



Market Report

A Snapshot of your Marketing Sector

E-Commerce

This pack has been designed to provide information on setting up a business in the **E-Commerce** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/media/dvwhjxbo/business_plan_guide.pdf), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **May 2026**.

What do I need to know about the E-Commerce market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ The online retail sector in the United Kingdom reached a value of **\$90.6 billion USD in 2024**, reflecting a 4.9% year-over-year growth since 2023. The compound annual growth rate (CAGR) for the sector between 2019 and 2024 was 8.1%. **The sector is forecast to reach \$113.6 billion USD by 2029**, which represents a 25.3% increase from 2024, with a projected CAGR of 4.6% over the 2024–2029 period. The **food & grocery retail segment is the largest** within online retail, accounting for about 29% of the sector's total value in 2024. For reference, the market was valued at \$84.4 billion USD in 2023[7][8], highlighting consistent growth in this space. (GlobalData Explorer, *Online Retail*, October 2025, *This content is reproduced under license from GlobalData PLC, Copyright 2026*).
- ◆ The UK online retail sector growth over 2024–29 is expected to be driven by rising digital adoption, improved logistics, and expanding payment and delivery options. Consumers are anticipated to increasingly favor ecommerce for convenience, wider product selection, and competitive pricing, while businesses are foreseen to invest in omnichannel strategies, enhanced user experiences, and targeted digital marketing. Continued innovations in mobile commerce, AI-driven personalization, and automation in warehousing and last-mile delivery are predicted to boost efficiency and conversion rates. (GlobalData Explorer, *Online Retail*, October 2025).
- ◆ In spite of the high penetration rate of e-commerce in the country, there are still specific aspects of online shoppers that attract and dissuade purchases alike. Across categories, the most important criteria for UK consumers to make online purchases were: low prices, free delivery, and the brand of product. Customer reviews, free returns, and express shipping were also important to the online consumer decision journey. Delivery fees and return fees are unsurprisingly among the top barriers preventing online purchases in the country. (Statista, *E-Commerce in the UK – Statistics & Facts*, September 2025).
- ◆ Average weekly online retail spend was **£2.6 billion in the UK** (Office of National Statistics, [Internet sales as a percentage of total retail sales](#), May 2026)
- ◆ The national organisation for this industry is [Scottish Retail Consortium \(SRC\)](#). Other industry bodies are [Interactive Media in Retail Group \(IMRG\)](#) and the [British Independent Retailers Association](#).

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Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Statista – Online Shopping Behaviour in the UK (March 2025)**. British consumer are avid online shoppers, and the well-developed e-commerce market in the UK has made customers increasingly demanding.
- ◆ **Statista - Fashion e-commerce in the United Kingdom (UK) - statistics & facts (December 2025)**. A strong love for fashion is inextricably rooted in the history of the United Kingdom. From British royalty influencing commoners with their outfits to the cultural revolution of the 1960s that catapulted British styles worldwide, UK fashion is constantly undergoing transformation. Among the latest developments shaping the fashion world is e-commerce. In 2024, online sales of fashion items would collectively account for close to a third of e-commerce revenue in the United Kingdom, amounting to almost 40 billion U.S. dollars. In the same year, more than 28.5 million Britons bought fashion over the internet, a figure forecast to grow to over 32.1 million by 2028.
- ◆ **Statista - Sustainable e-commerce in the United Kingdom (UK)**. This report presents facts on the environmental sustainability of the e-commerce industry in the United Kingdom (UK). It contains key figures on the footprint of online retail activities and order fulfilment, with a focus on the emissions released by retailers and couriers. The second part of this report investigates the sustainable shopping behaviour of UK consumers and last-mile delivery in London.

There are also a number of online resources you may find helpful:

- ◆ [How The E-Commerce Industry Is Changing and What Companies Are Doing to Succeed](#) - **Forbes, June 2025**. Mobile commerce, or m-commerce, is sometimes seen as a subset of the e-commerce industry. Yet, shopping via smartphone has quickly become consumers' preferred way to shop online. By 2027, m-commerce is expected to represent 62% of all e-commerce transactions.
- ◆ [COBRA Reports](#), Accessed from National Library of Scotland, have several Business Opportunity Profiles and Factsheets. These contain key market issues and trends, trading, commercial and legal issues and legislation. Titles available include:
 - **Selling through TikTok Shop**
 - **Options for Starting up Online**
 - **Support for UK Exporters**
 - **Trading via Amazon**
- ◆ [Ecommerce Scotland](#) have collated key **Ecommerce Statistics** for the UK, including online sales, B2C, B2B, omnichannel strategies, and Click & Collect adoption.

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.



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How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) ["Find a Chartered Accountant"](#) tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk ["Licence Finder"](#) tool

Law Society of Scotland's ["Find a Solicitor"](#) tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

Last updated: May 2026

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