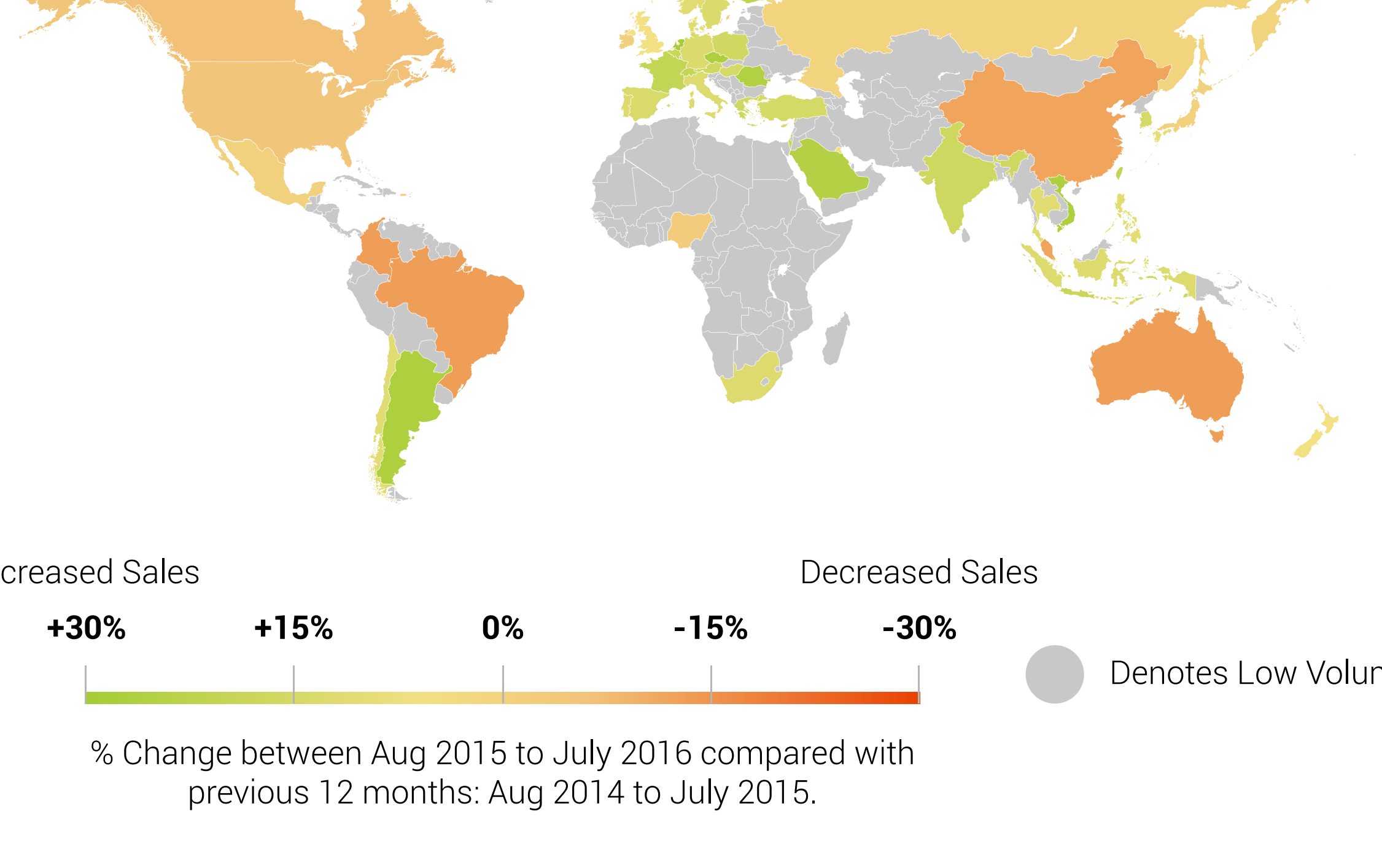


# Avangate's 2016 Yearly Digital Commerce Benchmark

Trends in Global Software & Online Services Sales  
Shopper Behavior & Payments



## Top 10 Countries - 2016 Overall Sales

- |   |                          |    |             |
|---|--------------------------|----|-------------|
| 1 | United States of America | 6  | France      |
| 2 | United Kingdom           | 7  | Japan       |
| 3 | Canada                   | 8  | Netherlands |
| 4 | Germany                  | 9  | Italy       |
| 5 | Australia                | 10 | Spain       |



## Interesting Highlights

### United States of America

AOV \$46

**Most Popular Products**

- Services
- Security
- Utilities

**Most Popular Payment Methods**

- VISA: 74%
- MasterCard: 12%
- PayPal: 10%
- AMERICAN EXPRESS: 3%

Rounding, less popular methods not counted.

The US remains the top market for software and online services sales. US consumers and businesses continue to buy services, security software, utilities, privacy, with all of these categories on an upward trend in Aug 2015 to July 2016 compared to the previous year.

### United Kingdom

AOV \$52

**Most Popular Products**

- Security
- Utilities
- Services

**Most Popular Payment Methods**

- VISA: 62%
- MasterCard: 35%
- PayPal: 3%
- AMERICAN EXPRESS: 3%

Rounding, less popular methods not counted.

With the same preferred categories of software and services as the US, UK buyers have also shown a growing interest in security and privacy in Aug 2015 to July 2016 compared to the previous year.

### Canada

AOV \$54

**Most Popular Products**

- Security
- Utilities
- Services

**Most Popular Payment Methods**

- VISA: 76%
- MasterCard: 21%
- PayPal: 3%
- AMERICAN EXPRESS: 3%

Rounding, less popular methods not counted.

With the same preferred categories of software and services as the US and the UK, Canadian buyers follow a similar pattern - an increased interest in security, privacy, as well as software utilities compared to the previous period.

### Average Order Value Changes

**AOV = \$48**

Worldwide, the average order value (AOV) has decreased by 6 percent (from \$51 in Aug 2014 to July 2015 to \$48 in Aug 2015 to July 2016) as consumers and businesses migrate to subscription-based models.

### Subscriptions on the Rise

**72% Subscription-based sales**

Nearly three-quarters (72%) of sales volume in Aug 2015 to July 2016 are subscription-based compared to 63% in the period Aug 2014 to July 2015.



## Countries on the Rise

### Argentina

AOV \$57

**Most Popular Products**

- Services
- Privacy
- Utilities

**Most Popular Payment Methods**

- VISA: 76%
- MasterCard: 13%
- PayPal: 10%
- AMERICAN EXPRESS: 10%

Rounding, less popular methods not counted.

LATAM is coming strong in terms of online software and SaaS purchases, with Argentina one of the top countries in the global competition, at number 39. With a high AOV, Argentina looks promising amongst emerging markets. Software & SaaS sales increased by 42% in Aug 2015 to July 2016 compared to Aug 2014 to July 2015.

### Czech Republic

AOV \$49

**Most Popular Products**

- Security
- Utilities
- Audio-video

**Most Popular Payment Methods**

- VISA: 75%
- MasterCard: 16%
- PayPal: 6.5%
- BANK TRANSFER: 6.5%

Rounding, less popular methods not counted.

Czech Republic has one of the most developed industrialized economies among the emerging democracies in Central and Eastern Europe, with a positive GDP growth rate quarter over quarter in the analyzed period. Software & SaaS sales increased by 37% in Aug 2015 to July 2016 compared to Aug 2014 to July 2015.



## Countries Experiencing a Decline

### Colombia

AOV \$55

**Most Popular Products**

- Privacy
- Security
- Audio-video

**Most Popular Payment Methods**

- VISA: 76%
- MasterCard: 15%
- PayPal: 6%
- AMERICAN EXPRESS: 6%

Rounding, less popular methods not counted.

Although with a GDP growth rate in the past few years, Colombia has a low volume of software sales, and in decline (-17% Aug 2015 to July 2016 compared to Aug 2014 to July 2015), at position 44 in the world ranking for the period Aug 2015 to July 2016, from 48 in the previous 12 months.

### Malaysia

AOV \$51

**Most Popular Products**

- Security
- Privacy
- Utilities

**Most Popular Payment Methods**

- VISA: 72%
- MasterCard: 22%
- PayPal: 4%
- AMERICAN EXPRESS: 4%

Rounding, less popular methods not counted.

With 5 straight quarters of decelerating growth starting with Q3 2015, it is not surprising that Malaysia experienced a slight decline in software sales (-7% in Aug 2015 to July 2016 compared to Aug 2014 to July 2015).



## Top Payment Methods

### Popular at Global Level

- |   |                  |               |           |
|---|------------------|---------------|-----------|
| 1 | VISA             | MasterCard    | AOV \$49  |
| 2 | PayPal           |               | AOV \$43  |
| 3 | AMERICAN EXPRESS |               | AOV \$55  |
| 4 | DISCOVER         | NOVUS         | AOV \$52  |
| 5 | BANK TRANSFER    | WIRE TRANSFER | AOV \$224 |

### Popular at Local Level

- |     |  |                |          |
|-----|--|----------------|----------|
| 36% |  |                | AOV \$53 |
| 5%  |  | SOFORT         | AOV \$52 |
| 6%  |  | CB             | AOV \$37 |
| 53% |  | 支付宝 Alipay.com | AOV \$52 |
| 5%  |  | KONBINI        | AOV \$43 |

Length of bar represents percentage of Aug 2015 to July 2016 sales volume via each payment method at global level.  
Visa/ MasterCard percentage going down two percentage points in Aug 2015 to July 2016 (70.4%) compared to the previous 12 month period (72.4%), giving more space to PayPal (approx 1%, from 14.5% to 15.7%), but also to other local payment methods.

Percentage of sales volume via each payment method at country level. Payment methods selected from Top 20 most popular payment methods at global level (Aug 2015 to July 2016).

The Digital Commerce Benchmark is based on a sample of hundreds of thousands of worldwide transactions moving through the Avangate platform between August 2014 and July 2016. Avangate continuously tracks fluctuations in sales, empowering software and digital goods providers worldwide to make smarter decisions. Growth rates for each country were analyzed for the Top 50 countries (by sales volume for the period Aug 2015 to July 2016 compared with Aug 2014 to July 2015).  
Source for Gross Domestic Product (GDP) info and forecasts: tradingeconomics.com.



Get More Insights into Global Commerce  
For more in-depth info on shopper preferences on a global level, download the whitepaper: "Global Commerce in Local Markets for Software and SaaS Companies"

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