



## Press Release

### **E-commerce in France: new retail sites and growing numbers of consumers fuel growth**

**October 2011-** France's online market has grown very rapidly in recent years. In 2010, e-commerce alone accounted for €31 billion of the €36.2 billion made in remote sales. In the first half of 2011, turnover for all e-commerce websites combined reached €17.5 billion, up 20% year-on-year from 2010.

France now has 90,000 retail websites, including 20,000 new sites in just one year. In the first quarter of 2011, the iCE 40 index of leading e-commerce sites shows year-on-year growth of 11%. The e-commerce sector currently employs almost 60,000 people directly or indirectly in France.

France is a top-tier market for foreign companies. An excellent example is the warehouse and distribution logistics center built in 2010 in Montélimar (Rhône-Alpes region) by American company Amazon, which has created almost 500 jobs and is the second Amazon facility to be built in France after its Saran facility just outside Orléans (Centre region, 200 jobs).

The sector is divided into two categories with typical e-commerce sites on one hand, like **eBay** (9.1 million unique visitors per month in the first quarter of 2011), **PriceMinister** (7.8 million visits), which was recently bought out by Japanese firm **Rakuten** and **Living Social France**, a daily consumer deals site that acquired French company Dealissime in 2011. Then there are sites that specialize in mail order sales like **Amazon** (9.1 million), **La Redoute** (6.5 million), **3 Suisses** (5.3 million), **la Fnac** (6.9 million), **Voyages-Sncf** (6.9 million) and **Carrefour** (6.4 million) (source: Mediamétrie/Netratings).

In 2012, e-commerce is due to rack up sales of €45 billion, giving it an economic weight on a par with telecommunications and aerospace, according to FEVAD, France's e-Commerce and Remote Sales Federation (*Fédération du e-commerce et de la vente à distance*), which represents businesses in the sector.

Going forward, retail sales of intangible products will involve downloadable audiovisual content and paperless online services, primarily in banking and insurance.

The key strategy of the Retail and Marketing (*Industries du commerce*) innovation cluster in the Nord-Pas-de-Calais region is retailing innovation, including in electronics. Recently approved projects, such as the Smart Store (a 3D virtual shopping center app for smartphones) or the C3DS project (designed to improve the sensory perception of textiles so consumers can virtually try out products displayed in 3D), are current examples of the new concepts this cluster is working on. Other innovation clusters like Cap Digital Paris Region or TES (E-Secure Transactions) in Caen are helping to expand innovation in the e-commerce sector.

The next phase could bring virtual shopping malls with hundreds of manufacturers, much like a trend that has already taken root in the United States.

France's legal and regulatory framework provides broad consumer protection (e.g. spam prevention) and strong privacy policies. The French government has initiated an anti-cyber-counterfeiting charter that was signed in 2009 by brand representatives and many e-commerce platforms. Security for online payments has also been stepped up considerably.

The **Invest in France Agency (IFA)** is the national agency responsible for promoting and facilitating international investment in France. It also coordinates initiatives to promote France's economic attractiveness. The IFA network operates worldwide. In France, the IFA works in partnership with regional development agencies to offer international investors outstanding business opportunities and customized services.

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