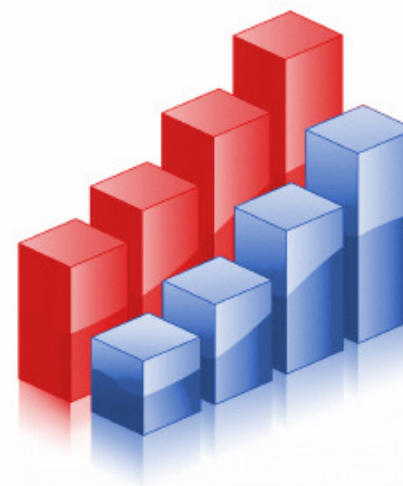


# E-commerce in the countries of Central and Eastern Europe: Ukraine

- free version of the report



March 2007, Warsaw, Poland

 Gemius



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Additionally in the paid version of the report the following chapters are available:

- Summary (extended – 9 slides)
- General attitude towards shopping (extended – 19 slides)
- Shopping in online shops (12 slides)
- Shopping on auctions (5 slides)
- Online shops vs. auctions (11 slides)
- Internet users who have never done online shopping (10 slides)

Full version of the report has 77 slides.

## Methodological approach

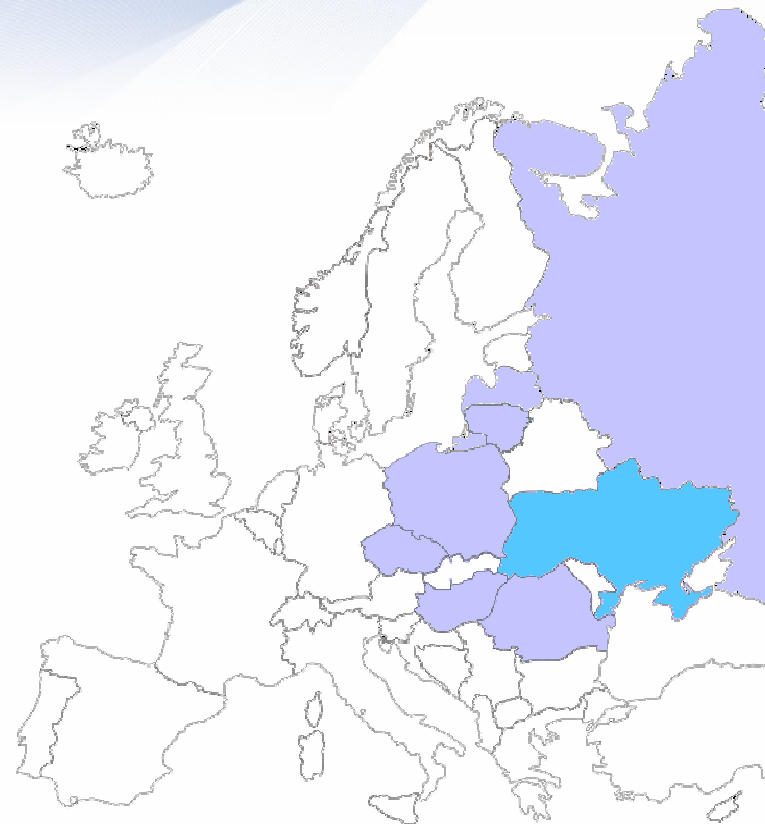
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# Methodological approach

- The research has been conducted in several countries of Central and Eastern Europe:

- the Czech Republic
- Hungary
- Latvia
- Lithuania
- Poland
- Romania
- Russia
- **Ukraine.**

- In **Ukraine**, Gemius conducted the research in cooperation with: fantomas.com.ua, fraza.com.ua, mp3.ua, liga.net, online.ua, meta.ua.



# Methodological approach

- The aim of the research project was to identify the attitude and usage preferences of Ukrainian Internet users towards online shopping in e-shops and on auctions.
- The top lines of the report contains:
  - general attitude towards online shopping;
  - the most favorite products bought on the Internet;
  - the frequency of shopping on the Internet;
  - the e-shops sites ranking in Ukraine;
  - attitude towards and usage of e-shops;
  - the auction sites ranking in Ukraine;
  - attitude towards and usage of auctions;
  - purchase intention of Internet users.
- The research has been conducted with the use of pop-up questionnaires sent randomly to the Internet users between 28<sup>th</sup> of November 2006 and 9<sup>th</sup> of February 2007. The sample of 1437 respondents was cleaned accordingly with Gemius standard and afterwards weighted using the structural data provided by Gfk Ukraine. The findings are representative in terms of age, gender and frequency of Internet usage for the whole Ukrainian Internet population 15-59 years old. Information about sample size presented in the report refers to weighted data.

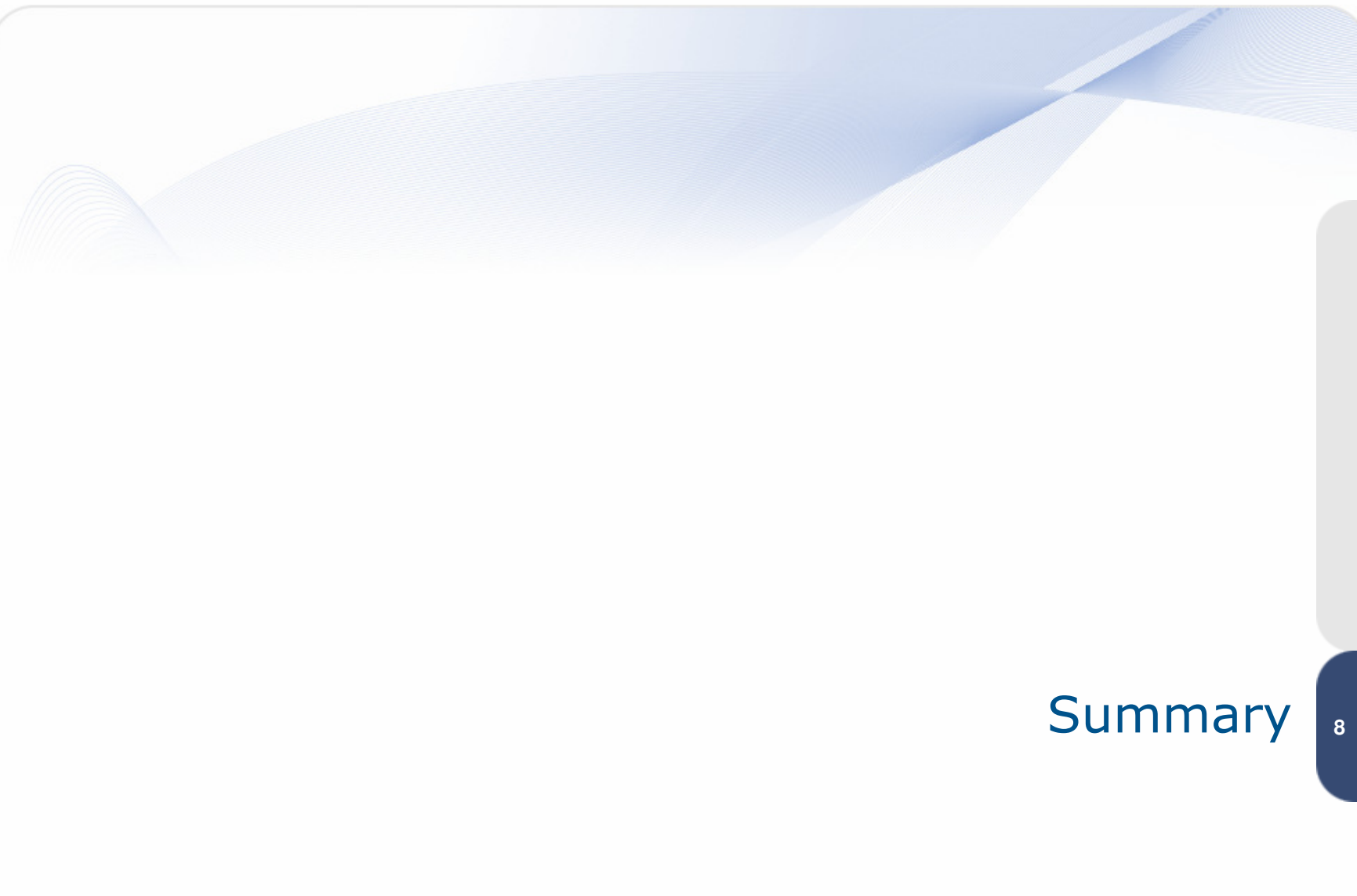
# Executive summary

6

# Executive summary

The **top lines** of the report shows the following:

- In the context of Ukrainian e-commerce, 29% of the Internet users from the country declared that they have been shopping on the Internet.
- E-shopping is still in the incipient evolving phase. It is considered risky by a half of those who heard about online shopping (50%), what is also mirrored by the fact that the payments are in most cases made in cash.
- In Ukraine, online shops are considerably more popular than auctions, therefore the domestic market edged up to 27% for e-shops, whilst auctions maintain at a rather low level of 5% represented mostly by foreign auctions. Moreover, unaided brand awareness ranking of auctions shows the advantage which eBay gained over its competitors. Similar ranking for e-shops indicates that market is not so concentrated - shoppers distinguish 3 main players: [www.fotos.com.ua](http://www.fotos.com.ua), [www.matrix.com.ua](http://www.matrix.com.ua) and [www.ozon.ru](http://www.ozon.ru).



# Summary

# Summary

## GENERAL ATTITUDE TOWARD SHOPPING

- **The positive attitude towards shopping** in general (54% of Internet users love or like shopping), in tandem with the great awareness of online shopping (98%) is featuring the potential of the e-commerce market in Ukraine. When buying online, Ukrainians are concerned about the quality of the products (40%), spending time in a pleasant way (19%), saving money (16%) and time (11%).
- **Search engines** (53%) and **offers of different online stores** (33%) are the favorite sources when looking for a product on the Internet.
- **Internet is the preferred media** when looking for:
  - phones and GSM accessories (38%);
  - computers software (34%);
  - computer hardware (33%);
  - consumer electronics and domestic appliances (33%);
  - books, CD, films (28%);
  - photo equipment (27%);
  - computer games (26%).

# Summary

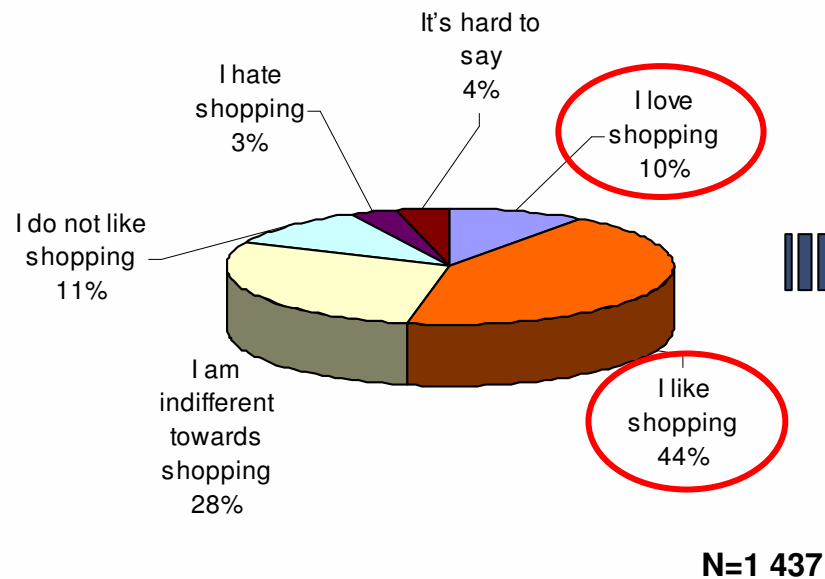
	ONLINE SHOPS	AUCTIONS
<b>REASONS FOR PURCASING IN ONLINE</b>	lower price than in a traditional shop (57%)	goods that are more difficult to find in some other place (44%)
<b>ADVANTAGE OF SHOPPING : ONLINE SHOPS VS. AUCTIONS</b>	easier procedures (27%) the obejects ordered and received are the same (25%)	better customer service (47%) lower prices (33%)
<b>PROBLEMS</b>	I don't have any problems (21%) long delivery time (37%)	I don't have any problems (31%) false information on the website (31%)
<b>MOST POPULAR PRODUCTS BOUGHT</b>	phones and accessories (49%) books, CDs, films (47%) brown and white products (43%)	brown and white products (27%) books, CDs, films (27%) computer hardware (26%)
<b>MOST POPULAR WAY OF PAYING</b>	in cash at delivery (62%) credit card (17%)	in cash at delivery (47%) credit card (29%)

## General attitude towards online shopping

11

# General attitude towards online shopping

Q1. General attitude towards shopping

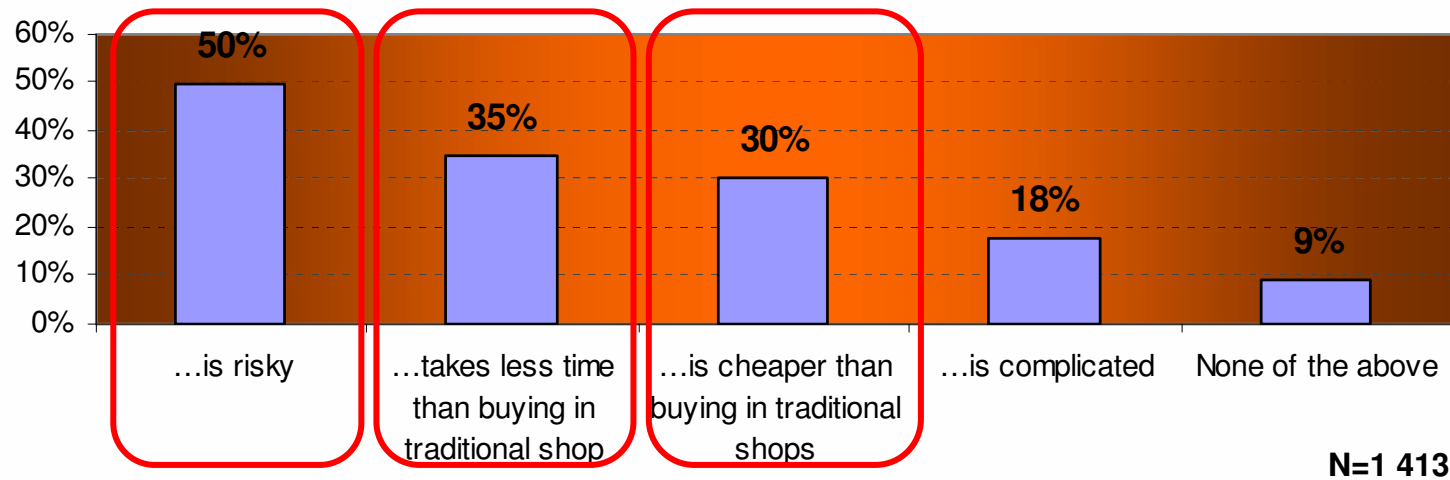


Q2. Most important criteria when buying

QUALITY OF PRODUCTS (40%)	I	SPENDING TIME IN A PLEASANT WAY (19%)	II
SAVING MONEY (16%)	III	SAVING TIME (11%)	IV

# General attitude towards online shopping

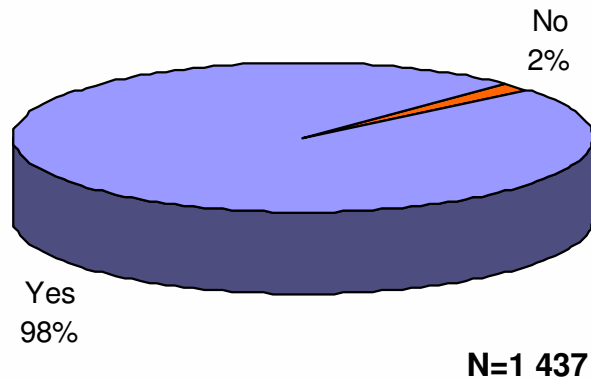
Q5. Internet users' opinion about buying on the Internet



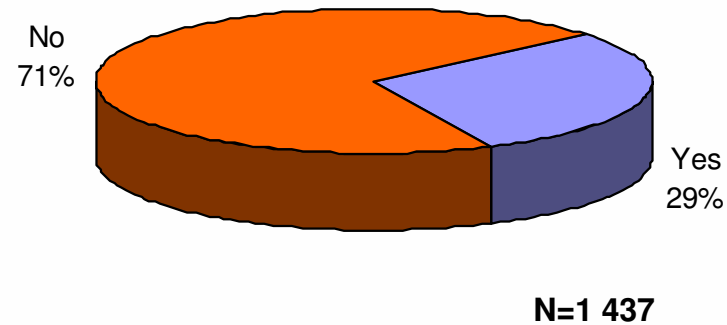
The most prevalent feature associated with e-shopping is the lack of security for the transactions made on the Internet. The negative featuring is ranked ahead the positive opinions that e-shopping saves your time and it is cheaper than traditional shops.

# General attitude towards online shopping

Q4. Ever heard about online shopping



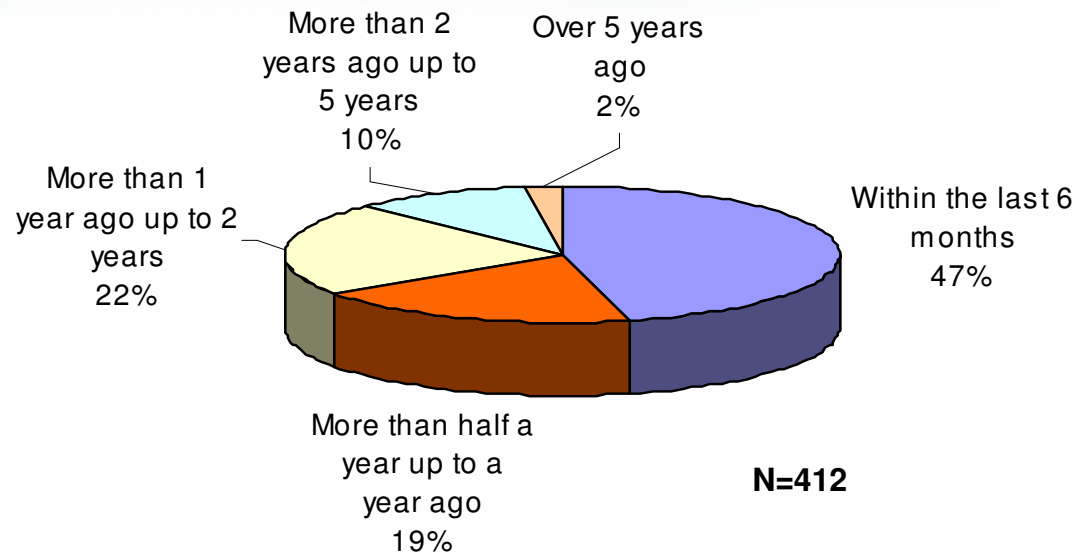
Q6. Ever done online shopping



The awareness of online shopping is very high in Ukraine, but the actual purchase is done only by one third of those who have heard about such a possibility.

# General attitude towards online shopping

Q7. History of using the online shopping

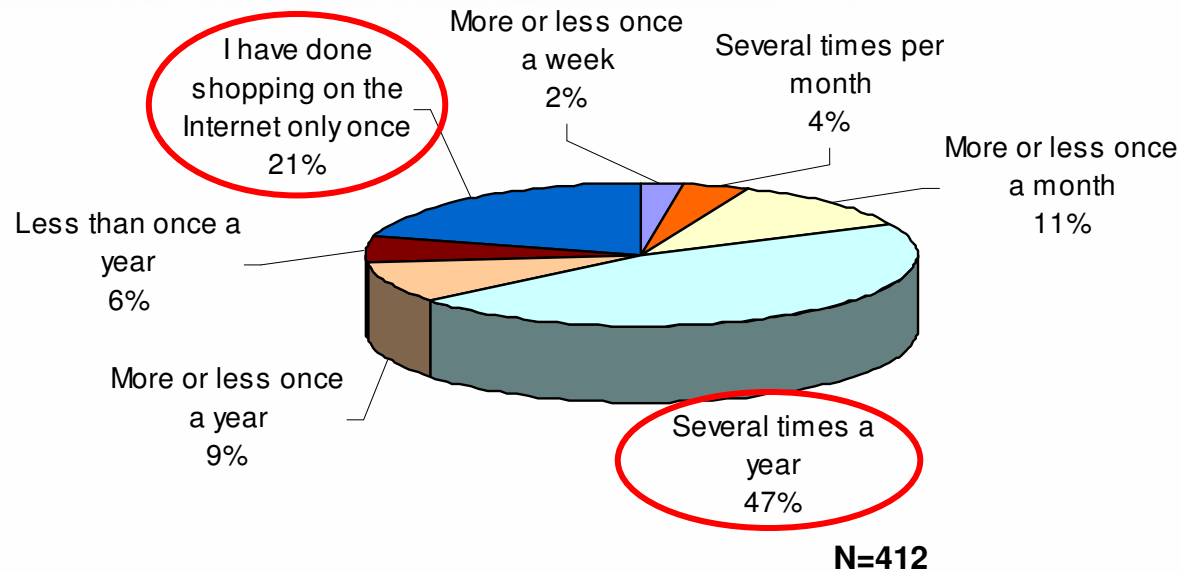


Most of Internet users are new online shoppers and consequently, used the online service only in the last year (66%).

Among Internet users who have ever done online shopping, the experienced shoppers, with over 2 years of e-commerce are accounting for 12 % of the total e-shoppers.

# General attitude towards online shopping

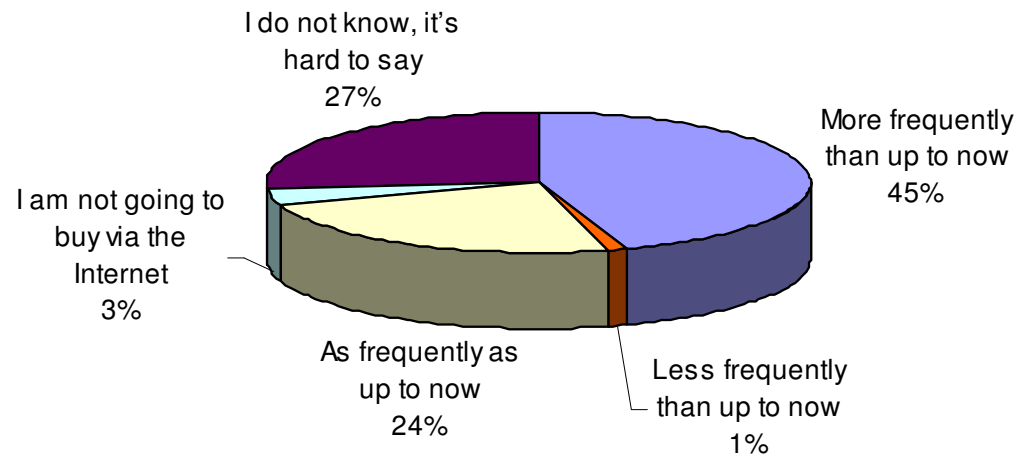
Q8. Frequency of doing online shopping



The bulk of online shoppers are purchasing on the Internet several times per year (47%) followed by those have bought on the Internet only once (21%). Only 6% are buying more or less once per week or several times per month.

# General attitude towards online shopping

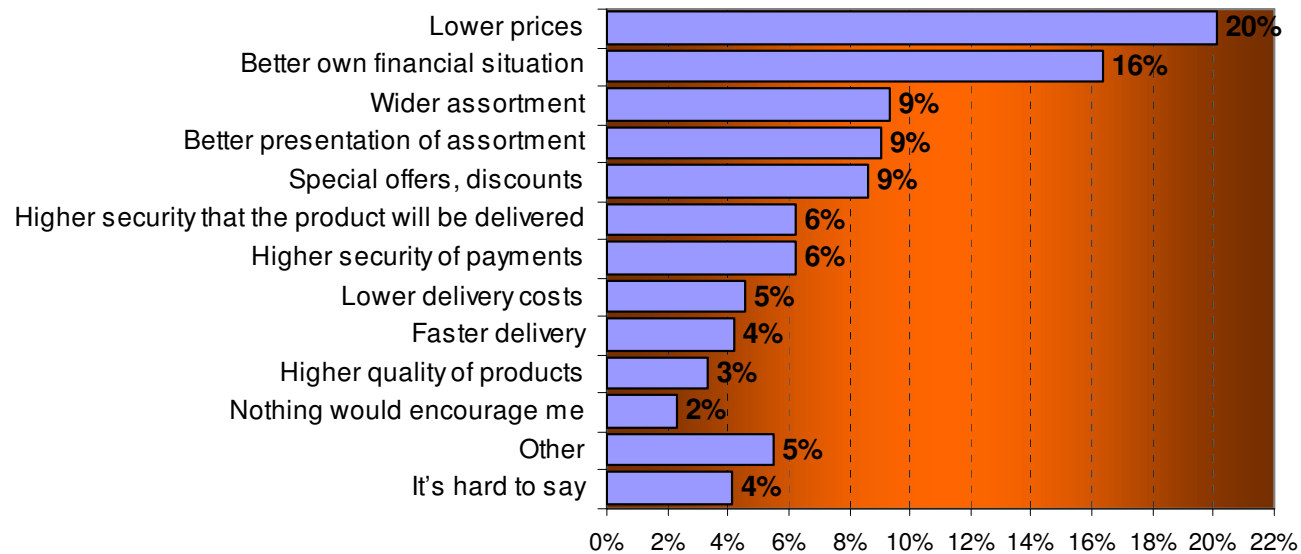
## Q12. Future purchase intention



N=412

# General attitude towards online shopping

Q13. What would make e-shoppers buy more frequently



N=412

# Demographics

19

# Demographics

**WORKING STATUS**

N=1 437

I am a student	32%
I work	55%
I am a pensioner	1%
I am unemployed	1%
I am a housekeeper	2%
Other	8%

**INCOME**

N=1 437

No income	9%
1 - 299 UAH	12%
300 - 499 UAH	6%
500 - 699 UAH	6%
700 - 999 UAH	8%
1000 - 1299 UAH	9%
1300 - 1599 UAH	11%
1600 - 1999 UAH	9%
2000 UAH and more	16%
I don't want to answer	15%

**GENDER**

N=1 437

Female	41%
Male	59%

**MARKET SIZE**

N=1 437

Village	4%
Up to 50 ths inhabitants	8%
50 ths - 100 ths inhabitants	9%
100 ths - 500 ths inhabitants	22%
500 ths - 1 mln inhabitants	10%
Over 1 mln inhabitants	47%

**EDUCATION**

N=1 437

Primary	1%
Incomplete secondary	7%
Secondary	13%
Secondary vocational	9%
Incomplete higher	26%
Higher	42%
MBA student	1%
PhD and higher	1%

**AGE**

N=1 437

15 to 19 y.o.	22%
20 to 29 y.o.	42%
30 to 39 y.o.	19%
30 to 34 y.o.	13%
50 to 59 y.o.	4%

# Demographics

N=1 437

## FREQUENCY OF INTERNET USAGE

<b>Every day</b>	<b>30%</b>
<b>3-5 times a week</b>	<b>58%</b>
<b>1-2 times a week</b>	<b>9%</b>
<b>1-3 times a month</b>	<b>3%</b>

N=1 437

## TYPE OF CONNECTION

<b>Modem / dial-up connection</b>	<b>40%</b>
<b>Broadband connection</b>	<b>39%</b>
<b>Other</b>	<b>9%</b>
<b>I do not know</b>	<b>12%</b>

N=1 437

## HISTORY OF USING THE INTERNET

<b>Half a year or shorter</b>	<b>13%</b>
<b>Between half a year and a year</b>	<b>12%</b>
<b>More than 1 up to 2 years</b>	<b>20%</b>
<b>More than 2 up to 5 years</b>	<b>33%</b>
<b>Over 5 years</b>	<b>22%</b>

## Contact

# Gemius Ukraine

### Contact person

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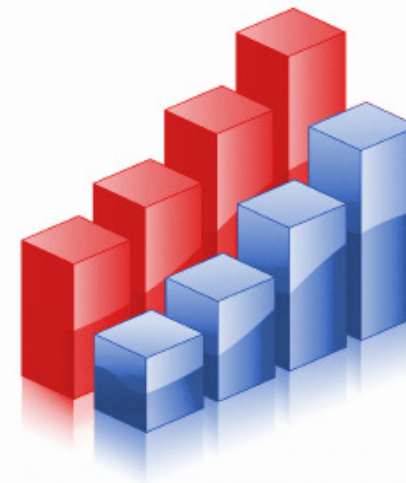
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