POLAND

AT THE FOREFRONT OF E-COMMERCE IN EASTERN EUROPE

Text: Olof Källgren // Photos: Depositphotos

At Direct Link, we not only take care of your global deliveries and fulfilment – we also conduct studies of the development of e-commerce in key markets to support our partners with the latest insights. Borders are no obstacle – we deliver anywhere in the world!

The markets in the eastern parts of Europe have historically had a noticeably slower development in terms of digital trade and e-commerce compared to the countries in the western parts of Europe. This is mainly due to the fact that in the past, there was a lack of sufficient resources to build the infrastructure necessary for people in general to have access to the internet. This obstacle is now in the process of being overcome at high speed, and today, most countries here have internet penetration exceeding 85%. This naturally has a decisive impact on the respective country's situation in terms of e-commerce.

The Eastern European country that is probably at the forefront in terms of digital commerce is Poland. With a population of 40 million people, it's the sixth most inhabited EU country and the ninth largest country in Europe. Together with an internet penetration close to 90%, this creates a very good foundation for a vibrant e-commerce market. In 2022, 85% of the country's population shopped online, and over the last six years, 19,000 new e-tailers have registered. An increase of almost 70%.

In the IPC* study "Cross-Border E-commerce Shopper Survey 2022", consumers in Poland were asked how often they shopped online. It turns out that as much as 41% shop at least once a week, 27% once a week and 14% more than once a week. According to the study, Polish consumers also have a higher purchase frequency than the European average. In Poland, the average number of online purchases amounted to eleven during the last three months, whereas the European average was eight.

The value of the Polish e-commerce market has shown impressive development. In 2017, online spending was less than 9 billion U.S. dollars. The increase has then been steady from year to year and then peaked during the pandemic years of 2020 and 2022. The Polish market is forecasted to reach close to 20 billion U.S. dollars during 2023.

Classic online products also most popular in Poland
When it comes to the product categories that are most popular to buy online, Poland is not different from most other European markets. Clothing and footwear are the absolute online favourites, having been bought by 56% of Polish consumers in the last year. In a shared second place, we find cosmetics and skincare and home electronics both at 42%, followed by pharmacy products at 37%, which is probably a consequence of a lingering pandemic effect.

Number of older online consumers has grown rapidly
The distribution between women and men among Polish e-commerce consumers is balanced. In 2022, 52% of active

online buyers were women, and 48% were men. The most interesting observation from a socio-demographic perspective lies in the shift that has taken place in the age groups in recent years. In 2015, the 50+ years old group made up 12% of online consumers; in 2022, 30% of the consumers were 50 and older. This is probably, to some extent, related to the pandemic, but it is also one of the direct reasons for the rapid development of the Polish market.

Marketplaces – Domestic Allegro outclasses the competition

The largest marketplace in Poland is Domestic Allegro, which was launched in 1999 as an auction site. Today, the online retailer has a very wide range of products. In 2021, Amazon launched in Poland. They have been operating there since 2014, but it's only now that the website has been made available in Polish. How this will affect the country's e-commerce market remains to be seen, but Allegro definitely has a major head start in the market. In fact, Allegro is the ninth most visited e-commerce marketplace in the world. As many as 88% of Polish online consumers shopped from Allegro in 2021. Second in place was German fashion giant Zalando at 32%, followed by Chinese Alibaba at 25%.

China is the dominant destination for Polish cross-border purchases

In 2021, the cross-border share of total Polish e-commerce was 27%. In a global comparison, that is a middle position but by a margin higher than countries like Italy, France, Germany and the UK. When Polish consumers buy from other countries, they favour the Chinese market to a very high degree. In 2022, 50% of Polish cross-border purchases were made from China. Germany is the second most popular market with 19%, followed by the UK with 8%.

Deliveries – Parcel Lockers are number one

In Poland, the national postal operator delivered 24% of cross-border purchases in 2022. At the European level, 39% was delivered by the national postal operator, which obviously means that the postal share is lower in Poland than the European average. The domestic and privately owned competitor, InPost, is the most prominent reason for that. The company, established in 1999, has been a pioneer in providing parcel lockers for out-of-home e-commerce deliveries, and today, they have more than 20,000 lockers deployed in the country. Polish consumers have taken a liking to this, and it is now by far the most preferred delivery method. As many as 81% of online consumers state this as their favourite delivery option.

Payment preferences – Polish online consumers still somewhat conservative

European countries demonstrate a wide range of preferences. In some cases, there are local solutions that occupy a very strong position. For an international e-tailer planning to establish itself in new markets, the consumer's preferred method of payment is, without a doubt, necessary knowledge. In most European countries, debit cards or credit cards and different kinds of digital payment methods are the most preferred. In Poland, the most preferred option is direct payment through the bank. Polish consumers are also more or less alone in Europe in wanting to pay COD (Cash On Delivery). In 2022, 11% of online consumers held this option as their number one alternative. ••