

## 81 Percent Rise in May Retail eCommerce Sales, ACI Worldwide Research Reveals

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*Easing of lockdown restrictions reflected in trends across retail categories; DIY and sportswear recover while growth in home office and electronics supplies levels off*

NAPLES, Fla. & LONDON--(BUSINESS WIRE)--Jun. 8, 2020-- Global eCommerce sales continued to show strong growth in May, with certain sectors experiencing triple-digit year-on-year growth, according to an analysis by [ACI Worldwide](#) of hundreds of millions of eCommerce transactions from global merchants. Overall retail transaction growth of 81 percent in May, compared to the same period last year, was primarily driven by sportswear and sporting goods (216%), retail specific to housewares and DIY supplies (190%), and gaming (84%).

The sustained increase in eCommerce transaction volumes reflects a further full month of wide-ranging COVID-19-related restrictions, with consumers opting for online and click-and-collect channels over brick and mortar stores. However, the easing of lockdown restrictions in many countries is reflected in certain sectors that until now have experienced the biggest boost; gaming purchases were up 126 percent over the previous year in April, compared to 84 percent in May, while electronics were up only 32 percent in the past month after having been up more than 55 percent in April. Sectors that have been most negatively impacted showed a slight recovery in May; travel was down 91 percent in April, while in May improved slightly to 73 percent lower than the same period last year.

"While many of the trends in eCommerce purchasing behavior that emerged in March and April have continued, we are starting to see the impact that the gradual easing of restrictions is having on retail activity," said Debbie Guerra, executive vice president, ACI Worldwide. "People working from home are now set up, and we see spending shifting from home office supplies back toward consumer goods like sporting goods and home improvements."

Fraud attempt rates for May were at 3.4 percent, down from 5.3 percent and 4.4 percent in March and April, respectively. Not only did fraud rate by value decrease in May, it was also the first time this year that fraud decreased on a year-on-year basis (3.8% in May 2019). However, the average ticket price of attempted fraud increased by \$18, driven by electronics and retail goods. Meanwhile, non-fraudulent chargebacks have increased 25 percent overall, with airline and ticketing sectors particularly impacted. Chargebacks are taking slightly longer to process due to COVID-19 (on average, 7 days longer) as issuers and merchants strive to maintain positive consumer experiences.

"The vigilance and adaptability displayed by merchants as they evolve their fraud strategies in light of COVID-19 appears to have been rewarded by decreasing fraud rates," continued Guerra. "However, non-fraud chargebacks have risen 25 percent and will continue to present a challenge, confirming the trend of friendly fraud we anticipated—especially for hard hit businesses in travel and ticketing—while these merchants overhaul credit and rebooking options, dispute resolution processes, supply chain visibility and customer communication channels."

Key Findings:

### eCommerce Trends:

- 23 percent eCommerce transactional volume increase in May 2020, compared to May 2019 (slightly lower than the 23.5% YoY increase in April) with a mixed picture across sectors
- Sectors experiencing significant growth in May (compared to May 2019) included: gaming: +84% (+126% in April), general retail: +190.2% (+209% in April), jewelry: +190.8% (+136.9% in April), sportswear and sporting goods: +216.3% (+114% in April) and electronics: +32.2% (+55.5% in April)
- Online sectors with declining transaction volumes in May (compared to May 2019) included: dating: -11% (-5% in April), gift cards: -24% (-14% in April), telco: -12% (-9% in April), ticketing: -97% (-99% in April) and travel: -73% (-91% in April)
- Home office items (including monitors, headsets, webcams and internet connectivity devices) accounted for 10 percent of all electronics purchases in May, down from a high of 15 percent in March and 14 percent in April.

### Fraud Trends:

- Fraud attempt rate by value was 3.4 percent in May, half a percentage down from the same period last year, and lower than the fraud rates recorded in March and April (5.3% and 4.4%, respectively)
- Average ticket price of attempted fraud increased by \$18 YoY, while genuine purchase average ticket price decreased by \$24

### Tips for Consumers to protect identity and personal information during the COVID-19 crisis:

- **Beware of online requests for personal information.** Coronavirus-themed emails seeking personal information are likely to be phishing scams. Legitimate government agencies won't ask for that information. Delete the email.
- **Check the email address or link.** Inspect a link by hovering the mouse over the URL to see where it leads. Sometimes it's obvious the web address is not legitimate, but keep in mind that phishers can create links that closely resemble legitimate addresses. Delete the email.
- **Watch for spelling and grammatical mistakes.** If an email includes spelling, punctuation and grammar errors, it's likely a

sign of a phishing email. Delete the email.

- **Look for generic greetings.** Phishing emails are unlikely to use a person's name. Greetings like "Dear sir or madam" often signal an email is not legitimate.
- **Avoid emails that insist on acting now.** Phishing emails often try to create a sense of urgency or demand immediate action. Delete the email.

#### Tips for Merchants to maintain security and deliver to customers during the COVID-19 crisis:

- **Maintain security and deliver a great customer experience**, as consumer purchasing behavior—both genuine and fraudulent—has changed.
  - For example: Express shipment and buy online, pick up in store delivery methods continue to grow, making transaction decision speed and accuracy critical.
  - Use customer profiling and time-on-file techniques to maintain the customer experience for valued customers and ensure good transactions are still accepted.
- **Expect an increase in "friendly fraud" chargebacks** as a result of growing financial difficulties among consumers. Friendly fraud occurs when a cardholder receives goods but denies making a purchase or a family member makes purchase without cardholder approval.
- Monitor systems and update as necessary. Business intelligence tools and real-time monitoring lead to immediate decisions and responses. Employ rapid access to fraud intelligence to inform rules changes in real time.
- Engage frequently with web and mobile site security management. Give these teams the tools, techniques and procedures to detect, contain and mitigate botnets. And considering the presence of both good and bad bots, put business policies in place to address this issue with clarity for both teams.

#### About ACI Worldwide

ACI Worldwide, the [Universal Payments](#) (UP) company, powers [electronic payments](#) 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 [electronic bill presentment and payment](#) services. Through our comprehensive suite of software solutions delivered on customers' premises or through ACI's [private cloud](#), we provide real-time, [immediate payments](#) capabilities and enable the industry's most complete [omni-channel payments](#) experience. To learn more about ACI, please visit [www.aciworldwide.com](http://www.aciworldwide.com). You can also find us on Twitter [@ACI\\_Worldwide](#).

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