



## Forrester: Global Online Retail Sales To Grow 8.9% Annually, Reaching \$6.8 Trillion In 2028

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*Retailers' investments in genAI, the rise of online marketplaces, and higher digital literacy will continue to drive global online retail sales growth*

CAMBRIDGE, Mass.--(BUSINESS WIRE)--May 30, 2024-- [Forrester](#) (Nasdaq: FORR) forecasts that total global online retail sales will grow from \$4.4 trillion in 2023 to \$6.8 trillion by 2028 at an 8.9% compound annual growth rate (CAGR). According to the report [Global Retail E-Commerce Forecast, 2024 To 2028](#), which provides a five-year forecast for total, online, and offline retail sales for 40 countries globally, despite the growth in e-commerce, 76% (or \$21.9 trillion) of global retail sales will still occur offline in 2028. As a result, retailers must continue to invest in omnichannel strategies that provide a seamless shopping experience, both online and offline.

The report further states that retail e-commerce maturity varies globally. Advanced economies including the US, the UK, and South Korea are more mature due to higher internet penetration and digital literacy. As smartphone adoption and mobile commerce become more widespread, however, emerging markets in Asia Pacific, Eastern Europe, and Latin America are catching up. This rapid adaptation is transforming the global e-commerce landscape, presenting new opportunities for businesses and consumers alike.

Looking ahead at 2024 and beyond, Forrester expects continued growth momentum for online retail sales globally. Following are some noteworthy highlights from the report, broken down by global region.

### The Americas:

- In the US, online retail sales are expected to reach \$1.6 trillion by 2028, accounting for 28% of total US retail sales.
- E-commerce is more mature in the US compared to Canada, with Canadian online retail sales expected to reach \$83 billion by 2028. Canada lags the US in e-commerce penetration due to lower population density, a smaller market size, and slower consumer adoption.
- In Latin America, online retail sales in the top six countries —Brazil, Mexico, Argentina, Colombia, Peru, and Chile — will grow from \$109 billion in 2023 to \$192 billion by 2028.

### Europe:

- In Western European countries — includingAustria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the UK — online retail sales are expected to grow from \$508 billion in 2023 to \$773 billion in 2028, with online retail penetration increasing from 15% to 20%. The UK will continue to be the biggest market for retail e-commerce, followed by Germany, France, Italy, and Spain.
- In Eastern Europe, online retail penetration is half that of Western Europe. Forrester forecasts that online retail sales for the top five Eastern European countries —Russia, Poland, the Czech Republic, Romania, and Hungary — will increase from \$72 billion in 2023 to \$126 billion in 2028, with Russia and Poland leading the region.

### Asia-Pacific:

- In Asia-Pacific, online retail sales for the top five countries —China, South Korea, Japan, India, and Australia — are expected to increase from \$2.2 trillion in 2023 to \$3.2 trillion in 2028, with China leading the region. China and South Korea are the top two countries globally in terms of e-commerce penetration and will each have online retail penetration of more than 40% by 2028.
- In Southeast Asia's top six countries — Indonesia, Thailand, Vietnam, Malaysia, the Philippines, and Singapore — retail e-commerce sales reached \$93 billion in 2023 and will rise to \$193 billion by 2028 to capture 17.4% of total retail sales. Indonesia leads the region in online retail penetration, followed by Malaysia and Singapore. The Philippines and Vietnam will see a CAGR of more than 20% over the next five years, outpacing other countries in the region.

"The growth of online marketplaces, social commerce, livestream selling, and direct-to-consumer commerce will accelerate global online retail sales growth over the next five years," said Jitender Miglani, principal forecast analyst at Forrester. "However, e-commerce maturity and growth opportunities vary vastly by region. Retailers and brands must therefore have a thorough understanding of the key drivers of retail and e-commerce growth in their priority markets and tailor their strategies appropriately, to succeed."

### Resources:

- Read Forrester's report, [Global Retail E-Commerce Forecast, 2024 To 2028](#) (client access required).
- Learn more about Forrester's Global Retail E-Commerce Forecast, 2024 To 2028, in this [blog](#).

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