2024 Online Retail Report

Focus on the Canadian Market

Canadian E-Commerce Continues to Boom



The total amount of online purchases made in Canada in 2023 was around **CAN\$52 billion**.



With **29 million** online shoppers, e-commerce now represents **11.5%** of Canada's total retail sales.¹

Most popular product categories among online buyers² in 2023:





Local Purchasing on the Decline

55%

In 2021, a survey conducted by Interac found that **55% of Canadians had shifted their spending habits** by shopping closer to home because of their desire to support local businesses.³



However, a major trend in Canadian e-commerce over the last year is the declining enthusiasm for local purchasing. Difficult economic conditions for many Canadian households in 2023 led to **more consumer spending online**.

The French Language Consideration



In May 2022, the National Assembly of Quebec adopted Bill 96, officially titled "An Act respecting French, the official and common language of Quebec," which forces companies with transactional websites and with a customer base in Quebec to **create a French version of the website**.



This is particularly relevant as the total amount of online purchases made by adults in Quebec in 2023 was around **CAN\$17.8 billion, or one third** of all Canadian e-commerce purchases.⁴

Increasing Pressure on Trucking and Logistics



The rise of online commerce has put **increased pressure on trucking and logistics**. The labor shortage in these sectors has a big impact on the supply chain and affects the ability of retailers to respond efficiently.



The Retail Council of Canada expects AI to become a key tool in **predicting consumer trends and optimizing supply**, with support of entities like Scale AI and IVADO.⁵

This regional perspective is part of FTI Consulting's 2024 Online Retail Report series. The main Online Retail Report is available <u>here</u>.

Endnotes

- ¹ "Explore the 2024 Canadian E-commerce Landscape: Key Insights for Retailers," Landmark Global (May 21, 2024).
- ² "<u>E-commerce Country Factsheet: Canada</u>," Landmark Global (May 21, 2024).
- "Survey: Canadians want to spend locally after the pandemic. How can digital payments win their loyalty?" Interac (October 27, 2022).
- ⁴ "<u>Faits saillants de l'enquête</u>," NETendances (2023).
- ⁵ "Commerce de détail au Québec 2023-2024: défis et innovations," TruckStopQuebec.com (January 11, 2024).

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