to the difficult pandemic situation. As recently as 2020, the online availability of grocery products was rated bad or very bad by 79% of respondents, while in 2021 it was only 13%.

Coraz większe e-koszyki

E-basket value

What matters is not only what products, but also what value, Poles put in their digital baskets. Data from the last decade clearly shows that this value is stable or growing. In the first half of 2022, we saw a clear increase in the value of shopping baskets. In particular, they were higher in the fashion, grocery and beauty categories. As for fashion, in 2021, an average shopping basket worth 501-1000 PLN was declared by 2% of surveyed consumers. In June 2022, it was 9% (+7pc). Purchases in the range of 251-500 zł were the share of 28% of respondents (2-fold increase, +14p.p.). In the beauty category, the percentage of those spending an average of 101-250 zlotys increased the most (from 12% to 28%), but the two higher spending brackets - above 1000 zlotys and 501-1000 zlotys - also increased, by +1p.p. and +8p.p., respectively. There was also a noticeable increase in spending in the grocery category. An average shopping basket of PLN 101-250 in June 2022 was declared by as many as 28% of consumers, compared to 12% in 2021. At the same time, it should be taken into account that in Q3 and Q4 2022, Poles began to fear the coming economic crisis. However, they undertook various shopping strategies that resulted not so much in a reduction of purchases, but allowed them to optimize them, especially in e-commerce. 7 in 10 respondents admitted in August 2022 that they were trying to optimize their spending, and 76% confirmed that they were moving their purchases online. E-commerce has thus become the most popular shopping strategy for Poles at a difficult time of economic slowdown and inflation.

Chart 14- Most frequent average value of one's one-time purchase regardless of channel (offline, online, mobile) in the Electronics category, Internet users,
Sources: 2014,-2015 Mobile Institute data; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy

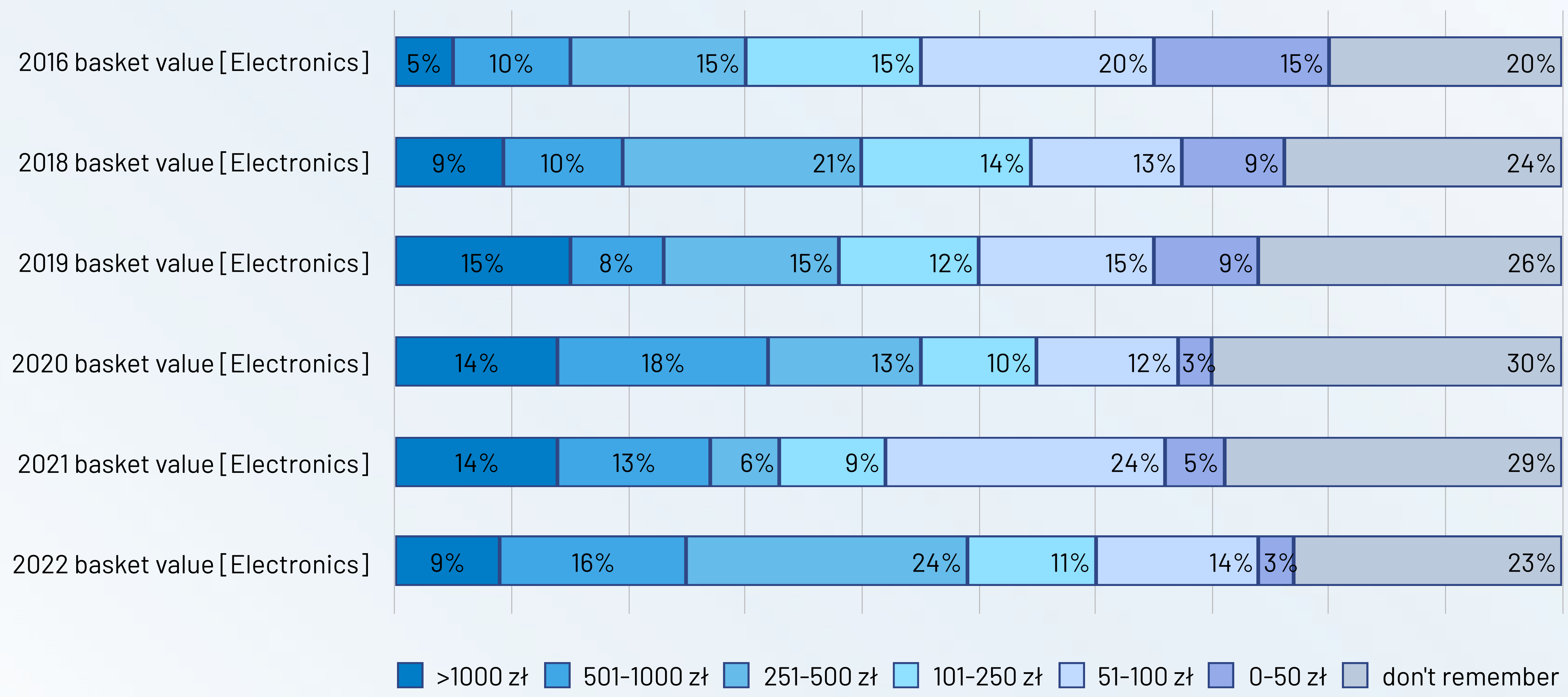


Chart 15 - Most frequent average value of one's one-time purchase regardless of channel (offline, online, mobile) in the Fashion category, Internet users,
Sources: 2014,-2015 Mobile Institute data; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy

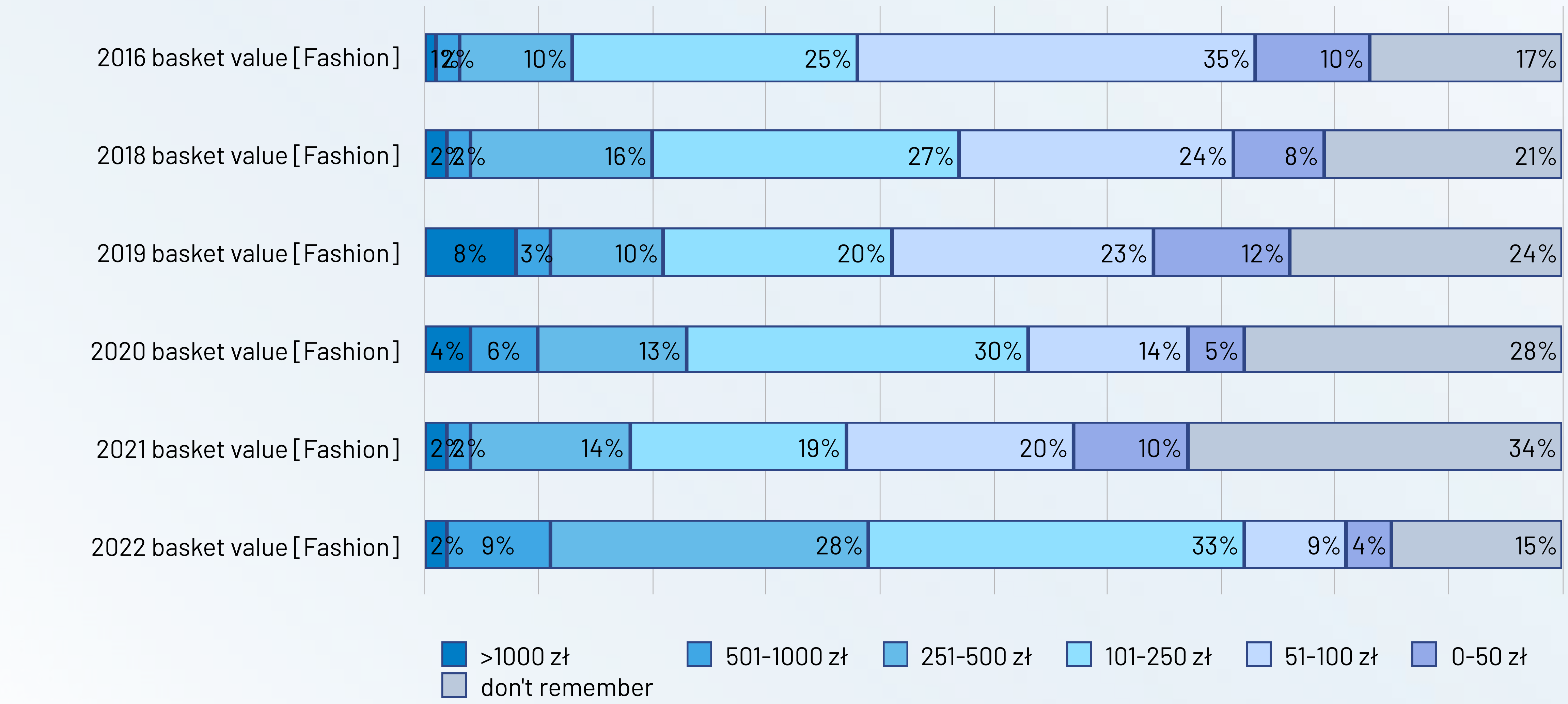
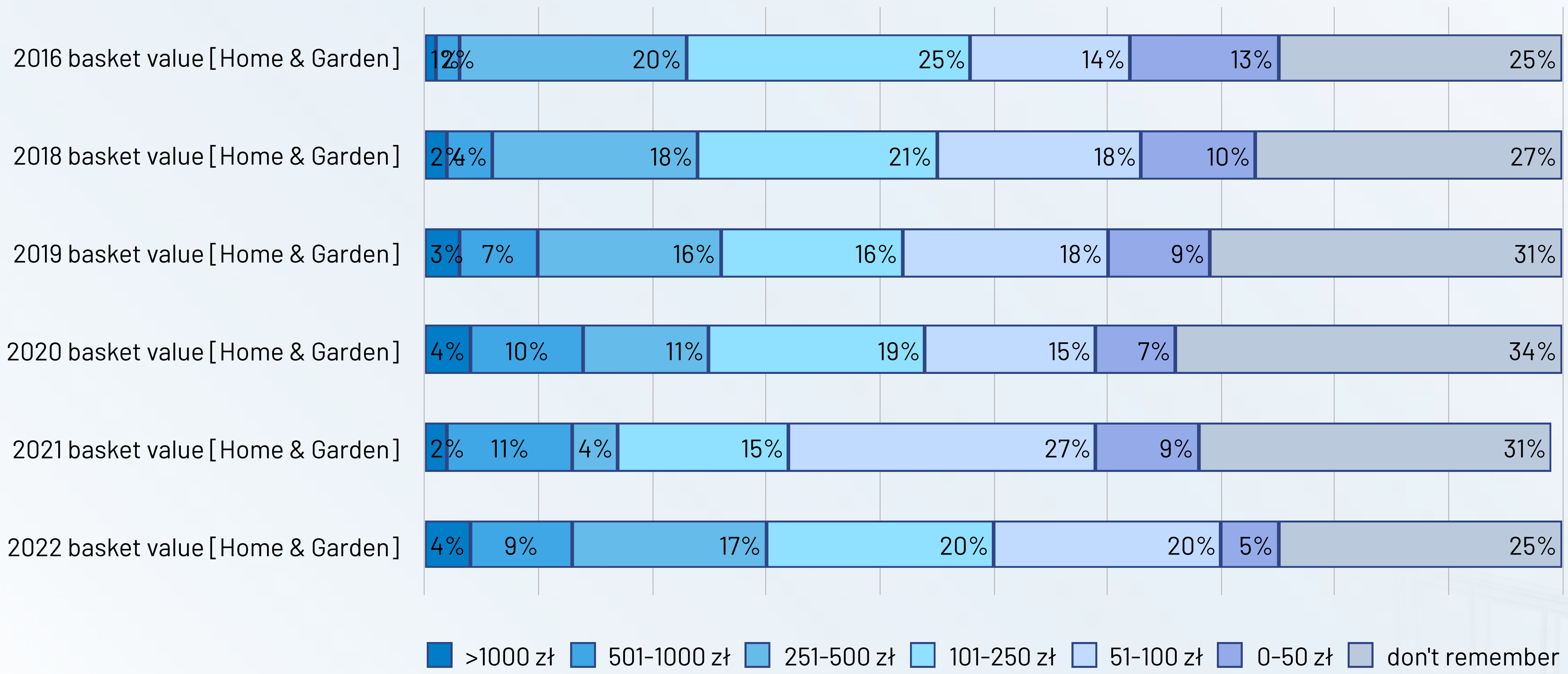


Chart 16 - Most frequent average value of one's one-time purchase regardless of channel (offline, online, mobile) in the House & Garden category, Internet users,
Sources: 2014,-2015 Mobile Institute data; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy



E-basket value

Chart 17 - Most frequent average value of one's one-time purchase regardless of channel (offline, online, mobile) in the Food category, Internet users,
Sources: 2014,-2015 Mobile Institute data; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy

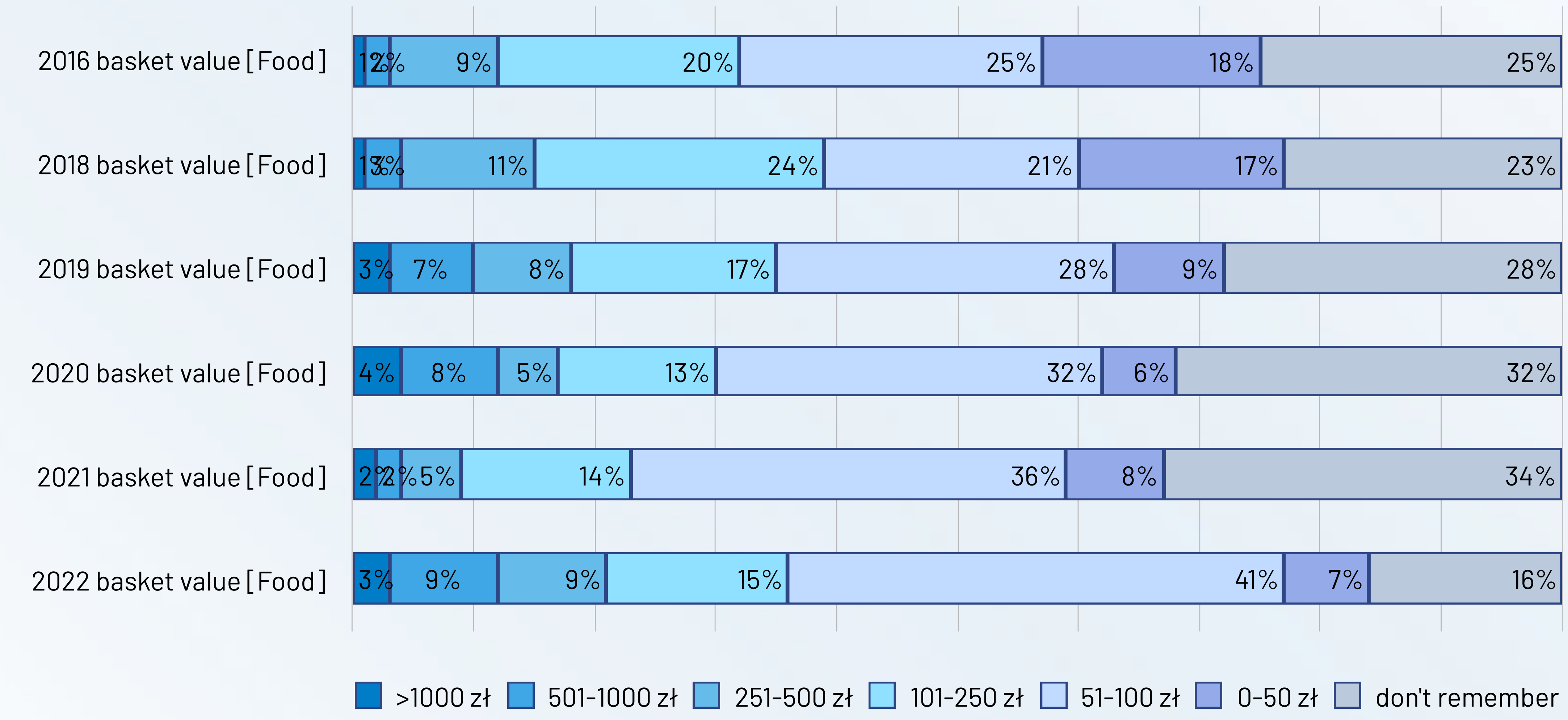
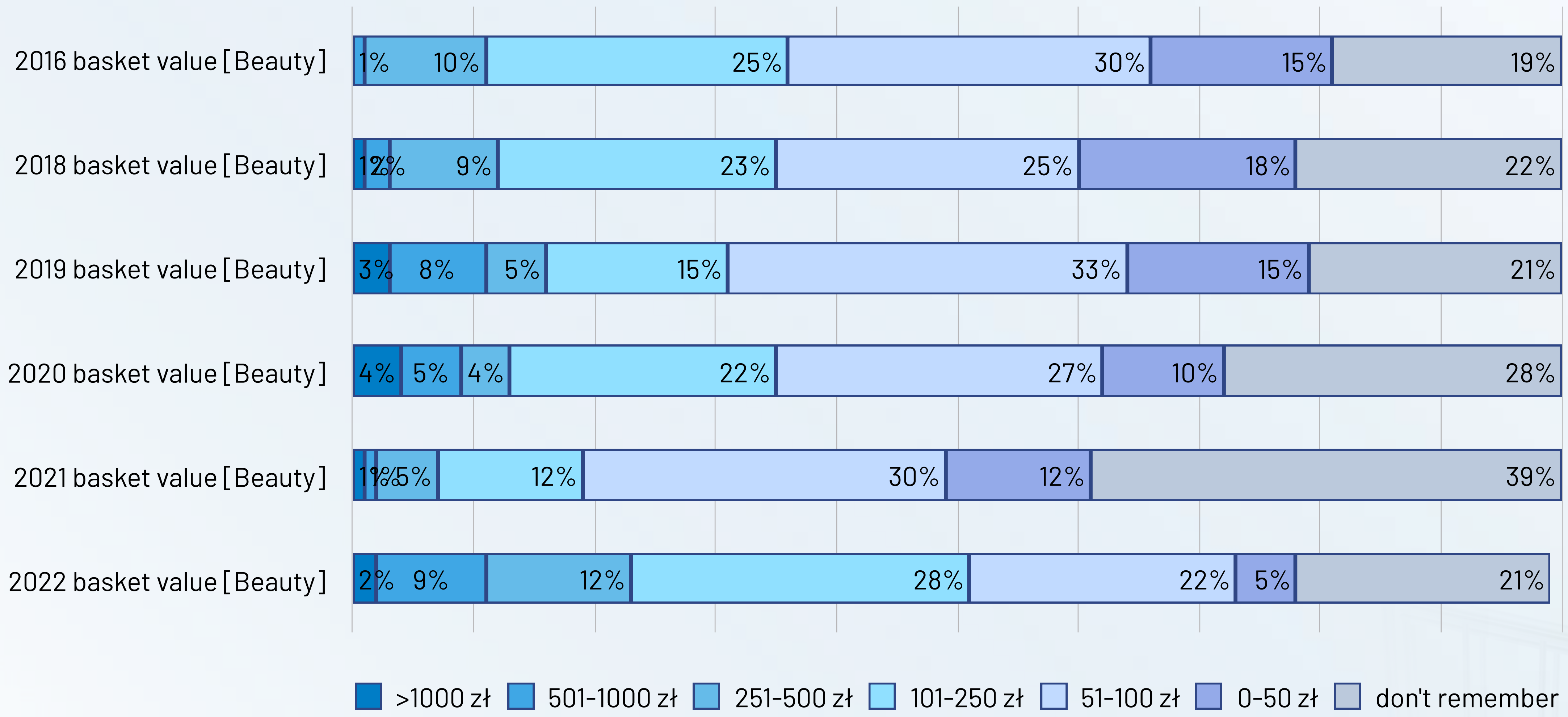


Chart 18 - Most frequent average value of one's one-time purchase regardless of channel (offline, online, mobile) in the Beauty category, Internet users,
Sources: 2014,-2015 Mobile Institute data; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy



Expert Commentary

Łukasz Kierus

CEO Glosel
CEO TaniaKsiazka.pl & Bee.pl

Glosel sp. z o.o. sp. k.

The past 10 years have been an e-revolution

The last 10 years in the e-commerce market have seen many processes that have revolutionized online shopping.

Let me start with modifications in the law. The EU directive, passed at the end of 2011, gives new obligations imposed on our industry so that consumers begin to be better protected by law. Another was the GDPR law, which reduced the number of unwanted marketing messages. Changes in consumer rights were also important. Allowing the return of goods purchased online within 14 days without giving a reason has led to a surge in e-commerce purchases.

Other changes involve technology. In 2012, only 5.4 percent of Poles had a smartphone; today it is present in almost 90 percent of Polish households. The introduction of quick and easy payments has supported e-commerce, while parcel machines have revolutionized delivery options. Shopping has become simpler, and the number of online shoppers is growing. Consumers are bolder in their search for new shopping categories. A decade ago, buying a book online was nothing revolutionary. Today, customers do not hesitate to put the most delicate products, such as eggs, or expensive ones, such as exclusive watches or 85-inch televisions, into an e-basket.

Our industry also experienced a leap in growth during the pandemic. E-commerce was best prepared for the changes, as it has to dynamically adapt to them daily. We strongly expanded the offer in our stores, which resulted in a huge influx of new customers. At the online bookstore TaniaKsiazka.pl, in addition to books, we offer toys, games, electronic products, and stationery, but also snacks, coffee, and tea. We are expanding the assortment with "cultural addiction" in mind so that our customers have a good choice in culture and entertainment. The average number of products in shopping carts has been similar for several years, but the number of customers is incomparably higher. The basket itself, in terms of titles, looked different a decade ago. Back then, readers looked forward to world premieres, which stayed on the bestseller lists for weeks or months at a time. Now more people are waiting for Polish titles, such as the next book by one of the most popular Polish writers Remigiusz Mroz. Interestingly - sales of literature for young people are not declining at all. Although it's been more than 20 years since the release of Harry Potter, the title is still hitting the shopping carts. Thanks to that, the sales of the rest of the books in the Young Adult category increased.

Other changes are noted at Bee.pl, a store for the broader e-FMCG industry, which we are developing rapidly. Our customers are eager to explore the new categories we offer them. Thanks to the fact that they can make larger purchases with a single shipment, the average number of products in a Bee.pl shopping cart has increased several times, as has the average cart value. This is the best proof that online shopping is popular.

We are also noticing an increase in the pace of consumers' lives. They used to be willing to wait even a week or two for delivery. Today, a one-day delay in a shipment can trigger a negative comment. And let's not forget that nowadays - through the whole macroeconomic situation, the war in Ukraine, inflation, and the high price tag, customers are mainly guided by price when shopping, which has a huge impact on e-commerce as a whole.

XI

EDYCJA KONKURSU STARTUJE

25.04.2023

e-COMMERCE POLSKA awards

NAJWIĘKSZY KONKURS BRANŻY E-COMMERCE!

NAJWIĘKSZE SPOTKANIE LIDERÓW BRANŻY!

NAJLEPSZY NETWORKING I SPOŁECZNOŚĆ E-COMMERCE!

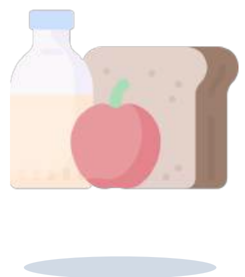
NAJBARDZIEJ INNOWACYJNE PROJEKTY!

LAUREACI 2022

WWW

Top Changes of the Decade

Streamline top shopping categories across channels - online, mobile and desktop.



Significant increase in e-commerce grocery purchases in pandemic.

Growth in the value of the average omni-channel shopping cart in key categories - fashion, beauty, electronics, home and garden.

Matching the declared values of digital shopping carts with those realized stationary.

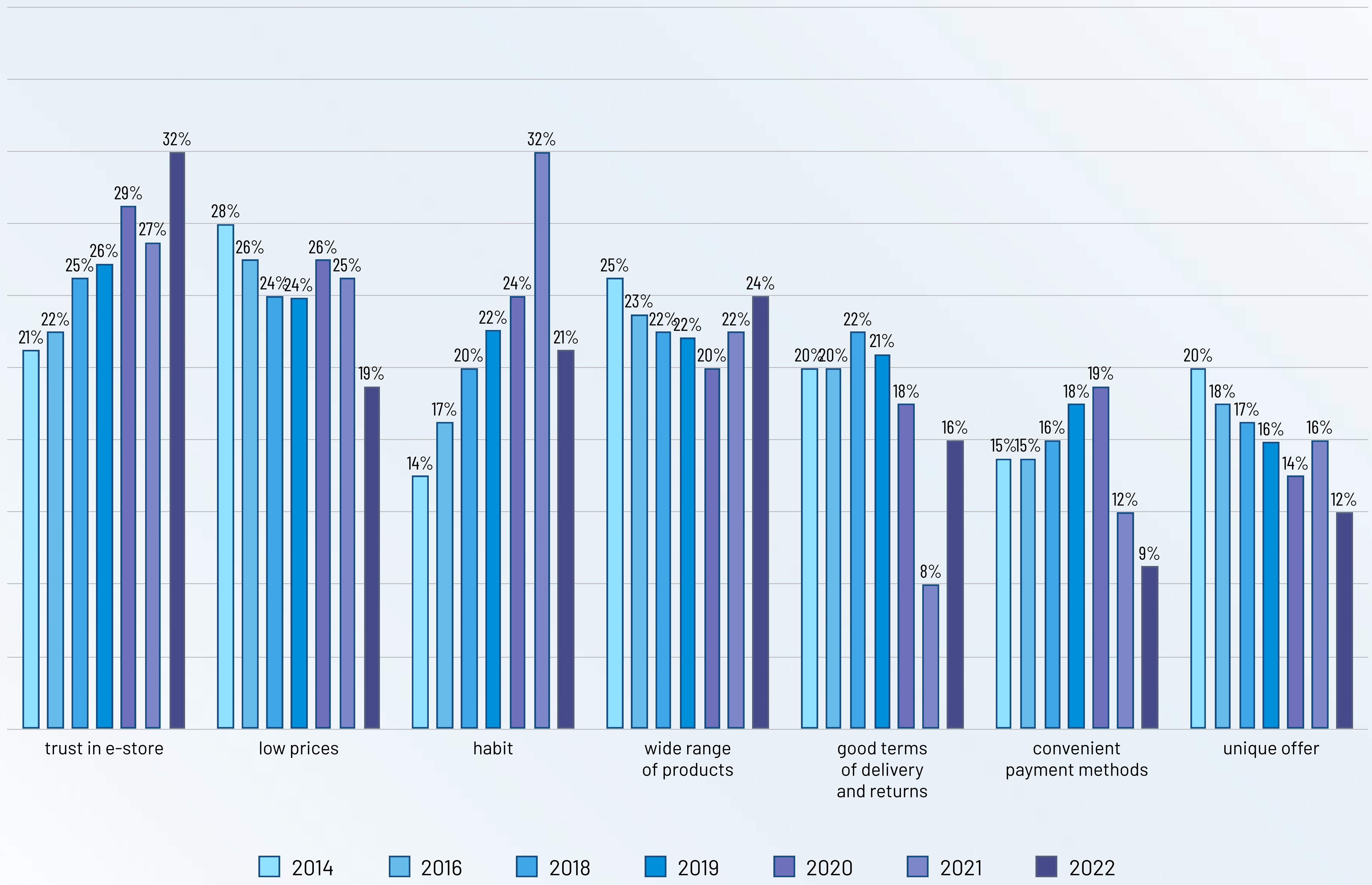
CHAPTER 5

I buy, I require

Selection of e-store

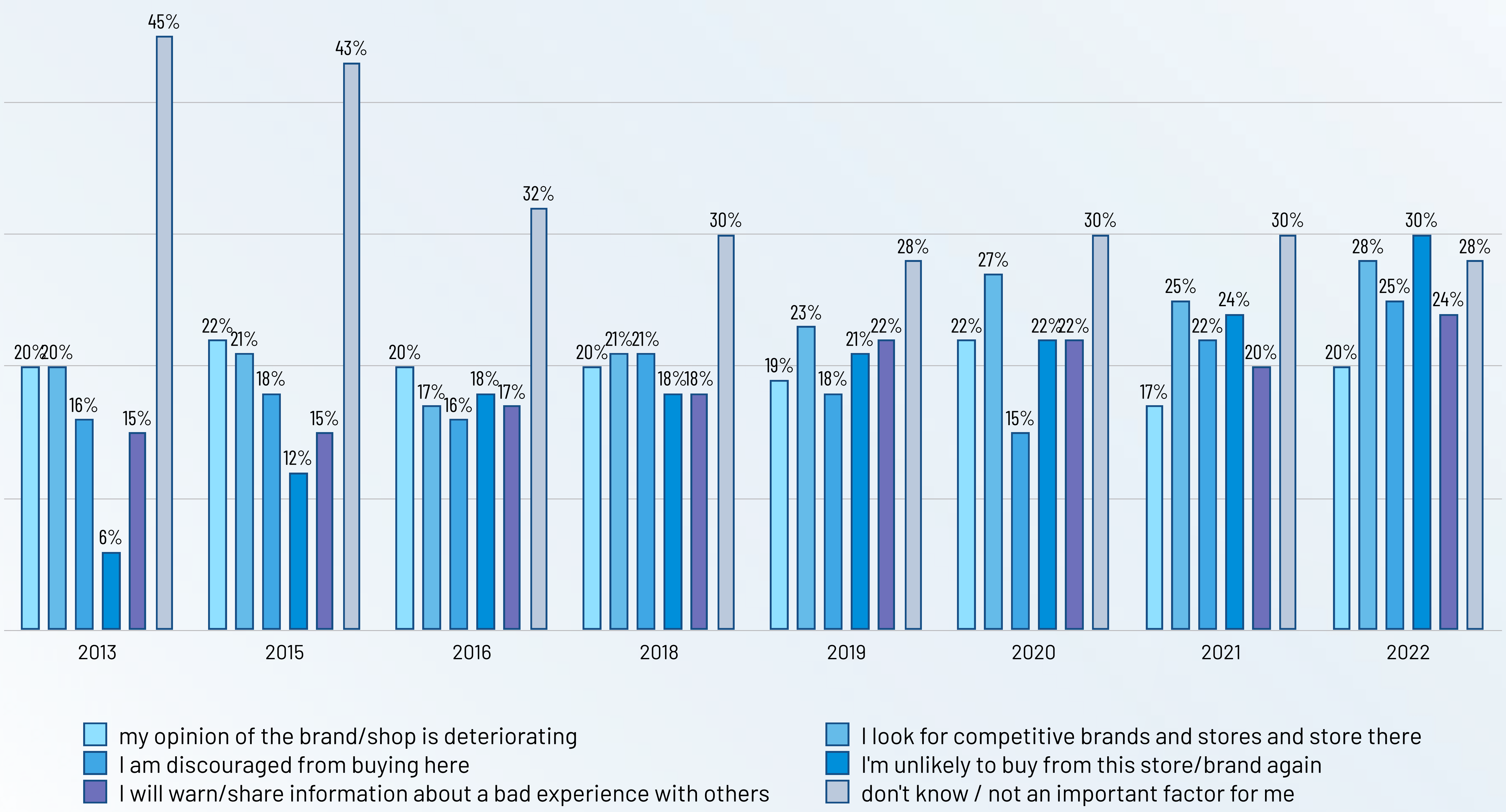
Habit and trust - this is what consumers have been guided by when choosing stationary stores until recently. For a long time, these two factors have also been key in choosing an e-store. We trust, that is, we know that the e-shop will deliver the goods we ordered, but also that if there are any problems, it will help us solve them. We get used to it, meaning that over the course of 10 years we have developed, or trodden or trodden, our own proven shopping paths in e-commerce. We know what the buying process, returns, complaints look like in the most common places. This makes it fast and safe for us. In the crisis year of 2022, the importance of trust in e-commerce as a shopping factor has increased by as much as +5pc and is crucial for 32% of surveyed consumers. After all, convenient complaint and return terms are a significant reduction in purchase risk. Perhaps that's why as many as 1/3 of e-buyers also cited buying from trusted online destinations as the most important part of their shopping strategy during inflation and economic downturns. What else has changed over the decade? There has been a marked decline in the importance of low prices as a key factor in choosing where to buy (-9pc). Instead, a wide assortment is invariably important, and that's because comparing products, prices and offers is an integral part of 6 out of 10 online purchases and 8 out of 10 purchases of new categories or new brands and product types.

Figure 19 - Factors for choosing an e-shopping destination, Internet users,
Sources: Mobile Institute data from 2014-2016; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I Buy Conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy; Report „Co (u)gryzie e-commerce?", 2020, Mobile Institute for the Chamber of Digital Economy



With 60% of e-customers today, and 58% of mobile device owners having made a mobile purchase, a doubling since 2013, the requirements for mobile accessibility of e-stores are also increasingly important. They are all the more important because failure to meet them is no longer associated not only with a loss of image for the e-tailer, but also with consumers being discouraged from further purchases, moving to competitors, and often (1/3 of the time) spreading unflattering opinions about the non-mobile brand.

Chart 20 - What kind of reaction on your part is caused by the fact that a brand / store does not have a mobile site?, Internet users, Sources: Mobile Institute data from 2013-2016; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I Buy Conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy, Report „Co (u)gryzie e-commerce?", 2020, Mobile Institute for the Chamber of Digital Economy



Invariably, however, the customers who will be most quickly discouraged by non-mobile stores and most likely to share a negative m-shopping experience are young people, Generation Z and Young Millennials, and men in general. So if you're managing a brand that targets these consumer groups, remember that the last decade has been the decade of mobile.

DIGITAL QUALITY MARK

JEDYNY W POLSCE KONKURS DLA ROZWIĄZAŃ SAAS

Digital Quality Mark unikalny konkurs weryfikujący jakość i efektywność rozwiązań SaaS dla e-commerce.

Jest efektem zapytań o rekomendację rzetelnych, jakościowych i wartościowych partnerów biznesowych, których usługi, technologie i jakość świadczonych usług w sposób znaczący wpływają na rozwój sklepów e-commerce oraz ich efekty biznesowe.

DQM

MOŻLIWOŚĆ PREZENTACJI NARZĘDZI SAAS PRZED KLIENTAMI

UNIKALNA FORMUŁA KONKURSOWA

WWW

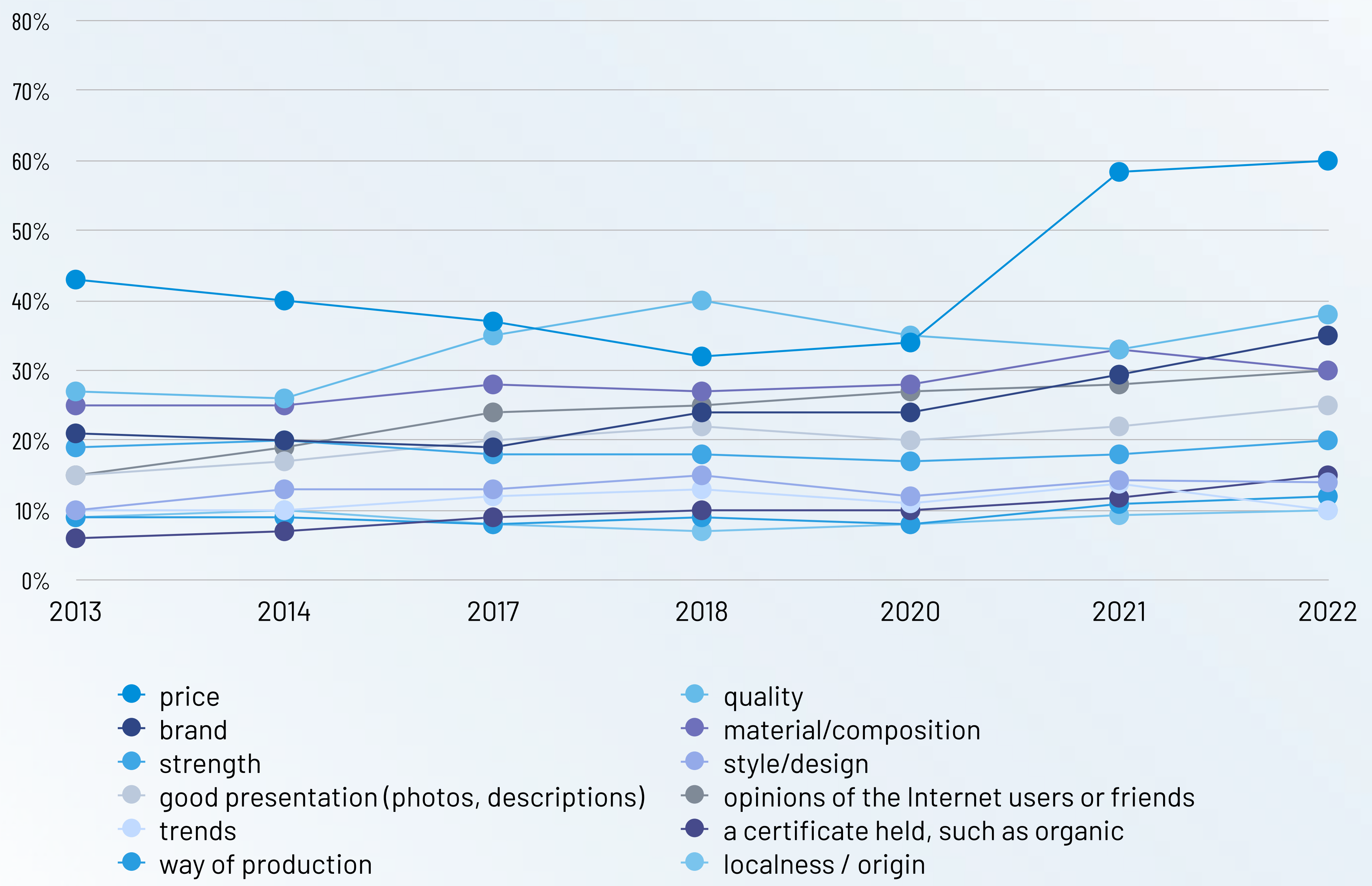
KATEGORIE

- SaaS e-Commerce
- SaaS Sales
- SaaS Marketing
- SaaS Communication
- SaaS Finanse

Product selection

Choosing a product is often an even more complex activity than choosing a shopping destination. Why? Because we buy products online by the hundreds, if not thousands. And each time, unless it is a recurring purchase, we have to analyze, compare, read information and, increasingly, opinions of Internet users. When we buy something for the first time the complexity of the buying process doubles. When we buy something expensive, this includes in 3 out of 10 cases visiting a stationary store and looking at the product.

Chart 21 - What usually guides you when choosing a product in an e-store? , Internet users, Sources: Mobile Institute data from 2013,-2017; report series "M-commerce. I Buy Mobile" and "Omnicommerce. I Buy Conveniently," 2015-2022, Mobile Institute for the Chamber of the Digital Economy; "Responsible e-commerce" 2021-2022 report series, Mobile Institute for the Chamber of the Digital Economy

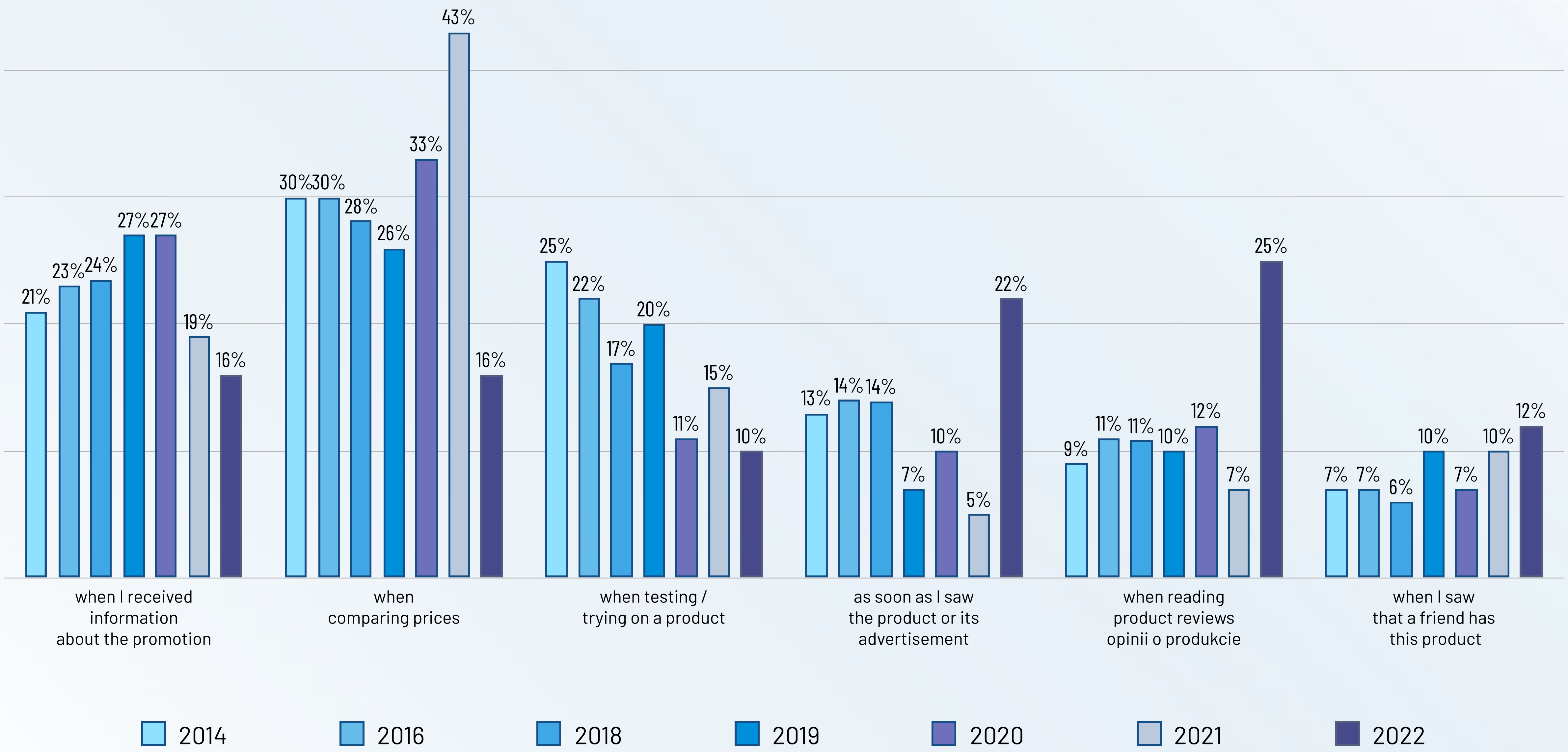


What has changed over the past decade in terms of e-commerce product choices is certainly the weight given to individual purchasing factors. A large proportion of consumers have begun to place a premium on quality, although it would probably be better to refer to this element as value for money, because price also continually plays a big role, and in the last 2 years - pandemic and crisis - its importance has increased even more. Increasingly, Poles are also looking at photos and product descriptions. The better the quality of the photos, and the more accurate the descriptions, the better the chances of buying a particular product. In particular, photos play a key role when choosing fashion products, and descriptions when choosing cosmetics and electronics. The role of opinions shared online by Internet users or we have from our relatives and friends has also increased significantly. Opinions, according to the e-customers surveyed, now make it possible to make quicker but accurate decisions without time-consuming analysis of product features on our own. And time is a very important asset for Poles when it comes to online shopping.

Shopping decisions

The moment at which an e-shopping decision is made also says a lot about the way a product is chosen. And it turns out that over the past decade these moments are quite variable, although it should also be remembered that they very much depend on the category in which the purchase is made. What has certainly changed is that the share of decisions made at the moment of receiving information about a promotion has increased significantly in digital shopping. This is a result of the fact that Polish consumers still pay attention to price, but quality and its determinant - the brand - are also increasingly important to them. As a result, it is not the initial price that is becoming more important, but the bargain price, which allows us to buy a product we could not normally afford, or at least would have to think twice about buying. It is also worth noting that the share of decisions made at the moment of trying on or testing a product has dropped significantly. This means that Poles' shopping decisions are less and less often accompanied, or actually preceded, by a visit to a stationary store.

Chart 22 - At what point was your last purchase decision made?, Internet users,
Sources: Mobile Institute data from 2014-2016; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I Buy Conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy; Report „Co (u)gryzie e-commerce?", 2020, Mobile Institute for the Chamber of Digital Economy



And looking at the mentioned shopping categories - all the time, beauty and food remain the most sensitive to price information. Here, consumers still make the most decisions when they compare prices or when they receive information about a promotion. When choosing fashion products, on the other hand, consumers are far more likely to pay attention to reviews or make a decision very quickly - when they see an advertisement for a product or brand or a given product "on someone." Reviews, on the other hand, have become very important when shopping for electronics and are now the most important decision factor when choosing a laptop, camera, console or other electronic product.

Responsible shopping

It is worth noting that as the years go by, one more thing is changing when it comes to the factors of product selection and place of purchase, albeit evolutionary rather than revolutionary. It is about the elements related to buying responsibly, which are slowly, yet consistently, gaining in importance. If we take a look at the analyzed factors of product choice, we can see that year after year, in addition to price, quality, or brand, elements such as composition, product origin, method of production, or certificates possessed also count more and more for Polish digital customers. Since 2013, these have collectively gained as much as +18p.p. in terms of indications from Internet users.

In addition, a new study by the Chamber of Electronic Commerce "Responsible e-commerce" in 2021 and 2022, dedicated to this issue, confirms that currently various sustainability aspects are taken into account by 35% of surveyed e-customers when choosing an e-store, and - when choosing e-commerce products - by more than half of Internet users (52%). Respectively, 15% each of the surveyed e-customers, when choosing an e-commerce product, pay attention to the method of production, environmentally friendly packaging and the certificates it has, and 13% - to compliance with nature. In turn, when choosing an e-store, respondents are beginning to take into account elements such as the integrity of business practices, information about the brand's social commitment, the company's responsibility and sustainability measures, the certificates it holds and the standards it applies, the accessibility of the e-store for people with special needs, and the transparency and accessibility of information for the consumer. What's more, 73% of Internet users say that an e-business' operation in accordance with sustainable development (SD) principles has a positive impact on its image in their eyes, and 67% of consumers say they consider whether an e-store is a responsible and sustainable company when shopping online.

Consumers are also more sensitive to any shortcomings of e-commerce when it comes to operating in an eco-friendly and sustainable manner. No eco-unfriendly e-commerce practices are currently perceived by only 26% of respondents. In turn, at the top of the noticed and unaccepted practices are mainly packing small products in parcels that are too big, as well as packing food products in plastic bags and commercials. Increasingly, too, surveyed e-consumers are noticing the problem of the lack of pickup options at dedicated outlets, which reduces the economic and environmental costs of the so-called "last mile."

Top Changes of the Decade

Significant growth in the role of product and shopping destination reviews in consumer decision-making.

Increasing importance of habit and trust as a factor in choosing an e-retailer.

The decline in the importance of price as the main determinant of e-commerce choices.

An increase in the importance of the product's value for money and brand as purchasing factors. Consequently, an increase in the importance of promotions as opportunities to buy a good quality product, which is usually guaranteed by the brand at an attractive price.

Having a clear preference for online shopping destinations.

There is a growing emphasis on responsible shopping in e-commerce and thus an increasing importance of elements such as the origin of the product, the certifications it has, the transparency of information about the e-retailer's activities or the adaptation of the e-shop to people with special needs in the purchasing decision-making process.

CHAPTER 6

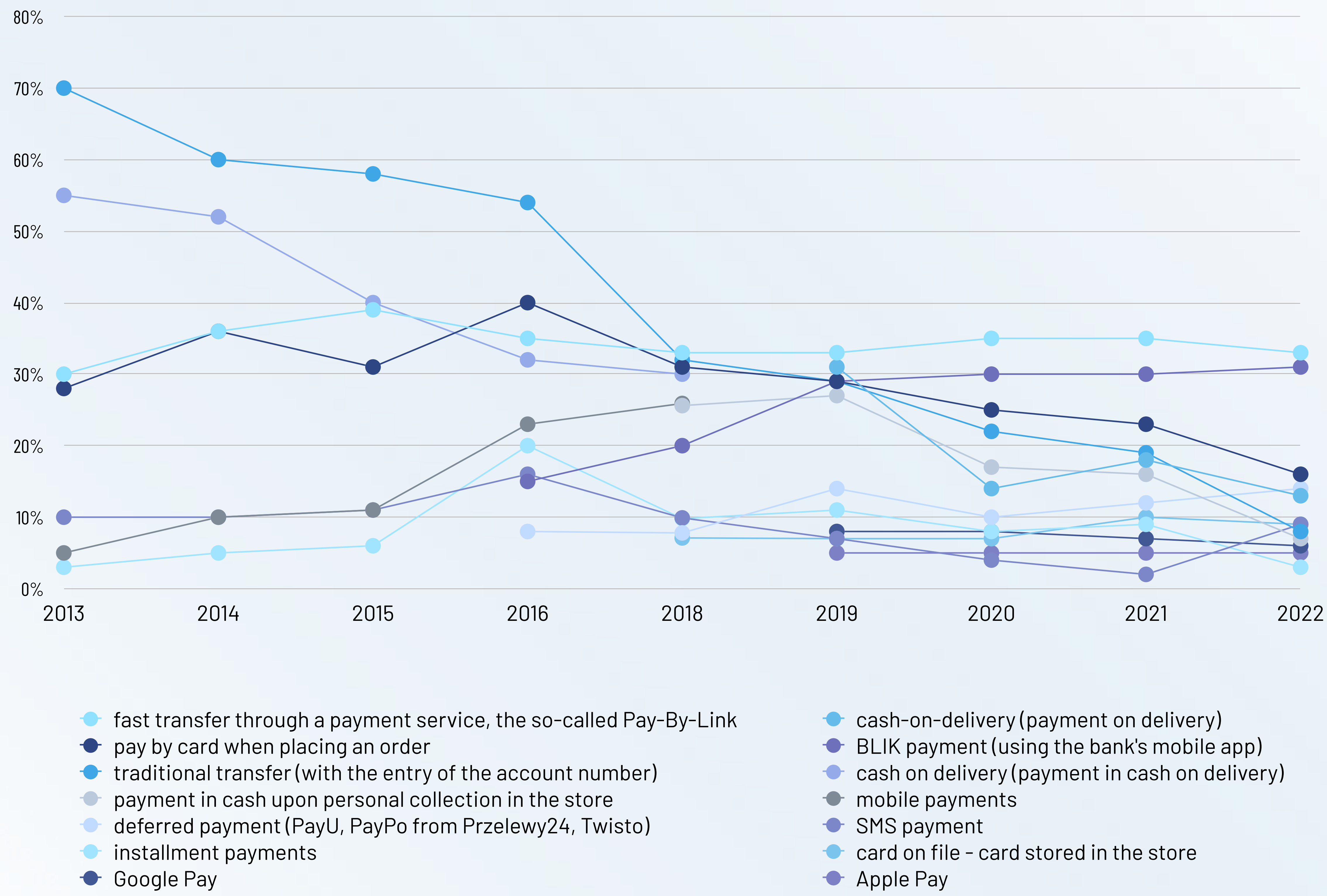
I order, pay and receive

SECTORAL PARTNER: tpay

Paid quickly and comfortably

Poles' digital baskets have grown and filled with more diverse products over the past decade. The key question still remains: how Poles paid for them and how they do it now. Indeed, the chosen and preferred forms of payment is one area where a real revolution has taken place over the past decade. This revolution is evidenced both by the major changes that have taken place in consumer preferences, but also by the set of payment methods surveyed by various institutions, which has basically evolved from year to year with the emergence of payment innovations, especially mobile. But coming back to preferences - back in 2015 and 2016, when asked about their chosen forms of payment, Poles very often indicated paying for purchases on delivery, and in cash. Why on delivery? Because, according to consumers, this guaranteed that the e-tailer would deliver the product not only properly, intact, but also in a timely manner. Today, such an approach is characterized by no more than 3% of those surveyed, and the vast majority pay for the purchase immediately upon ordering, using solutions such as quick transfers, card payments or, finally, BLIK, which as early as 5 years ago rose to the top 3 most used payment methods, and for the past 3 years has been the leader when it comes to payments chosen most often, most convenient and most liked. What's more, Poles don't accept that an e-store doesn't offer the payment method they happen to prefer or are accustomed to. Lack of proper payment methods is now a major factor in e-shopper abandonment.

Chart 23 - Electronic payments typically used during online shopping, Internet users, Sources: Mobile Institute data from 2013,-2015; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy



Uwaga: Badane formy płatności ulegały zmianie ze względu na pojawiające się nowości, ale także bark standaryzacji w tym obszarze, e-Izba wypracowała wraz ze zrzeszonymi instytucjami finansowymi standard badanych form płatności w 2018 roku

In the context of payments, it is also worth mentioning the rapid growth in popularity of deferred payments. They are usually used by one in seven Internet users, but 22% of consumers, 38% of online shoppers and 42% of mobile shoppers have used this type of payment at least once. Deferred payments have also emerged as one of the most important shopping factors in the crisis year 2022, which consumers say they are paying more attention to precisely because of inflation and the unstable economic situation. Importantly, deferred payments are so important that 7 out of 10 Internet users who have used them during e-commerce would also like to be able to use this payment metric when shopping in stationary stores. What else is crucial for e-commerce, however, is the introduction and popularization of "buy now, pay later" payments. For it turns out that its offering by an e-tailer significantly increases the value of digital shopping carts.

Chart 24 - Most frequent average value of one's one-time purchase regardless of channel (offline, online, mobile), Internet users,
Sources: Report "Omni-commerce. I Buy Conveniently," 2022, Mobile Institute for the Chamber of Digital Economy

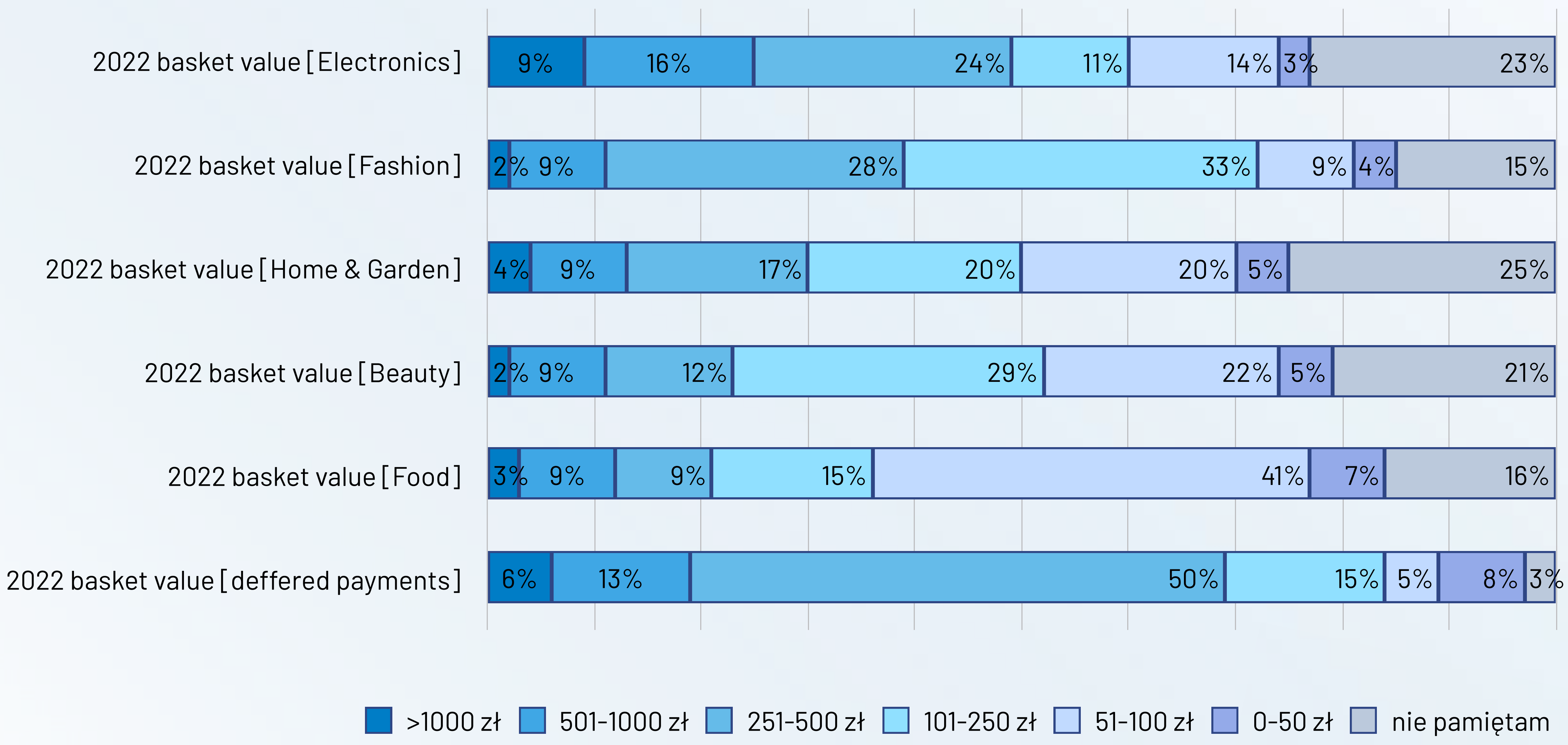
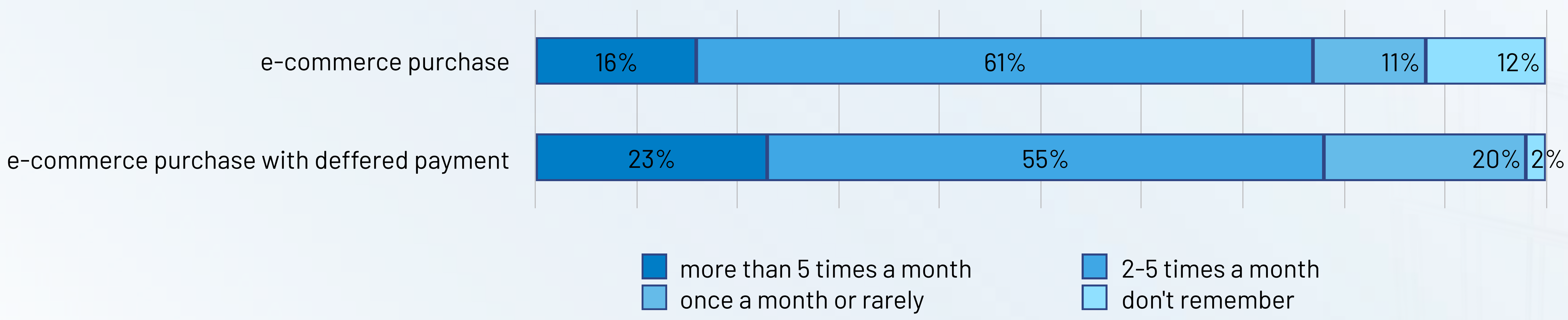


Chart 25 - How often do you shop online? / How many times have you shopped using deferred payments in the past 6 months?, Internet users,
Sources: Report "Omni-commerce. I buy conveniently," 2022, Mobile Institute for the Chamber of Digital Economy

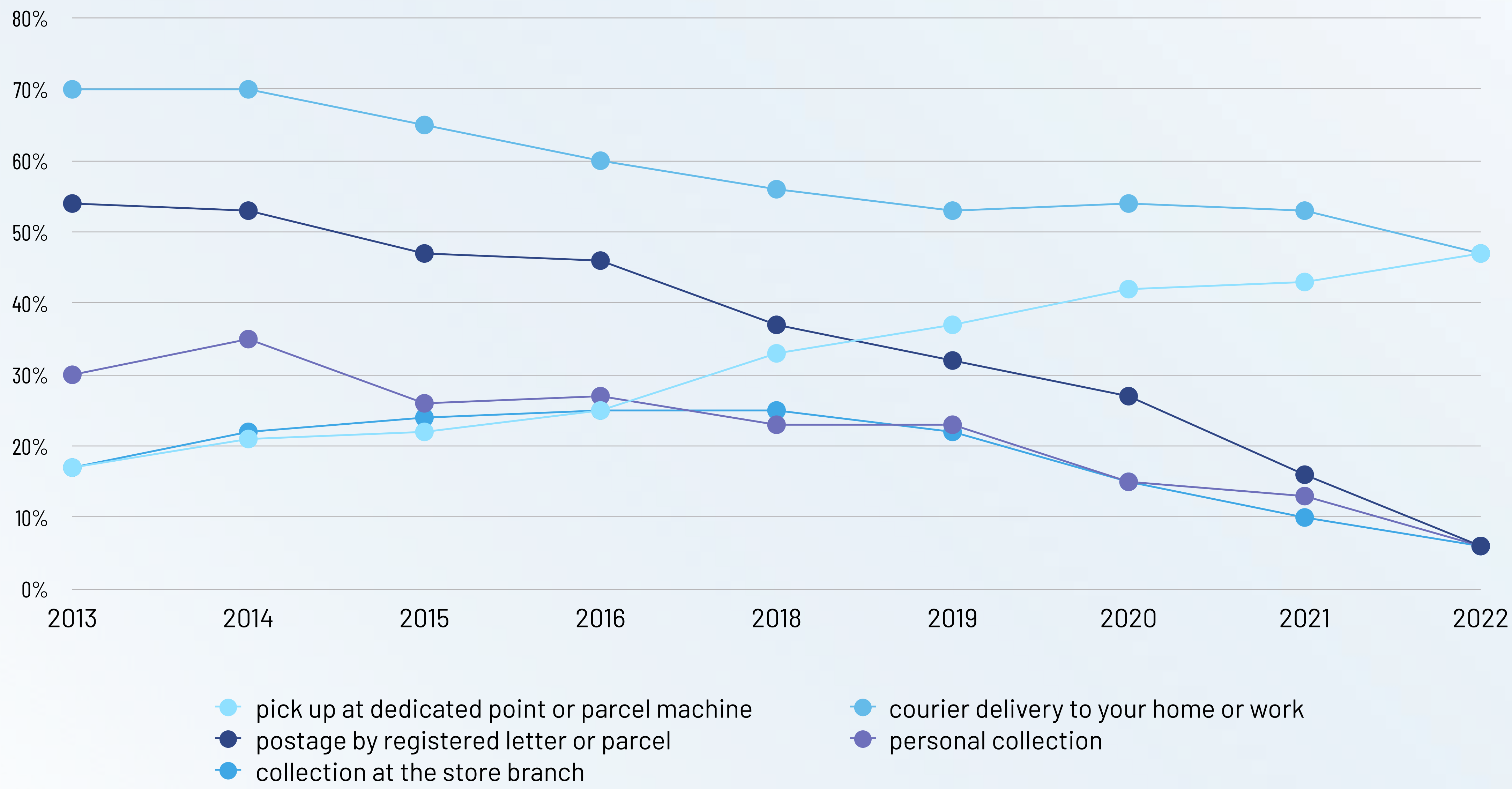


E-delivery

Dostarczone ASAP

Delivery is the other rapidly changing element of e-shopping. Since 2013, here, too, there have been significant changes in consumer preferences, but also a number of innovations have emerged, without which today it is difficult to imagine online shopping. Nowadays we can choose from a whole range of delivery forms, starting from home delivery of purchases by courier to a range of pickup options at dedicated points and vending machines. Meanwhile, InPost's first parcel machine stood in Krakow in 2009. Now there are more than 18,000 of them in Poland alone, with a choice of parcel machines from Allegro, Orlen, Poczta Polska or AliExpress. The data says that in 2022, parcel machine deliveries in Poland will already account for almost 40% of all shipments. 50% are deliveries to the place of residence. It is expected that by the end of 2024, the share of these two forms of delivery should equalize. We can also order our purchases to dedicated points with service, primarily Żabka and Delikatesy Centrum chain stores, Ruch kiosks or Orlen stations. The Polish Post alone has almost 14,000 parcel pick-up points, while DHL has 10,000. The vast majority of e-stores also offer the possibility to pick up purchases at their own network of stationary points.

Chart 24 - Delivery methods typically used during online shopping,
Sources: 2013,-2015 Mobile Institute data; "M-shopper" report series. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy

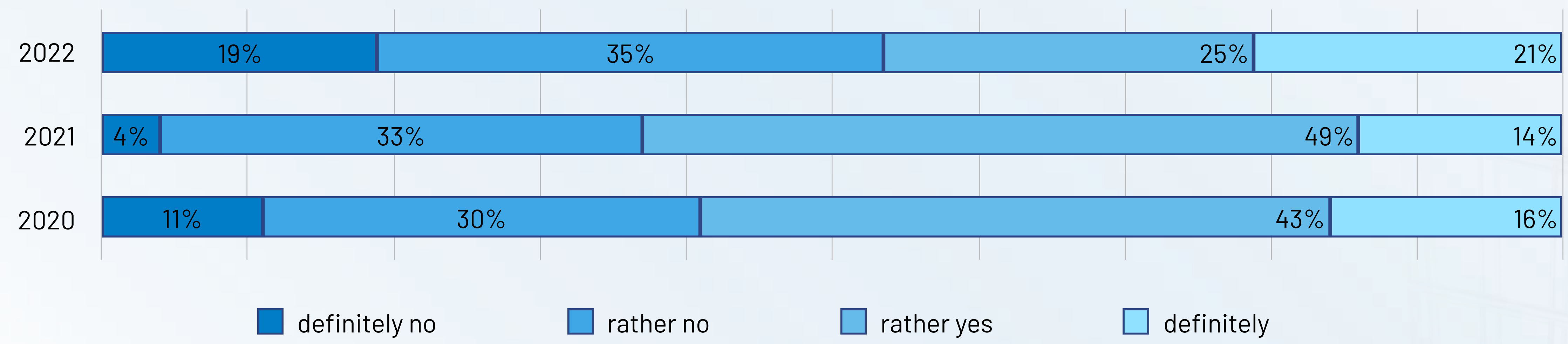


Looking at consumer declarations over the past 10 years on what forms of delivery they typically use when e-commerce shopping, there is clearly a huge increase in the popularity of delivery to dedicated pickup points at the expense of delivery with the support of postal and registered mail. At the same time, covid-19 has temporarily reduced in-store pickups, further strengthening the position of courier deliveries to homes and pickups at parcel machines. In addition to changing preferences in the choice of forms of delivery, over the past decade Polish consumers have become decidedly more demanding when it comes to its terms - primarily the cost and waiting time for delivery, but also the ability to determine its timing as precisely as possible and the ability to track its progress in real time. They track delivery after purchase for every 3rd e-commerce shopper. In contrast, the maximum time Polish consumers expect a package to be delivered is 3 days. Every 10th e-customer, on the other hand, would like to receive it a maximum day after ordering.

Poles have high expectations not only about how and how quickly they will get their purchases, but also under what conditions they will be able to possibly return them. 61% of e-buyers admit that they always consider what the return policy is like before making an online purchase. The possibility to return without giving a reason plus the increasingly longer time offered by e-tailers to do so is undoubtedly one of the most important advantages of e-shopping, appreciated by consumers and at the same time a factor that has made the share of returns in sales reach 40% in some shopping categories. Now - in the era of the looming crisis - attractive return terms have become even more important for digital customers, as they significantly reduce the risk of purchase. This year, more than 70% of Polish consumers admitted that they try to optimize their spending, and 58% consider e-commerce to be a more attractive and optimal shopping channel, with one in five people saying this is because of the facilitated return terms.

However, returns have their "dark side," primarily because of the consequences they have for e-businesses and the environment. Unfortunately, the awareness and attitude of Polish consumers in this regard has not improved over the past 3 years, and currently less than half of e-buyers (46%) agree with the statement that making returns on goods purchased online has negative consequences and is environmentally unfriendly. In addition, the Internet users interviewed (in 2020) admitted that even if they were aware that ordering products from very distant places, such as China through AliExpress or other platforms, also carries negative environmental consequences, this is not their concern. 42% indicated that the attractiveness of the price of such products is most important. 37%, on the other hand, confirmed that they would feel bad about this awareness, but would rather not abandon their purchases. And returning directly to returns, 30% of those returning products in e-commerce admit that there are simply new shopping opportunities they want to take advantage of, so they return the current purchase, while 26% regularly buy different versions, sizes and colors of products and return those that don't fit. So these are not the reasons, such should be the basis for returns, namely goods that differ from specifications, are of poor quality or arrive damaged.

Chart 25 - Do you think that making returns on goods purchased online has negative environmental consequences?, e-buyers, Sources: Report "Omni-commerce. I Buy Conveniently," 2022 and 2021, Mobile Institute for the Chamber of the Digital Economy, Report „Co (u)gryzie e-commerce?", 2020, Mobile Institute for the Chamber of the Digital Economy



GRUPY MERYTORYCZNE

ZAPRASZAMY DO ZAPOZNANIA SIĘ Z DZIAŁALNOŚCIĄ GRUP MERYTORYCZNYCH E-IZBY!

GRUPA MERYTORYCZNA
B2B E-COMMERCE

GRUPA MERYTORYCZNA
ODPOWIEDZIALNY E-COMMERCE

GRUPA MERYTORYCZNA
CROSS-BORDER E-COMMERCE

GRUPA MERYTORYCZNA
PERFORMANCE MARKETING

Dołącz do Grup!

Expert Commentary

Tomasz Osman

Co-Founder & COO
SAVICKI

The last 10 years have undoubtedly seen an unstoppable growth in the importance of e-commerce in global commerce, which has been dictated by the continuous evolution of the market, as well as by the growing needs of customers.

The e-commerce market itself, due to the increasing number of online stores, has become increasingly competitive and demanding on the business side. Especially in the post-pandemic period, when smaller companies began to move their operations to the online space as well. One needs to be very flexible and dynamic in operations. Without constant work, it is very easy to lose market position. You constantly have to provide customers with more and more interesting solutions and better shopping experiences. Customers have become convenient, but also very demanding. They have learned to proficiently browse and compare store offers, moving seamlessly between online and offline.

Significantly, in the past decade, mobile device users have become particularly important, increasing their share almost 9 times from 7% to 60% of all Internet users from 2012 to 2022, according to the "Digital 2022" report.

In addition, the direction of omnichannel development is becoming increasingly inevitable, as an implication of the ROPO effect - research online, purchase offline, as well as reverse ROPO - research offline, purchase online.

When operating in e-commerce, usability, security and flexibility become crucial from the customers' purchasing perspective, so special attention should be paid:

1. Transparency of the offer and convenience of the purchasing process. Customers expect convenience in using the store on any device and answers to any objections they may have.

2. Fast and secure payment methods, with special attention to mobile payments (including blik, apple pay, google pay).

3. Flexible and fast delivery of products. Customers appreciate the solution of, among others, InPost's Parcel Machines, which provide them with flexibility and discretion in receiving the package.

4. Free product returns. Customers are increasingly making their purchasing decision based on the return policy. The more we make it difficult for the customer to return, the less motivated they are to make a purchase decision.

In conclusion, the last decade has led to a very dynamic growth in the e-commerce market, expecting entrepreneurs to be very active and constantly working to provide customers with such solutions to make shopping easy, fast, safe and enjoyable.

Expert Commentary

Paulina Dziubińska

Senior Director
JLL

The last 10 years have been an unprecedented boom for Poland's warehouse market.

First of all, in 2013, the largest e-commerce players - Amazon and Zalando - entered the market, which initiated extremely dynamic growth in the following years. E-commerce as well as unleashed retail chains and logistics operators generated demand of 20 million sqm of warehouse space during this period.

Resources in the market expanded more than fourfold, from seven to almost thirty million sqm of available warehouse space in 17 markets nationwide. Geographically, the market grew both in the largest agglomerations and in new locations, with a clear advantage in Western Poland. A particularly important moment for the industry was the pandemic, during which, despite negative sentiment and economic uncertainty, the warehouse market proved its resilience.

Now, with the revival of stationary shopping, e-commerce development is returning to the more sustainable growth rate seen before the pandemic. The interpenetration of these two environments is reflected in the growing importance of omnichannel strategies, which is a challenge, but also a new driving force for the warehouse market. The fragmentation of trade and the expansion of retail chains are forcing changes in supply chains. The logistics of returns, which are made through various sales channels, are also not insignificant.

Top Changes of the Decade

Payment and delivery

Significant decline in cash on delivery as an e-commerce payment method.

Increasing popularity of cashless and mobile payments, such as BLIK, quick transfers, card remembered in e-commerce.

Specialization of consumers in terms of payment and delivery methods chosen and a clear preference for one considered most convenient.

The proliferation of deferred payments and their significant impact on increasing the value of e-commerce shopping carts.

Delivery to a variety of parcel vending machines is growing in popularity. Their popularity is now on par with courier delivery.

Increasingly shorter expected delivery time. Currently, it is a maximum of 3 days from purchase.

A clear complaints and returns policy as a key requirement when shopping in e-commerce.

The spread of free returns and the consequent significant increase in the scale of e-commerce returns, especially in the fashion category. Currently, 56% of e-customers admit to making a return, and one in three e-buyers regularly returns products in e-commerce.

Order traceability as a key requirement for e-commerce shopping.

CHAPTER 7

E-innovation

Development is a must-be

Consumer demands are getting higher and higher. Over the past decade, Poles have also become more and more impatient when it comes to purchasing support in case of any problems. If we need to consult a purchase, then ASAP, if we want a response to a request or complaint, then also ASAP, share an opinion - ASAP. And by ASAP we mean here not 24 hours, but rather 2-3 hours at most. This is very little time to respond, and requires e-stores to practically constantly monitor the situation and the actions of their customers.

Polish consumers are also increasingly abandoning digital shopping carts. Currently, this happens to 7 out of 10 e-buyers surveyed, and one in four enters an e-commerce site without any purchase intentions, just to get inspired, compare offers or check if a product is available or on promotion. In addition, digitally shopping Poles are increasingly sensitive to the issues of responsible development and responsible e-shopping, so they check the composition and origin of products carefully, and - already very pragmatic - they want to be able to adapt shopping to their daily habits - choose the payment method, method, time and time of delivery that suits them.

Meeting all these requirements is quite a challenge for e-tailers, who want not only to stay in the market, but also to win the hearts and wallets of e-customers, especially since Polish consumers are eager to adapt various novelties and shopping innovations, provided they actually make shopping easier or more attractive. What are these novelties and innovations? Those that have emerged and have been adopted with enthusiasm by e-customers are plentiful, most notably: shopping on mobile devices and through dedicated apps, social media shopping, use of product video, use of modern electronic payment methods, use of parcel machines, tracking of delivery status, remembering shopping lists, use of subscription services paid automatically, or virtual programs and loyalty cards.

Currently, the scale of use of the mentioned facilities is huge. At the same time, it is worth mentioning that despite the fact that e-tailers are trying to implement them as quickly as possible, as many as 8 out of 10 e-commerce customers declare that they encounter various problems while shopping online. Interestingly, these are usually issues related to the shopping process itself and its friendliness, i.e. the so-called CX (customer experience), or difficult contact with the e-store. So these basics need to be kept in mind regardless of the functional novelties offered.

Importantly, the requirements of business customers for e-purchasing are also growing dynamically, although here other functionalities offered by e-commerce count, such as customized offers, advanced search engine and product comparison, accurate product specification and description, remembering shopping lists, deferred payments, or immediate delivery to the selected location.

Figure 26 - Innovative solutions used by consumers during online shopping in 2020-2021, Internet users,
Sources: Mobile Institute data, 2013-2022, „Co (u)gryzie e-commerce?" report, 2020, Mobile Institute for the Chamber of Digital Economy

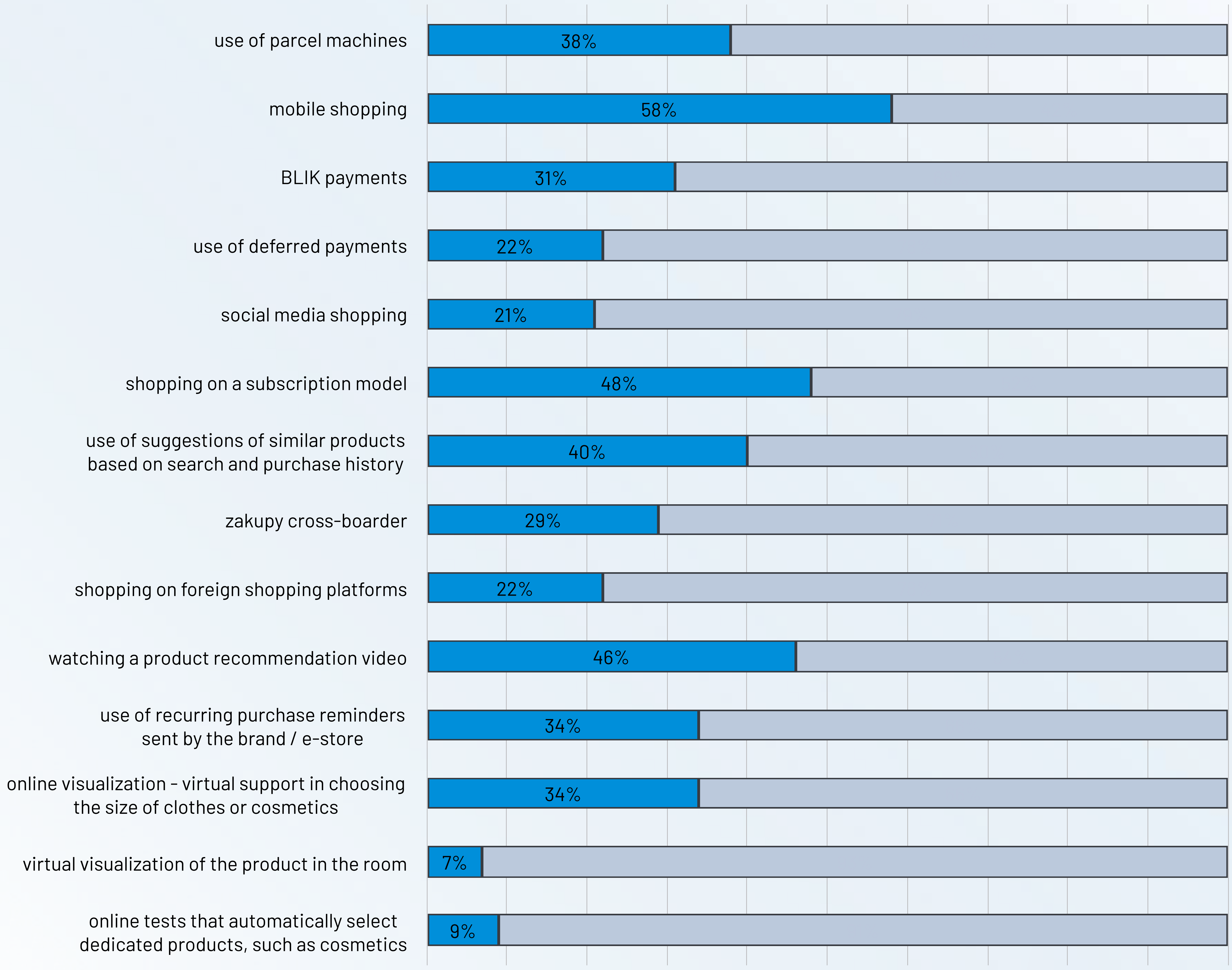


Figure 27 - Making purchases mobile, i.e. using a smartphone or tablet, Internet users with a mobile device,
Sources: Mobile Institute data from 2013,-2015; report series "M-shopper. Polacy na zakupach mobilnych," 2015-2016, Mobile Institute for Allegro; report series "M-commerce. I buy mobile" and "Omni-commerce. I buy conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy

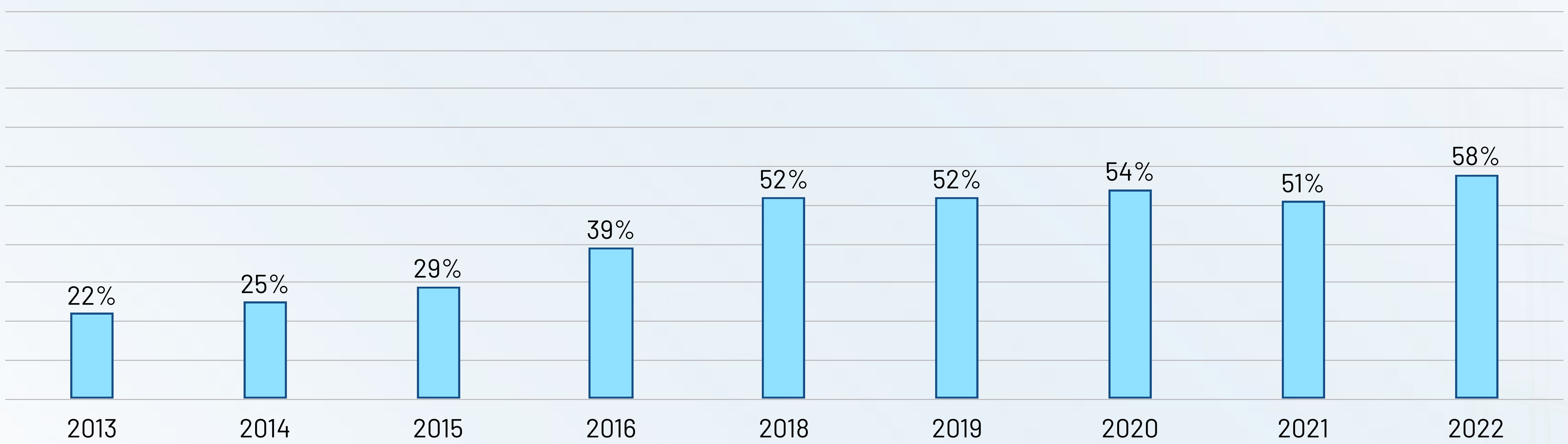
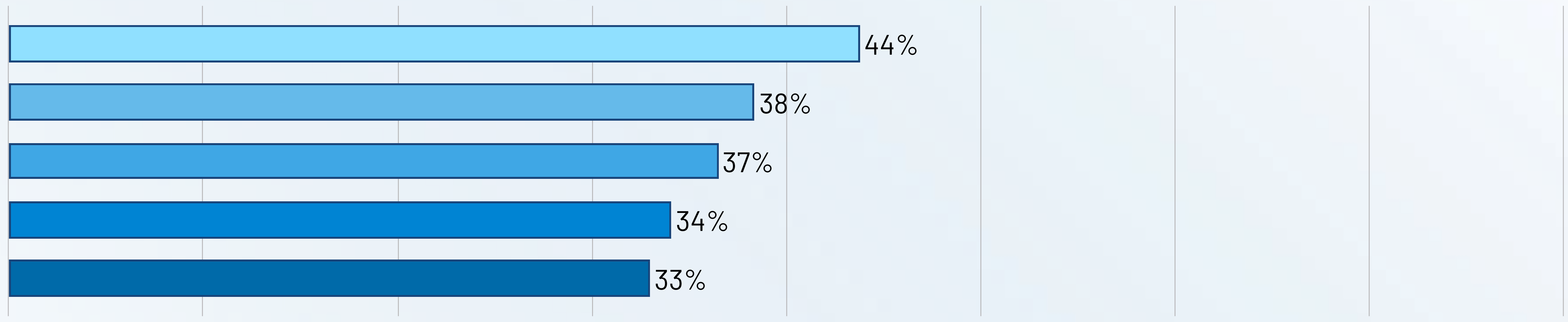
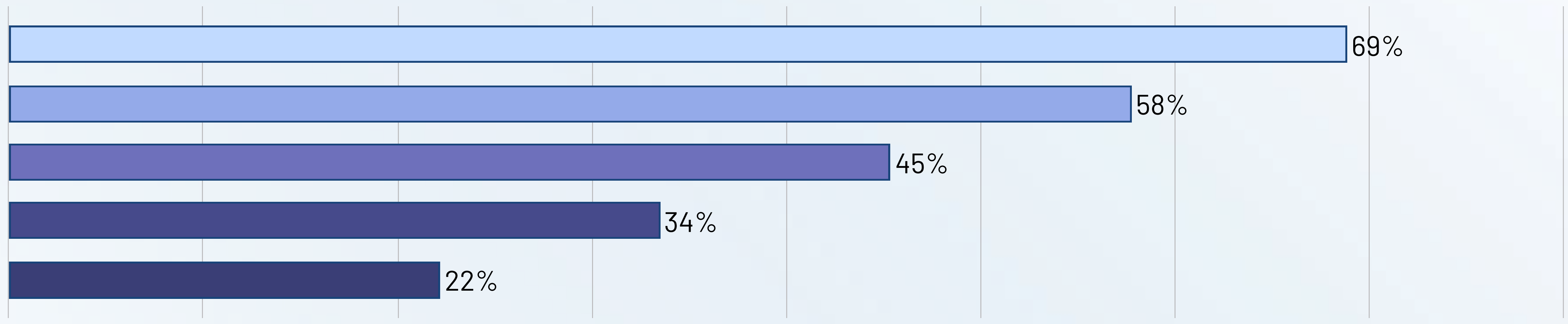


Chart 28 - Top 5 functionalities when shopping online for a company that business customers find most useful in the area of usability / convenience of shopping, companies sourcing online,
Sources: Report "E-commerce B2B – Biznes w sieci.", 2020, Mobile Institute for Santander Consumer Bank



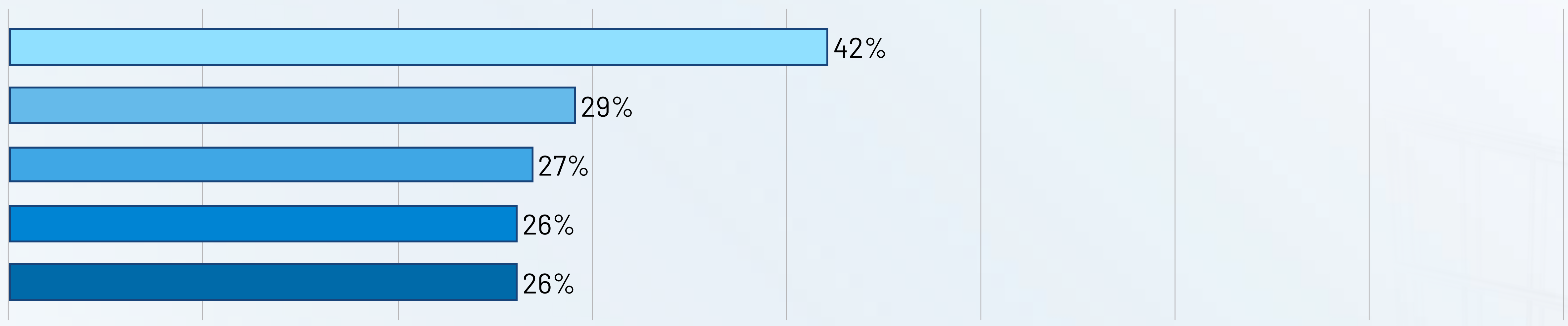
- Advanced product search engine by description / code
- Memorizing shopping lists / multi-carts
- Suggesting complementary products
- Quick orders according to templates
- Advanced product presentation (video, 360 photos, VR)

Chart 29 - Top 5 functionalities when shopping online for a company that business customers find most useful in the area of delivery / logistics, companies sourcing online,
Sources: Report "E-commerce B2B – Biznes w sieci.", 2020, Mobile Institute for Santander Consumer Bank



- Track the status of your order / delivery
- Express delivery / same day delivery
- Ability to change the delivery address
- Dropshipping, or shipping an order directly from the manufacturer / supplier
- Green delivery options

Chart 30 - Top 5 functionalities when shopping online for a company that business customers find most useful in the area of payments, companies sourcing online,
Sources: Report "E-commerce B2B – Biznes w sieci.", 2020, Mobile Institute for Santander Consumer Bank



- Reminder of payment deadlines
- Identification of payments
- Procedures to prevent fraud, such as verification of contractors
- Trade credits
- International payments

Expert Commentary

Justyna Skorupska

Song Account Lead, Accenture Song
Board Member, Chamber of Digital Economy

Accenture Song

According to the Polish Economic Institute, in 2013 only 16% of surveyed entrepreneurs expressed a desire to develop e-commerce. Behind the pandemic, there has been a significant, nearly 40% increase in Polish e-commerce in 2020. Just a few years ago, e-commerce was a curiosity rather than an everyday occurrence, and its market share was negligible. Internet users approached virtual shopping with the distrust typical of any kind of novelty.

The year 2013 will go down in history not only as the year of the creation of the Chamber of the Electronic Economy, but also the entry of Google's shopping service into the market. The e-Commerce industry gained a whole new opportunity to promote products. Google Shopping is a type of advertising campaign on Google's search engine. which has become one of the most popular and most effective ways to attract customers. Nowadays, most Google users start their search for a product they are interested in and would like to purchase by typing its name into Google search.

2015 saw the promotion of one's offer through discount coupons available not only on one's own site, but also on coupon-specialized sites, as well as group buying. On the other hand, **it's a breakthrough in Polish e-commerce - Blik appears**, without which today [1] 12 million Poles making an average of 3.5 million operations each day, can't imagine daily shopping.

The emergence of parcel machines has triggered a development in the so-called "last mile" logistics industry, and today PUDOs [2] are one of the key trends in last mile logistics. They are also the fastest growing service and the most popular form of parcel delivery, not only in Poland, but also in Germany, the UK, France, Belgium, among others.

A good User Experience is the basis for e-commerce, or mobile applications The emergence of **deep learning, or algorithms used by Facebook DeepText tools,** among others, which aim to **improve the experience through chatbots, has revolutionized the approach to personalization and e-customer service**. Today, advanced chatbots work brilliantly with customers, answering their most common questions, suggesting related offers, informing them of discounts and promotions, and notifying them of product shipments. The e-commerce owner can delegate repetitive activities to technology.

Programmatic marketing, specifically personalized retargeting is supported by just such algorithms. This is why **in the last 10 years AdTech technologies** [3] are actually replacing **MarTech technologies** [4], which are used to actually create, manage and run campaigns and other marketing activities. Data analytics technologies are developing rapidly, and e-commerce is basing its marketing and sales strategies on the so-called **data-driven** approach [5].

(1) Data as of the end of September 2022, source: https://www.telepolis.pl/fintech/prawo-finanse-statystyki/blik-transakcje-popularnosc-statystyki
(2) PUDO stands for Pick Up Drop Off. In practice, it stands for a last-mile logistics solution, offering the ability to send and receive shipments at designated points. New courier points are sprouting up on the map of Poland at a rapid pace. Examples include outlets of the DHL, DPD, GLS, UPS, Orlen Paczka, InPost or Furgonetka Punkt networks.
(3) Influencing shopper behavior with promoted offers. AdTech is a collective term for advertising tactics and ad management tools, such as DSP platforms, SSP platforms and ad exchanges. It is more about the technology that enables campaigns to be implemented
(4) MarTech refers to the use of customer relationship management (CRM) software, social media management tools, email marketing solutions, etc. It encompasses a wider range of technology solutions used by marketing professionals in the digital marketing process.

Expert Commentary

Justyna Skorupska

Song Account Lead, Accenture Song
Członek Rady, Izba Gospodarki Elektronicznej

Accenture Song

Augmented reality technologies are already being actively used by brands such as Sephora and eobuwie.pl, among others; the Studio Ikea application allows users to design an interior in a special program. The user can add the dimensions of the room and the furniture they already own to the design, and then add the accessories they need. The finished design can be exported in 2D or 3D form.

The e-commerce market has changed drastically over the past 10 years, primarily due to changing consumer behavior and the rapid development of technology. The global share of mobile devices in Internet usage exceeded that of desktops as early as 2016 [6]. The m-commerce phenomenon has become obvious and today no e-business can downplay it, especially since social commerce [7] is growing like a storm.
During the pandemic period, the so-called live commerce [8] especially developed as a natural development of social commerce.

Another breakthrough in e-commerce is the emergence of virtual reality [9], thanks to the development of 5G networks. It has been implemented by stores such as IKEA and Selsey. Both have created applications (Ikea Place and Selsey - Furniture of Your Dreams) that allow you to view specific furniture against the background of your own apartment. They allow us not only to see how a particular model will look in it, but whether it will fit in the place at all and whether our dream color will be appropriate. For the cosmetics, apparel or home furnishings industry, it's overcoming the physical barrier to purchase, VR technology allows one to interact with a product or service without leaving home, such as with 3D visualizations, QR codes, filters, virtual fitting rooms or virtual salespeople.

In 2021, Facebook created Metaverse [10]. At the core of Metaverse is the idea that by creating a greater sense of "virtual presence," online interaction can come much closer to the experience of in-person interaction. Thus, thanks to virtual and augmented reality technologies, users will not only meet the new digital network, but also their action will have a certain effect in the real world. the traditional format of selling through a website is no longer enough for many brands. In the new digital reality, customers can, for example, test virtual equivalents of the items they buy or, what seems extravagant to many today, spend real money on digital clothes. Already today, trade turnover in virtual worlds exceeds $2.5 trillion [11].

The world of e-commerce is constantly changing - according to research by Accenture (Accenture Business Futures 2021 Report), only 6% of companies are confident in their current ability to anticipate and respond to future changes. So **you can never stop learning**, the phygital world i.e. a little in the real world, a little in the virtual world has already become our reality!!!

(5) Data-Odriven is an approach that involves making all decisions based on data and its advanced analysis and interpretation. It also marks a shift away from managing an organization based on subjective experiences or opinions.
(6) Internet Usage Worldwide
(7) Social commerce can be defined as the business of selling and buying products or services through social networking sites and applications.
(8) Live commerce is live shopping used on the Internet to promote and sell products via live streaming on social media channels, based on live streaming, combining the format of video streaming with real-time shopping
(9) Virtual Reality is a computer-created environment that is a simulation of a certain part of reality. Through it, the user can interact with its various elements. Virtual reality stimulates sight and hearing, causing the impression of being transported to a completely different reality.
(10) Metaverse is part of the broader Web3.0 phenomenon, in which the Internet operates in a decentralized manner through the use of blockchain technology, and users have the ability to acquire virtual property through NFT. "Metaverse" is a term coined by Neal Stephenson in his science fiction novel Blizzard, published in 1992. In Stephenson's book, Metaverse is a virtual world that exists parallel to the real world.
(11) https://wgospodarce.pl/informacje/114227-e-commerce-podbija-wirtualna-rzeczywistosc

Top Changes of the Decade

Continuous real-time tracking of consumer activity on the e-commerce site and optimization of displayed offers.

Automate communications and sales using big data, artificial intelligence (AI) and machine learning.

Introducing product video as an additional format to showcase products, services and places, in addition to photos.

Nowoczesne metody płatności umożliwiające płatność na dowolnym urządzeniu oraz zapamiętanie płatnika.

Modern payment methods that allow payment on any device and remember the payer.

Social media as another shopping channel and social login for e-commerce registration.

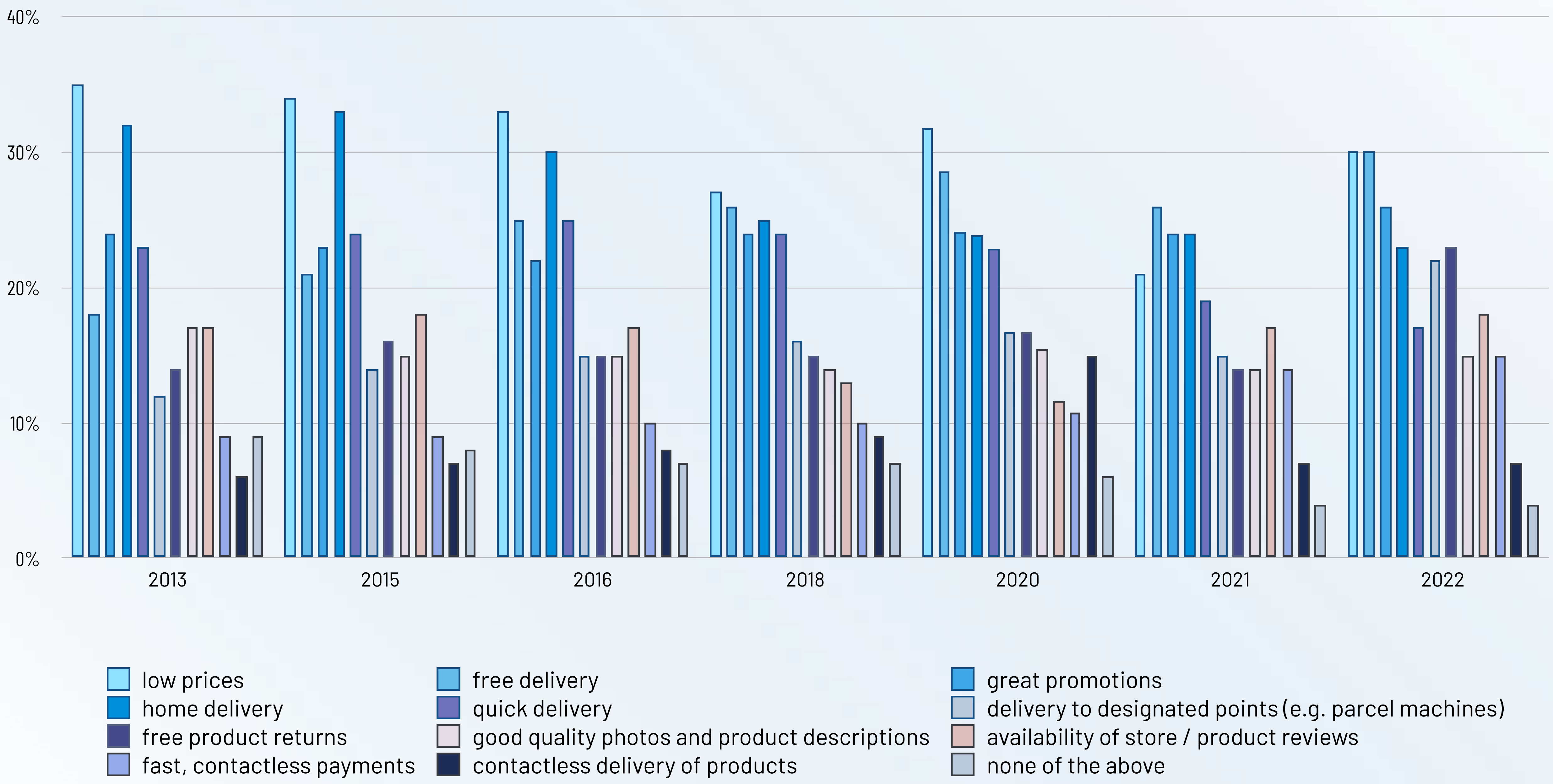
CHAPTER 8

Why did Poles love e-commerce?

Fast, convenient and promotional

Shopping is an activity that some people enjoy or even love, and others... not necessarily. However, for both, shopping needs to be convenient, fast, safe and - if possible - attractively priced and enjoyable. E-commerce as a new shopping channel, in order to gain the trust of consumers, immediately had to meet all these expectations virtually simultaneously. And this is indeed what happened. From the beginning, customers who began to enjoy the benefits of e-shopping and got a taste for it pointed out that such shopping is convenient and fast, as well as providing the opportunity to choose from a wide range of products and brands and the chance to hunt down something at a very good price. Analytical consumers, who are the most numerous among Polish customers (42%), also emphasized practically from the beginning the possibility of a more thorough and calm analysis during e-shopping, which makes online shopping more rational. Also in Crisis 2022, as many as 58% of Internet users believe that e-shopping is more optimal than classic stationary shopping. This is a compelling argument, as 7 out of 10 Poles try to optimize their spending on a daily basis.

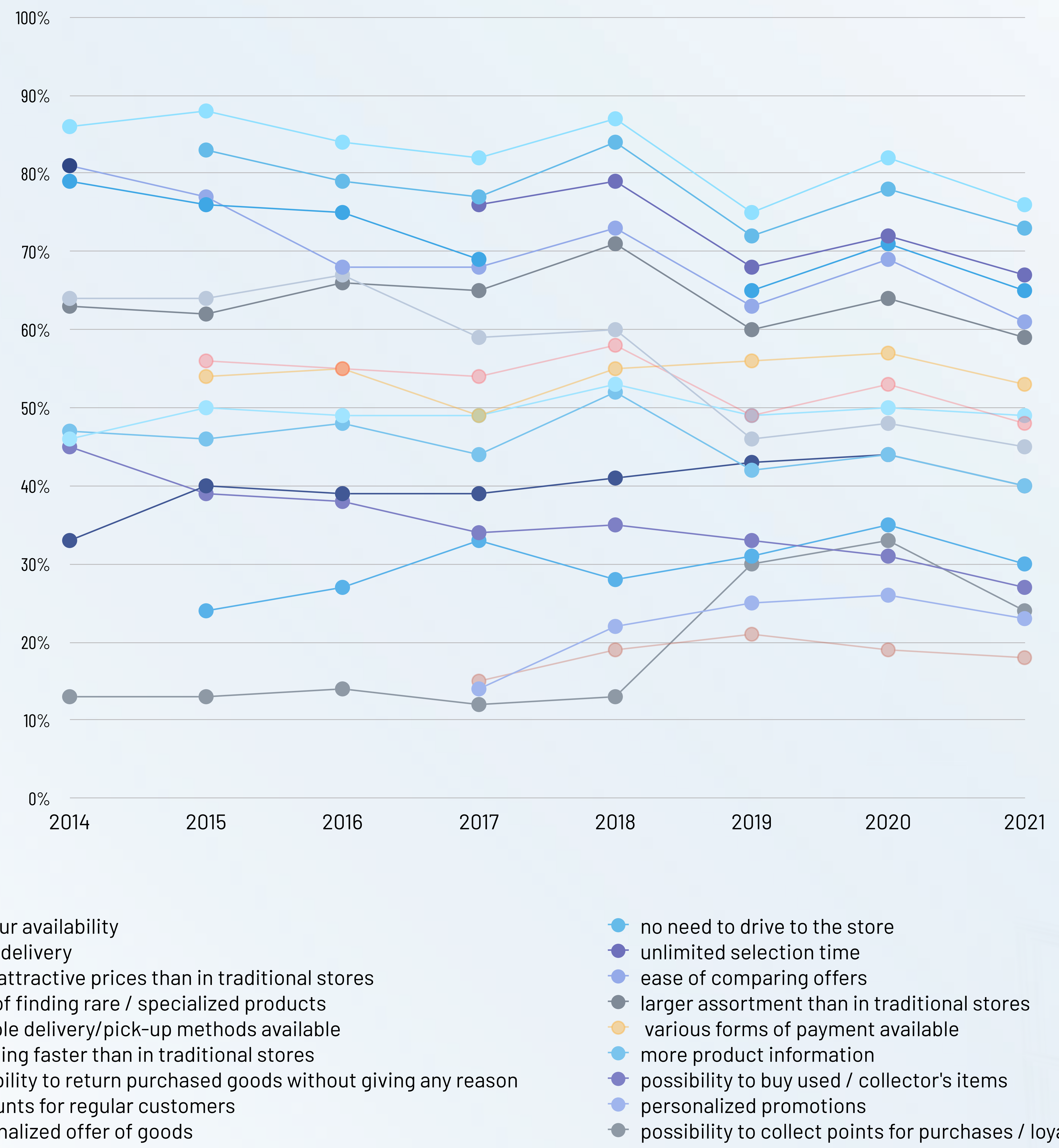
Chart 31 - What primarily makes you buy online? , e-buyers,
Sources: Mobile Institute data from 2013,-2015; report series "M-commerce. I buy mobile" and "Omni-commerce. I Buy Conveniently," 2015-2022, Mobile Institute for the Chamber of Digital Economy



What has changed over the past decade when it comes to evaluating the appeal of online shopping? Fewer and fewer e-customers can't name what encourages them to buy online (down from 9% to 4%), and the number of items chosen by each e-buyer is higher (up from 2.0 to 2.3). At the same time, it is somewhat less common for low prices to be the leading e-commerce asset in the eyes of Poles, while promotions, available payment companies, fast delivery, free returns and pick-up point delivery are increasingly important.
In pandemic 2020, safe contactless delivery was also extremely important, but by 2021 and 2022 its importance had declined again.

Elements motivating e-purchasing that e-customers have been indicating for the past 10 years also include simply not having to drive to a store, which is associated with time savings and, in pandemic years, also with safety. In addition, Poles are invariably attracted to digital shopping not only by the wide range of products offered online, but also by the possibility of finding unique and specialized products, or collectibles. Well, and all the time, e-commerce means stores open 24/7, which gives consumers the irreplaceable freedom to buy at their convenience. These factors gained further when non-trading Sundays were introduced in Poland. In the first year after this change was introduced (2017), already 16% of respondents admitted that they usually shop online on Sunday, and 81% of e-buyers happened to do so at least once. Consumers surveyed at the time stressed that available 7 days a week, including weekends, e-commerce allows them to shop quietly when they no longer need to take care of work, and allows them to consult with a partner who is available on the weekend. With e-Sundays, they can also do quick errands without wasting time commuting to the stores, so they have time for family.

Chart 32 - Which of the following reasons motivate you to shop online?, e-buyers,
Sources: Report series „E-commerce w Polsce. Gemius dla e-Commerce Polska"", 2014-2021,
Gemius for the Chamber of Digital Economy



Expert Commentary

Dorota Bachman, PhD

CEO Animalis,
pet store TuZwierzaki.pl
Co-founder, Fundacja Kobiety e-biznesu

Poles have come to love e-commerce because online shopping has given us real freedom of choice. At first, I have a feeling, we fell in love with the ability to see multiple offers and compare prices of products in many e-shops. All kinds of comparison engines and aggregators of offers were a furore.

Then we began to pay attention to the ease of buying and fast delivery. So, in addition to the obvious fun of online shopping, we added aspects of UX, mobile development, convenience and time savings. We wanted the e-purchases made to be in our home as quickly as possible. Smart commerce also developed at a tremendous pace, as we practically never part with our phones and other smart devices.

Multichannel first gained momentum, which seamlessly transformed into omnichannel and omni-commerce. Excellent customer service and related operational excellence became increasingly important. InPost parcel machines appeared and became an option, often more convenient than a courier with delivery to a given address. Online payments developed intensively, right down to installment and deferred payment options.

Every single customer slowly became a real treasure for the e-store. We fell in love with recommendations and offers tailored to our needs. We value hyper-personalisation, which sometimes even exceeds our expectations because it is based on advanced AI mechanisms and predictive models. And despite the criticism of these mechanisms, as customers, we are agreeing more and more consciously to the use of our online footprints and we allow ourselves to be drawn into subscription models and loyalty programs.

We want to buy quickly, with one click. We want our shopping experience to be as personal and instant as possible, to be at our fingertips.

E-commerce is everywhere, it accompanies us 24/7, and I think that's why we love it. For me, e-commerce is freedom of choice anytime, anywhere.

Expert Commentary

Zbigniew Nowicki

Co-managing Director & Partner
Bluerank

Why did Poles fall in love with e-commerce?

Already almost 9 out of 10 Polish Internet users find, choose and buy products online. The Polish e-commerce industry has worked for this result for the past 10 years. Moreover, PwC forecasts show that the share of buyers should grow to 94% in the next years. Therefore, it is worth getting a moment of reflection to better understand what happened in the market in the last 10 years (2013-2022) that Poles fell in love with e-commerce:

- **Accessibility and convenience** - in Poland there is only one better argument than cheap. It is convenience. Convenient shopping, freedom of choice are extremely subjective arguments. In contrast, it is the e-commerce industry that over the past 10 years has turned a subjective perception, supported by data, into an objective advantage, comfort and friendly ordering online.

- **Speed and time saving** - we live in a time when every minute is at a premium, and seconds separate us from choosing a competitor's offer. It is the wealth of offerings in one place, streamlined processes, the ability to quickly proceed to checkout and make immediate payment that has influenced the popularity of online ordering. Consumers are motivated to order products online by the 24/7 availability of the offer and the lack of need to drive to a stationary store.

- **A sense of security** - consumer awareness of safe online shopping has been building over the past 10 years. Buying online, thanks to the efforts of the e-commerce industry: stores, payment operators and organizations such as the Chamber of Electronic Economy, has become more secure than other, often cash-based forms of purchasing goods.

- **Easy payments and price comparisons** - the Polish payment market has adapted to the habits and demands of consumers. Operators clearing transactions have not fought by force, have not tried to change habits and have not tried to copy models from other markets. Offering the most expected payment methods, they listened to their customers in order to introduce innovative, friendly and secure solutions like BLIK over time.

- **Friendly delivery** - the segment of delivering ordered products to consumers has developed similarly to payments. Leaders such as InPost have even created new, environmentally friendly and easy-to-use models for the delivery and exchange of goods between consumers. In 10 years, the supply chain has been streamlined, taking into account the last mile effect, so that the time to receive an ordered product has been reduced to a minimum [same day delivery].

- **Multiplicity of assortment** - online shopping gives us the opportunity to choose from hundreds of thousands of products within one or more stores. Comparing product features. Finding the one most suited to our needs and price capabilities. And all of this in a matter of moments.

- **Better price** - finally, I would like to deny the subtle hypocrisy of the first point in the counter thesis. Better, i.e., a lower price or the possibility of getting a better deal at the same price also matters. This is confirmed by consumers themselves, more than two-thirds of whom indicate that the prices of goods online are more attractive than in traditional trade, which is an important argument for them to buy.

In summary, Polish e-commerce over the past 10 years has reached a world-class level. Our solutions and stores are often a model for other markets to follow. Personally, I am very proud of the scale and economic significance of Polish e-commerce. We are already doing a lot today, tomorrow there will be even more. So how can you not love e-commerce?

Top Changes of the Decade

Legitimate love for e-commerce: now almost 100% can identify what e-commerce perks make them buy online.

Attractive prices and various aspects of delivery (including speed, free of charge) and a wide selection of products as the most important advantages of digital shopping.

Shopping availability 24/7 and 365 days a year, including Sundays.

Order traceability as a key requirement for e-commerce shopping.

The growing importance of loyalty programs and personalized offers as a perk of online shopping.

Increasing importance of promotions as an asset of digital shopping.

Significant drop in indications of concerns about e-commerce performance and delivery guarantees as deterrents to e-commerce.

The spread of free returns and the consequent significant increase in the scale of e-commerce returns, especially in the fashion category. Currently, 56% of e-customers admit to making a return, and one in three e-buyers regularly returns products in e-commerce.

CHAPTER 9

What's ahead of us?

And I am growing and... changing

E-commerce is developing so rapidly that it is almost impossible to predict what awaits this market in the next 3- 5 years and the next decade is actually a mystery. Nevertheless, it is worth asking ourselves this question "What lies ahead?" because the fate and prosperity of many an entrepreneur and brand may depend on what happens in the e-market. After all, according to e-Chamber"s research, consumers believe that it is primarily e-commerce, as the most dynamic, that should set trends and standards for the entire economy.

Let's start our predictions with the basic issue - the growth rate of turnover in digital sales channels. It turns out that most e-commerce sources and managers estimate that for the next 2-3 years e-commerce dynamics will remain high at 15-20% per year. That's less than in the record covid years, when a significant portion of consumers were somehow forced to move to the digital channel and regular e-commerce customers intensified their purchases here, but the assessment also seems quite optimistic given circumstances such as the war in Ukraine, as well as the economic downturn, the specter of crisis, inflation and a drastic increase in energy prices in early 2023. In this context, however, it is e-commerce that could become the remedy for society's impoverishment and support consumers' efforts to optimize spending. And this is likely to happen, given the results of the Chamber of Electronic Commerce's mid-2022 survey - "In Crisis to E-Commerce," where 7 out of 10 respondents declared that in tough times they move their shopping precisely to the digital channel because it's cheaper, efficient, safe, plus shoppers have control over where they spend their money.

What about the various phenomena that are emerging in e-commerce? Which of them will play a leading role, and which will fade through and remain unnoticed, or rather, without much significance for consumers and e-business? By far most sources recognize that the near future will be shaped by e-commerce big data, automation and artificial intelligence. These 3 trends will be key, according to managers, and will play the most important role in the development of the digital market over the next decade. In a word: technology, technology, technology....

What will still happen, according to experts, is marketplace-ization and fintech-ization, i.e. intensification of sales using dedicated platforms, and the emergence of new, flexible and innovative payment operators that will further develop options for paying for online purchases and increase consumer satisfaction at this, in a way, most difficult shopping stage. What is unlikely to become widespread in the next 3-5 years in e-commerce, according to experts, is VR, voice search and Metaverse. Apparently, our shopping experience and the senses we use in the buying process will remain as before. Although, who knows, maybe in the context of making e-commerce and the overall economy more accessible to people with special needs (e.g., the visually impaired), these solutions will slowly gain traction after all, and we will be saying instead of "Hey Siri...", - „Hey Allegro, repeat my recent purchases of supplements, cleaning products and diapers for the baby." And it will do this.

Expert Commentary

Paweł Oleszczuk, PhD

Vice Director
PwC

What's ahead of us?

For many years, the Polish e-commerce market has been characterized by dynamic growth. A significant increase in e-commerce market's supply is to be observed - many new players have emerged. Moreover, consumers have become more keen to use online shopping.

Now, what are the trends ahead of Polish e-commerce market in the upcoming years? Among factors most affecting the industry are the ever-present effects of the Covid-19 pandemic and the repercussions of Russian aggression against Ukraine (including migrations from Ukraine). The collapse of supply chains, problems with raw material availability and galloping inflation amid the risk of a global recession make the upcoming years difficult to predict, unlike the past decade.

Nonetheless, according to the report "Prospects for the development of the e-commerce market in Poland 2018-2027" prepared by Strategy& Poland, which is a part of PwC, the e-commerce market in Poland has a strong upside for the next five years. The report suggests that the factors that are going to change, starting from 2022, are the sources of growth and the degree of growth.The authors of the report emphasize that as much as 54% of the growth in the value of the e-commerce market will arise from the fashion, electronics and health, and beauty categories, which will together contribute to a 94 billion zlotys increase in the market's value by 2027.

The events of recent months have also cemented the potential of Artificial Intelligence (AI) in the e-commerce industry. The use of tools offered by AI such as ChatGPT, for example, can significantly influence the development of customer experience and also facilitate the process of reaching new groups of consumers with chatbots, dedicated recommendations or virtual assistants. Developments of this technology area are worth following in the upcoming years.

We should also expect an increased share of the so-called silver economy in Polish e-commerce. This growing e-commerce segment is dedicated to targeting the demand of Polish aging population, of which the potential purchasing power has increased significantly in recent years. Particularly as a result of the Covid-19 pandemic, many elderly and aging people were induced to try online shopping, which they found intuitive and convenient. The habits of that time have been perpetuated to this day, and more and more people aged 60+ are taking an active part in the e-commerce market. Per the Strategy& Poland report cited earlier, "The change in the structure of demand and supply will make the number of e-consumers in Poland increase by 3.4 million by 2027."

CHAPTER 10

Methodology

The e-Chamber's report "Decade of Polish e-commerce" was based on the analysis of data spaced in various research publications from 2013-2022. The desk-research process took studies based on quantitative surveys of Internet users and Poles, where the sample size is a minimum of N=1000 people. In particular, cyclical surveys conducted by the Mobile Institute on behalf of the Chamber of Digital Economy were used.

Sources used in the report:

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