E-Commerce in Turkey
2019 Market Size
April 2020
Project stakeholders

Project Consultant

- Deloitte

Project Data Partners

- SimilarWeb
- Inveon
E-commerce definition and estimation model
E-Commerce definition and scope

**E-commerce definition**

- Product or service should be ordered through an online channel. Transactions through intermediary channels such as phone, fax, call center, e-mail, etc. are excluded.
- Product or service can be delivered either online or offline.
- Payment can be made either online or offline.

**Out of scope transactions**

- Orders placed through call-centers.
- Transactions executed between subsidiaries and branches through e-POS.
- In-person transactions executed through e-POS.

*Transactions that are not considered B2C e-commerce although being executed through an e-POS.*

**Scope**

- E-commerce volume of retailers that have a physical presence in Turkey.
  - Sites with monthly visits over 15k.
  
- Sales which are executed through social media channels are not considered.

B2C

C2C**

B2B
Estimation model

Monthly Visits

Conversion Rate

Average Basket Size

Discussions / Updates / Modifications with Sector Representatives

E-commerce Volume
E-Commerce ecosystem and scope
E-Commerce Ecosystem

*: Marketplace, Multi-category and Private Shopping categories are merged into Marketplace category because of convergence of these business models.
Scope of estimation model
Scope of estimation model

Multi-channel
- Clothing & Footwear: Collin’s, DeFacto, LCW, Penti, etc.
- Ent. & Culture: Biletix, D&R, Toyyz Shop, etc.
- Home & Furnishing: Evkur, IKEA, Koçtaş, Tepe, etc.
- Electronics: Mediamarkt, Teknosa, Vatan vb.
- Travel: THY, ETS Tur, Hilton, IDO, Kamil Koç, Pagasus, etc.
- Others: Watson, Dominos, Migros, Tchibo

Pure Online
- Verticals: Babil, Kitapyurdu, Vivense, vb.
- Online Legal Betting: Bilyoner, Misli, Nesine Tuttur vb.
- Travel: Neredekal, Tatilsepeti, Tatibudur, vb.
E-Commerce market size
E-commerce market size in Turkey (billion TRY)

**Annual Growth**

- **39%**
- 2018: 8.0 billion TRY
- 2019: 83.1 billion TRY

**2018 - 2019 Annual Growth**

- **Online Legal Betting**: 45%
- **Travel**: 32%
- **Multi-channel Retail**: 32%
- **Pure Online Retail**: 48%

**2019 Market Size**

- **Non-Retail**: 38.2 billion TRY
- **Retail**: 44.9 billion TRY

Figures exclude VAT.
E-Commerce market size in Turkey (billion TRY)

2015 - 2019 Average Annual Growth

35%

2015 - 2019 Average Annual Growth

Online Legal Betting: 33%
Travel: 36%
Multi-channel Retail: 31%
Pure Online Retail: 38%

Figures exclude VAT
E-Commerce market size in Turkey (billion USD)

Annual Growth
18%

2018 - 2019 Annual Growth

Online Legal Betting 23%
Travel 12%
Multi-channel Retail 12%
Pure Online Retail 26%

2019 Market Size

Non-Retail 6.7 billion USD
Retail 7.9 billion USD

Figures exclude VAT
E-Commerce market size in Turkey (billion USD)

2015 - 2019 Average Annual Growth
13%

2015 - 2019
Average Annual Growth

Figures exclude VAT
E-Commerce market size in Turkey (billion TRY)

Category mix and number of sites

2018
728 sites

2019
760 sites

<table>
<thead>
<tr>
<th>Category</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pure Online Retail</td>
<td>35%</td>
<td>37%</td>
</tr>
<tr>
<td>Multi-channel Retail</td>
<td>18%</td>
<td>17%</td>
</tr>
<tr>
<td>Online Legal Betting</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Travel</td>
<td>38%</td>
<td>36%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Sites</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>728</td>
<td>288 sites</td>
</tr>
<tr>
<td>2019</td>
<td>760</td>
<td>306 sites</td>
</tr>
</tbody>
</table>

59.9 TRY (bn)

83.1 TRY (bn)
### E-Commerce market size in Turkey by category (billion TRY)

<table>
<thead>
<tr>
<th>Category</th>
<th>Market Size (billion TRY)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Online Retail</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-channel Online Retail</td>
<td>44.9</td>
<td>32%</td>
</tr>
<tr>
<td>Online Retail</td>
<td>30.2 (43%)</td>
<td></td>
</tr>
<tr>
<td>Pure Online Retail</td>
<td>30.8 (48%)</td>
<td></td>
</tr>
<tr>
<td><strong>Online Travel</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-channel - Travel</td>
<td>25.9 (30%)</td>
<td></td>
</tr>
<tr>
<td>Online Travel</td>
<td>8.0 (45%)</td>
<td></td>
</tr>
<tr>
<td>Pure Online - Travel</td>
<td>4.3 (47%)</td>
<td></td>
</tr>
<tr>
<td><strong>Legal Betting</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total market</strong></td>
<td>83.1 (TRY (bn))</td>
<td>83.1%</td>
</tr>
</tbody>
</table>

 Figures exclude VAT. Totals may not add due to rounding.

**Note:**
- **Electronics:** 4.0 (18%)
- **Entertainment & Culture:** 0.7 (33%)
- **Clothing & Footwear:** 3.5 (40%)
- **Other:** 4.0 (41%)
- **Home & Furnishing:** 1.7 (33%)
- **Marketplace:** 29.3 (50%)
- **Verticales:** 1.4 (21%)

**Growth:**
- 2018 - 2019
  - % growth
Mobile revenue* at E-commerce market size in Turkey by category (bn TRY)

<table>
<thead>
<tr>
<th>Category</th>
<th>Revenue (bn TRY)</th>
<th>Share %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online Retail</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-channel</td>
<td>14.1</td>
<td>59%</td>
</tr>
<tr>
<td>Pure Online</td>
<td>30.8</td>
<td>62%</td>
</tr>
<tr>
<td>Online Travel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-channel - Travel</td>
<td>25.9</td>
<td>53%</td>
</tr>
<tr>
<td>Pure Online - Travel</td>
<td>4.3</td>
<td>72%</td>
</tr>
<tr>
<td>Online Legal Betting</td>
<td>8.0</td>
<td>59%</td>
</tr>
<tr>
<td>Electronics</td>
<td>4.0</td>
<td>55%</td>
</tr>
<tr>
<td>Clothing &amp; Footwear</td>
<td>3.5</td>
<td>61%</td>
</tr>
<tr>
<td>Home &amp; Furnishing</td>
<td>1.7</td>
<td>62%</td>
</tr>
<tr>
<td>Entertainment &amp; Culture</td>
<td>0.7</td>
<td>55%</td>
</tr>
<tr>
<td>Other</td>
<td>4.0</td>
<td>61%</td>
</tr>
<tr>
<td>Total market</td>
<td>83.1</td>
<td>59%</td>
</tr>
</tbody>
</table>

* Sum of mobile web and application revenues included. Figures exclude VAT. Totals may not add due to rounding.
# E-Commerce Comparison (2019)

<table>
<thead>
<tr>
<th>Country</th>
<th>Online Retail / Total Retail</th>
<th>Internet Penetration</th>
<th>Mobile Broadband Penetration</th>
<th>Online Shoppers</th>
<th>Mobile Shoppers</th>
<th>Income per capita $ K</th>
<th>Population (mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>18.3%</td>
<td>40.2%</td>
<td>101.1%</td>
<td>81%</td>
<td>50%</td>
<td>$46.8K</td>
<td>66.8 mn</td>
</tr>
<tr>
<td>USA</td>
<td>15.2</td>
<td>34.3</td>
<td>149.6</td>
<td>77</td>
<td>49</td>
<td>65.1</td>
<td>329.2</td>
</tr>
<tr>
<td>Germany</td>
<td>11.7</td>
<td>41.7</td>
<td>85.0</td>
<td>82</td>
<td>34</td>
<td>53.5</td>
<td>82.9</td>
</tr>
<tr>
<td>France</td>
<td>9.8</td>
<td>43.6</td>
<td>90.7</td>
<td>73</td>
<td>31</td>
<td>47.2</td>
<td>64.8</td>
</tr>
<tr>
<td>Japan</td>
<td>9.1</td>
<td>32.0</td>
<td>176.6</td>
<td>69</td>
<td>38</td>
<td>45.5</td>
<td>126.1</td>
</tr>
<tr>
<td>Spain</td>
<td>5.4</td>
<td>32.3</td>
<td>101.3</td>
<td>74</td>
<td>45</td>
<td>41.5</td>
<td>46.6</td>
</tr>
<tr>
<td>China</td>
<td>28.2</td>
<td>32.6</td>
<td>109.8</td>
<td>83</td>
<td>83</td>
<td>19.5</td>
<td>1,400.1</td>
</tr>
<tr>
<td>Poland</td>
<td>7.8</td>
<td>19.7</td>
<td>111.2</td>
<td>82</td>
<td>42</td>
<td>33.8</td>
<td>37.9</td>
</tr>
<tr>
<td>India</td>
<td>4.7</td>
<td>1.5</td>
<td>48.1</td>
<td>74</td>
<td>67</td>
<td>8.3</td>
<td>1,351.7</td>
</tr>
<tr>
<td>Brazil</td>
<td>7.6</td>
<td>15.6</td>
<td>90.6</td>
<td>70</td>
<td>50</td>
<td>16.4</td>
<td>209.9</td>
</tr>
<tr>
<td>Russia</td>
<td>7.2</td>
<td>23.5</td>
<td>94.7</td>
<td>60</td>
<td>36</td>
<td>29.6</td>
<td>146.7</td>
</tr>
<tr>
<td>Turkey 2018</td>
<td>5.3</td>
<td>16.3</td>
<td>74.5</td>
<td>67</td>
<td>50</td>
<td>27.9</td>
<td>82.0</td>
</tr>
<tr>
<td>Turkey 2019</td>
<td>6.2</td>
<td>17.2</td>
<td>76.8</td>
<td>68</td>
<td>51</td>
<td>28.2</td>
<td>83.1</td>
</tr>
</tbody>
</table>

Online retail/total retail ratio is calculated by dividing retail e-commerce size used in this study over total retail sector size in Turkey estimated that Euromonitor. Turkey data for broadband penetration is taken from BTK and it is calculated by the ratio of the number of subscribers to the population. Per Capita Income is calculated according to Purchasing Power Parity. Online and mobile shoppers are based on internet users who reported that they shopped online (desktop vs mobile) one month ago. Country groups are organized according to World Economic Situation and Prospects, 2017 classification. *The developed country average is calculated using data from 32 countries that are predominantly European countries. **Developing countries are composed of 47 countries except China.

Source: Euromonitor, IMF, OECD, GlobalWebIndex, BTK, GSMA Intelligence, TURKSTAT and Deloitte analysis.
E-Commerce Comparison (2019)

Online retail/total retail ratio is calculated by dividing retail e-commerce size used in this study over total retail sector size in Turkey estimated that Euromonitor.

Country groups are organized according to World Economic Situation and Prospects, 2017 classification. *The developed country average is calculated using data from 32 countries that are predominantly European countries. **Developing countries are composed of 47 countries except China.

Sources: Euromonitor, Deloitte Analysis
E-Commerce Comparison (2015 - 2019)

% of Online Retail in Total Retail (2015-2019)

Online retail/total retail ratio is calculated by dividing retail e-commerce size used in this study over total retail sector size in Turkey estimated that Euromonitor.

Per Capita Income is calculated according to Purchasing Power Parity. Online and mobile shoppers are based on internet users who reported that they shopped online (desktop vs mobile) one month ago.

Sources: Euromonitor, IMF, GlobalWebIndex and Deloitte analysis.
Thank You

We would like to thank Deloitte Consulting, SimilarWeb, Inveon and sector companies for their valuable contributions.