

Press Release

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Great Potential for B2C E-Commerce Markets in the Middle East

The new "Middle East Internet & B2C E-Commerce Report 2012" by Hamburg-based secondary market research firm yStats.com provides a clear and comprehensive analysis of the development of the online markets in the Middle East. In addition to regional data, the report presents key figures related to Internet use and B2C E-Commerce in 12 different nations – including Saudi Arabia, Israel and the UAE. Additionally, information is given on more than 20 top competitors including their company profiles.

In 2011, the highest number of Internet users in the Middle East was recorded in Saudi Arabia, whereas Internet penetration was the highest in Qatar and the United Arab Emirates. Online shopping boomed especially as a result of group buying websites, with the most popular product categories being air tickets, and household appliances and consumer electronics in the period between December 2011 and February 2012. Lack of confidence in available payment methods was one of the reasons why almost half of all Internet users refrained from online purchases in 2011. Nonetheless, Souq.com, one of the leading online shops headquartered in the UAE, recorded as many as two million unique visitors worldwide in April 2012. Shopping portal Cobone.com performed transactions of almost 500,000 EUR per month in its electronics portal up to February 2012.

Strong growth of online segment in Saudi Arabia, Israel and the UAE

Overall, the number of Internet users in the nations of the Gulf Cooperation Council (GCC: including Bahrain, Qatar, Kuwait, Oman, Saudi Arabia and the UAE) increased between 2000 and 2010 annually by more than 30 percent. According to forecasts, B2C E-Commerce revenue is expected to rise by more than one third between 2010 and 2015. In Saudi Arabia, Internet penetration and confidence and - as a result - B2C E-Commerce were predicted to grow strongly in 2012. The most popular shopping website there was Amazon.com, followed by Souq.com. In 2011, the share of male Internet users in Israel was slightly higher than that of female users; the most popular activity among this group was reading news, while less than 10 percent shopped online. In the UAE, the number of Internet users strongly increased in early 2012 due to improved connections and more and more purchases were made on regional websites paid with credit cards.

Online upswing in Bahrain, Kuwait and Jordan

Between 2010 and 2011, B2C E-Commerce revenue increased by almost fifty per cent in Bahrain and by almost two thirds in Kuwait. In 2011/12, B2C E-Commerce boomed in Jordan too due to improved broadband access. In Qatar, air tickets, followed by apps were especially popular in mobile commerce by the end of 2011, and in August 2011, more than one quarter of all Internet users in Lebanon spent on average more than six hours daily surfing the Internet. However, according to the "Middle East Internet & B2C E-Commerce Report 2012" by yStats.com B2C E-Commerce in Oman was curbed as a result of slow Internet connections; in early 2012, Internet was still slow and expensive in Yemen too due to a state monopoly. More than one quarter of all Iraqis searched information on the Internet in May 2011, while in August 2011, one third of all Internet users in Syria spent on average one to two hours per day online. Internet penetration rates and online retail vary across the nations of the Middle East, with fast and improved Internet connections promoting the spread of online retail throughout the region.

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About yStats.com

yStats.com has been committed to research up-to-date, objective and demand-based data on markets and competitors for top managers from various industries since 2005. Headquartered in Hamburg, Germany, the firm has a strong international focus and is specialized in secondary market research. In addition to offering reports on markets and competitors, yStats.com also carries out client-specific research. Clients include leading global enterprises from various industries including B2C E-Commerce, electronic payment systems, mail order and direct marketing, logistics, as well as banking and consulting.