

MARKET INSIGHTS

# GERMANY



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# GERMANY

## AT A GLANCE

### QUICK INTRODUCTION

**Population:** 82 million

**VAT:** 19%

**Currency:** EUR

**GDP per Capita:** US\$39,709

# 91.76%

Internet penetration

# US\$1,157

Average spend per shopper

# US\$87bn


B2C e-commerce turnover

# 12%

Growth e-commerce market

# 65%

Of the population shops online

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**DHL**

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## CROSS-BORDER PENETRATION



Cross-border digital buyer penetration  
in selected countries in western Europe, 2011-2017

% of digital buyers

	2011	2012	2013	2014	2015	2016	2017
Spain	40%	41%	44%	48%	52%	58%	55%
Italy	37%	36%	38%	45%	46%	47%	46%
Netherlands	25%	26%	29%	37%	37%	42%	46%
UK	26%	27%	28%	34%	37%	40%	43%
France	32%	34%	37%	39%	38%	41%	42%
<b>Germany</b>	<b>17%</b>	<b>18%</b>	<b>20%</b>	<b>22%</b>	<b>23%</b>	<b>26%</b>	<b>33%</b>

Note: ages 16-74 who purchased goods/services via the internet for private use in the past year; ordered goods/services via the Internet from sellers in other countries in the past 12 months Source: Eurostat, 'ICT Usage in Households and by Individuals 2017'

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## INDUSTRY COMMENTS

### COMPUTER

Germany is the largest software market in Europe, about a quarter of the entire European market. U.S. companies supply approximately 75% of the software products sold in Germany. Consider IT security software, IoT, big data, and health IT2.

### SNACK FOODS

German demand for healthy and organic snacks continues to grow. The U.S. is Germany's biggest supplier of tree nuts, used by the food-processing sector. Products with good sales potential include almonds, walnuts, pistachios, and pecans.

### DENTAL EQUIPMENT

Germany is Europe's largest market for dental equipment, particularly for the U.S. Major dental technology exporters see the German market as a 'test lab' for Europe, making it the first stop for European rollout.

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## E-COMMERCE ENVIRONMENT

Customers are very sensitive to data protection. 20% of online shoppers in Germany purchased items from a UK website in the last 3 months. Germany is the 5th largest e-commerce market in the world and second in Europe. In logistical terms, the market is one of the most competitive and efficient in Europe.







# 3rd

Largest e-commerce market in Europe

### TOP ONLINE PAYMENT METHODS

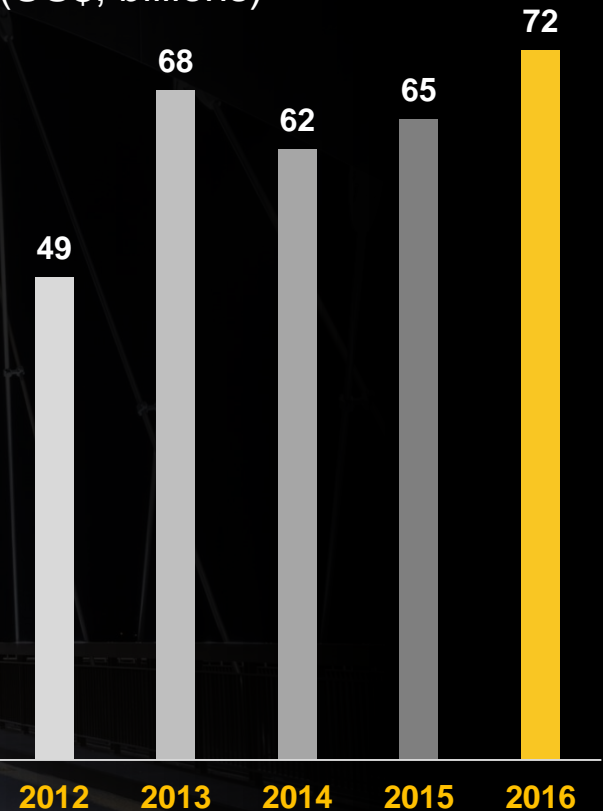
Bank transfer	29%
eWallet (PayPal)	25%
Other	17%
Credit cards	14%
Cash on delivery	9%
Debit cards	4%
Pre-paid	2%

### SOCIAL MEDIA USAGE

 38%	 9%
 7%	 3%
 7%	 4%

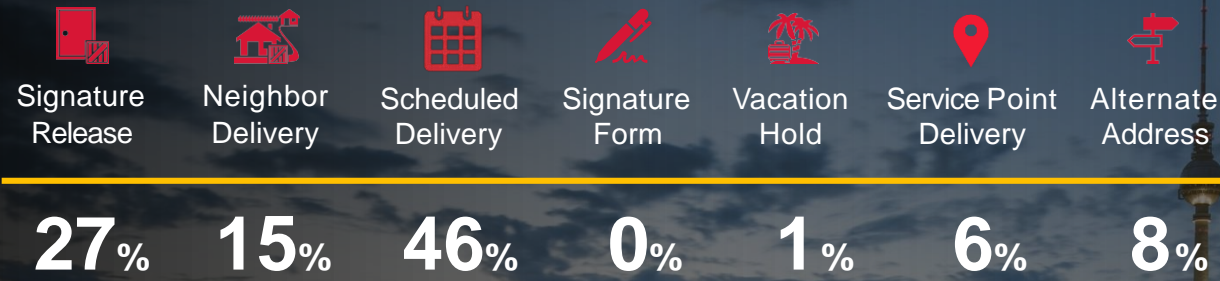
### E-COMMERCE SALES

(US\$, billions)

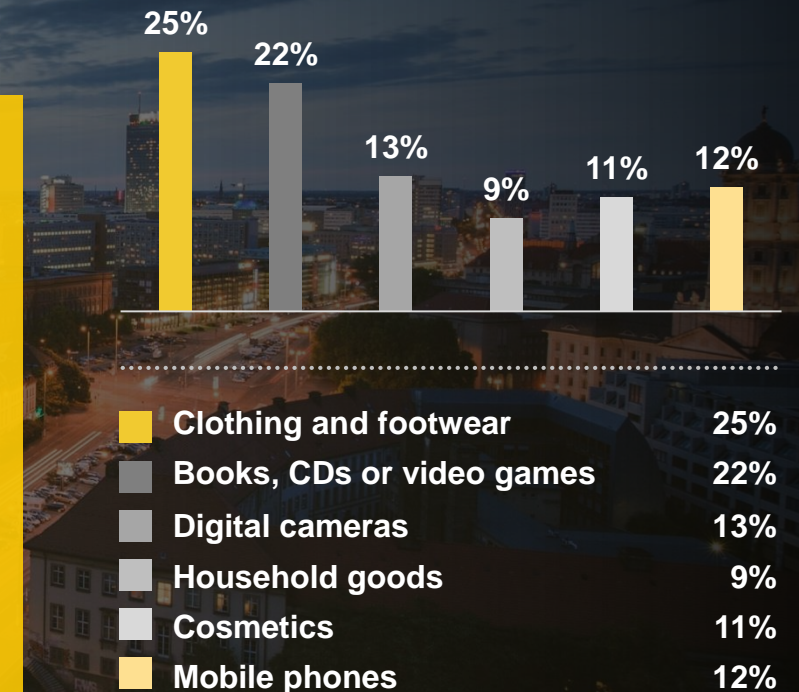


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## DELIVERY PREFERENCES



### MOST POPULAR PURCHASES FOR CROSS-BORDER SHOPPING



**SHIPPING TO GERMANY**

**1-2** Days transit time

**18,006** DHL Service Points

**ON DEMAND DELIVERY**

**ODD Options Available:**

1. Signature release
2. Neighbor delivery
3. Scheduled delivery
4. Signature form
5. Vacation hold
6. Service Point delivery
7. Alternate address

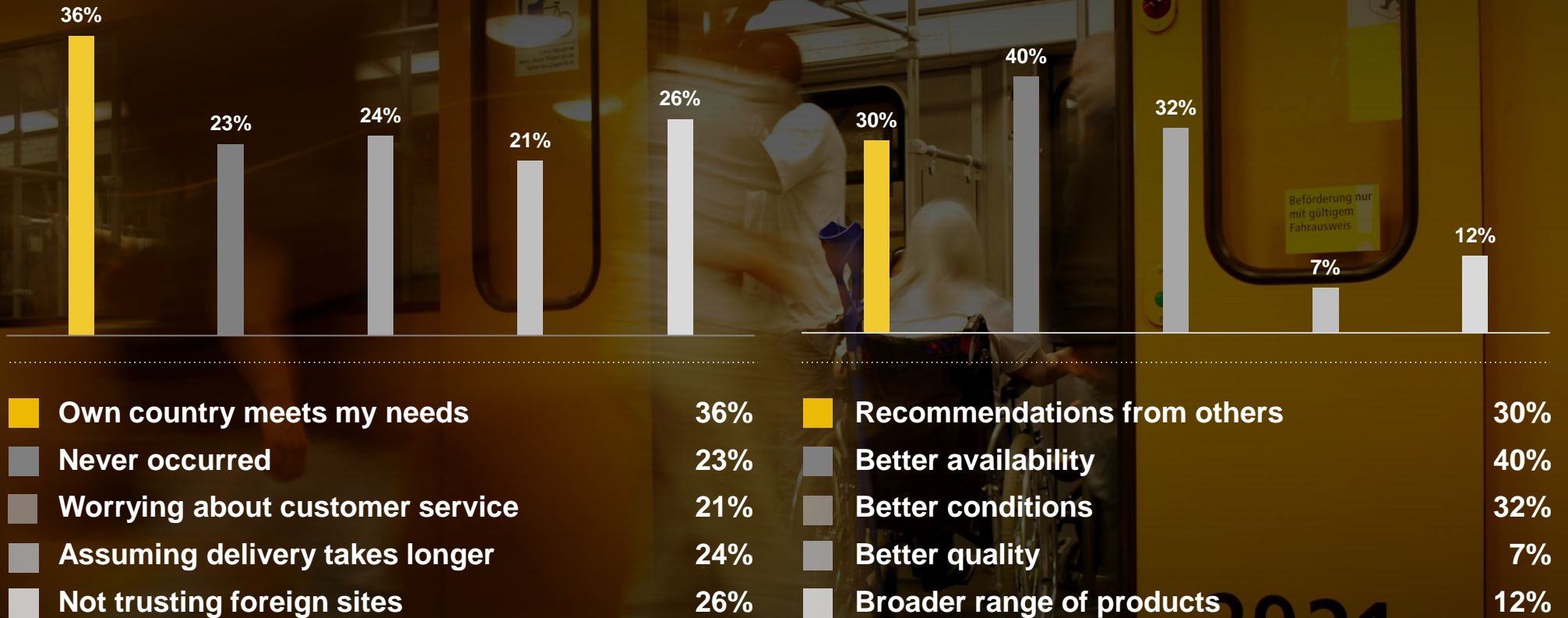


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## CONSUMER MOTIVATION

### REASONS FOR NOT BUYING ABROAD

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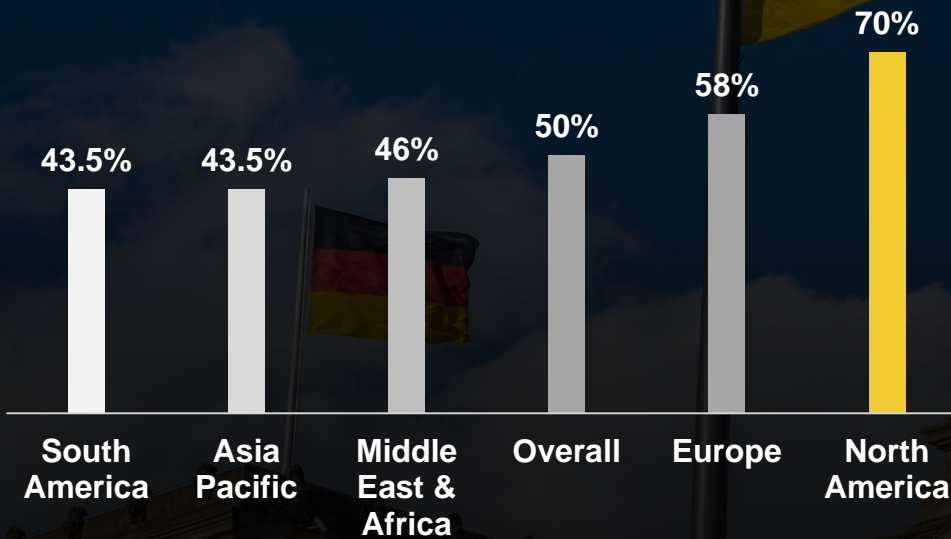


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## FACTS AND FIGURES

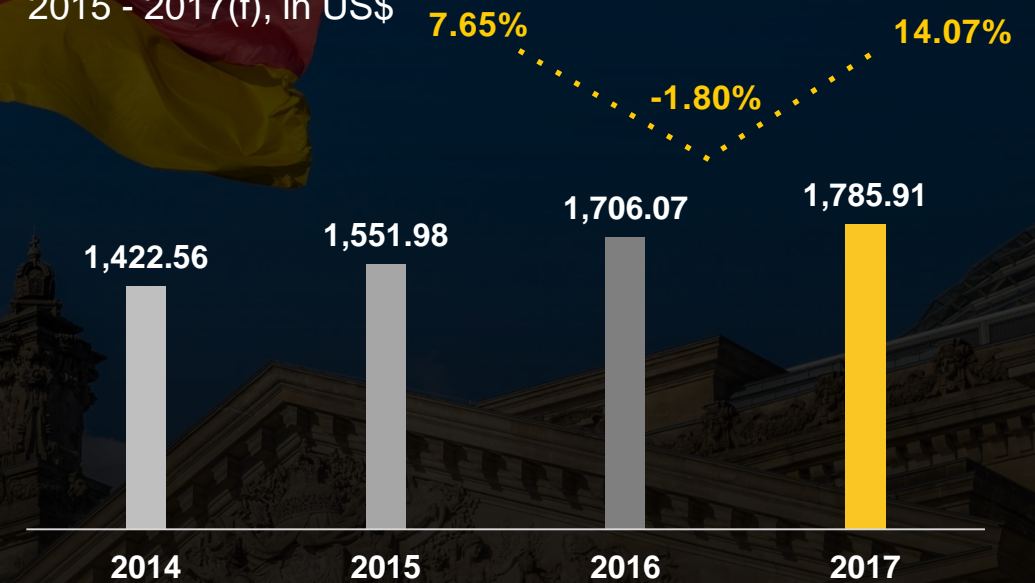
### E-SHOPPER PENETRATION REGIONAL

Share of internet users shopping online, regional, 2017(f)



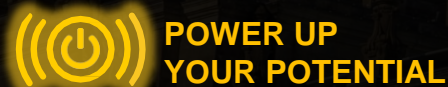
### E-SHOPPER SPENDING GROWTH

Average amount spent per e-shopper, per year, Europe, 2014 -2017(f); e-shopper spending growth rate, Europe, 2015 - 2017(f), in US\$



North America has the highest share of e-shoppers at **70%**.

Average online spending among Europeans is increasing.





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## TRADE REGULATION AND CUSTOMS INFORMATION

### 1. Important tariff 19% Germany import turnover tax

Goods imported from non-EU states are subject to an import turnover tax (Einfuhrumsatzsteuer) equal to the VAT (value-added tax) rates of 19% levied on domestic products or 7% for some product categories.

### 2. EU regulations

Using local export agents or distributors can make exporting goods easier. Consulting local English-speaking lawyers can also help you avoid costly mistakes.

### 3. Import documentation

The Single Administrative Document (SAD) describes goods and their movement around the world and is essential for trade outside the EU, or of non-EU goods.

### 4. Economic operator registration and identification (EORI)

All companies established outside the EU are required to have an EORI number if they wish to lodge a customs declaration or an Entry/Exit Summary declaration. An EORI number must be formally requested from the customs of the specific member state to which the company exports.

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THANK YOU



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