

# ACI Worldwide Research Reveals Increase in June eCommerce Sales – Largest Since the Start of COVID-19 Pandemic Restrictions

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Outdoor equipment and sporting goods, personal protective equipment (PPE) and DIY items drive increase

NAPLES, Fla.--(BUSINESS WIRE)--Jul. 14, 2020-- Global eCommerce sales rose 28 percent in June 2020 compared to June 2019, making it the largest year-over-year (YoY) increase in sales since COVID-19 restrictions were put in place in March. The analysis by <u>ACI Worldwide</u> (NASDAQ:ACIW) of hundreds of millions of eCommerce transactions from global merchants also showed a continued increase (117%) in athletic, footwear and sporting goods sales. Outdoor equipment was among the most popular purchase categories with an increase of 10 percent in June compared to an eight percent increase in May. Personal protective equipment (PPE) and DIY items also continued to be among the most popular purchases last month.

The U.K. saw a steep jump in purchase volume in June 2020 — up 20 percent compared to June last year — whereas May 2020, purchase volume was up six percent compared to the previous year. U.K. consumer purchases continued to be driven by goods such as hardware, homeware and DIY furniture. In the U.S., consumer purchases in June 2020 were up 25 percent, consistent with the May 2020 increase of 25 percent. U.S. consumer purchases were driven largely by apparel, as well as a continued demand for online games.

"eCommerce growth remains strong even as COVID-19 pandemic restrictions are being eased, suggesting a possible behavioral shift with consumers young and old around the world as they embrace the convenience of online shopping. In fact, more consumers representing older generations who have traditionally preferred purchasing at brick and mortar stores are finding online shopping to be the new norm," said Debbie Guerra, executive vice president, ACI Worldwide. "Additionally, as the easing of restrictions coincides with the summer holiday season across much of the globe, numerous merchants are seeing a higher percentage of outdoor goods being purchased as compared to this time last year."

Non-fraud chargebacks continued to see a steep increase (27%) in April\*—particularly in the airline industry as consumers looked to secure refunds for unused airline tickets. Sectors continuing to experience a dramatic decline in purchase volume include travel (down 29%) and ticketing (down 94%), whereas the volume of purchases remains strong for gaming (up 70%) and retail (up 68%).

"As the pandemic led to wide-ranging restrictions and work-from-home arrangements, many call centers and package processing facilities were unable to operate normally, leading to a backlog of returns and shipment delays, which drove up non-fraud chargebacks. Many merchants facing these challenges in fulfilment were able to offer consumers credit or alternative options such as points or gift cards to offset the inconvenience. And, the major card brands have made temporary changes to chargeback programs as a result of COVID-19," Guerra added.

## **Key Findings:**

#### eCommerce purchasing trends:

- Driven by the gaming, DIY and digital sectors, global purchase volume increased by 15 percent from January to June 2020 compared to the same period in 2019, whereas the average ticket price fell (from \$116 in 2019 to \$87 in 2020).
- For the month of June 2020, purchase volume increased 31 percent compared to the same month in 2019, whereas purchase value decreased by 3 percent.
- Purchase volume increased in all regions, with the EMEA region having the highest increase:
  - o EMEA up 39 percent
  - U.S. up 35 percent
  - o APAC up 25 percent

#### Fraud trends:

- For the period from January to June 2020, fraud attempts increased by 4.7 percent in value, while they decreased by 3.2 percent in volume.
- However, for the month of June 2020, fraud attempts were 3.7 percent by value (a 0.2 percent increase compared to the same month last year) reflecting a continued month-over-month downward trend after having reached a high of 5.8 percent in March 2020.
- Fraud average ticket price increased from \$161 in 2019 to \$174 in 2020 double the average ticket price for genuine purchases in 2020 (\$87).

### **About ACI Worldwide**

ACI Worldwide powers <u>electronic payments</u> for more than 6,000 organizations around the world. More than 1,000 of the largest financial institutions and intermediaries, as well as thousands of global merchants, rely on ACI to execute \$14 trillion each day in payments and securities. In addition, myriad organizations utilize our <u>electronic bill presentment and payment</u> services. Through our comprehensive suite of software solutions delivered on customers' premises or through ACI's <u>private cloud</u>, we provide real-time, <u>immediate payments</u> capabilities and enable the industry's most complete <u>omni-channel payments</u> experience. To learn more about ACI, please visit <u>www.aciworldwide.com</u>. You can also find us on Twitter <u>@ACI\_Worldwide</u>.

<sup>\*</sup>As chargebacks take approximately 45 days to process, the most current complete data is from April 2020.

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