

European E-commerce Report 2025

Introduction

The European E-commerce Report 2025 provides a thorough analysis of the e-commerce landscape across 38 European countries. This edition updates key metrics on business-to-consumer e-commerce turnover, alongside internet and e-shopper penetration rates, with a special focus on the EU-27.

Nominal growth and market dynamics

In 2024, the total B2C European e-commerce turnover increased by 7%, rising from €765 billion to €819 billion. While the market grew overall, developments across regions differed. Western Europe, the largest e-commerce region, recorded the lowest growth at 5%¹, reaching €466.5 billion and falling below the European average. In contrast, other regions grew more strongly. Southern Europe increased by 9% to €182.9 billion, and Central Europe grew by 8% to €85.9 billion. Northern Europe matched the European average with 7% growth, reaching €63.5 billion. Eastern Europe reported the highest growth rate at 18%, with turnover rising to €19.9 billion. These regional variations reflect differences in market maturity, consumer behaviour and digital infrastructure. For 2025, growth of 7% is projected for Europe as a whole, indicating continued positive development in the online retail sector. In 2024, 81% of European B2C e-commerce turnover occurred in the EU-27.

Country-level performance

In terms of country-specific performance for 2024, Bosnia and Herzegovina shows the highest growth in B2C e-commerce turnover at 117%, largely due to improved data coverage and an updated market measurement methodology. Ukraine followed with 92% growth, continuing its recovery after previous disruptions. Bulgaria (20%), Estonia (18%) and North Macedonia (15%) also saw strong increases. At the lower end, Germany and the Czech Republic reported no growth, while Finland and Norway each grew by 4%, and Denmark, the United Kingdom and Austria by 3%. Sweden reported a growth rate of 11%, though exchange rate effects may have influenced its euro-denominated figures, as was the case in previous years.

In 2024, France became the largest B2C e-commerce market in Europe, reaching a turnover of €175.3 billion. This change in ranking is partly due to a new data source for the United Kingdom, which now includes only online sales of goods, whereas previous data also covered services. As a result, the United Kingdom ranked second with €127 billion. Spain moved ahead of Germany to take third place with €95.2 billion, while Germany followed closely with €94.0 billion. Among other large economies, Italy reached €58.5 billion and Poland €43.4 billion. These shifts reflect both underlying market developments and the impact of changes in data coverage.

It is important to note that each country applies its own methodology, and the extent to which services are included in B2C e-commerce turnover figures varies widely. As a result, direct comparisons between countries should be approached with caution.

¹ Turnover figures for the years 2020 to 2025 have been revised, primarily due to a change in the data source for the United Kingdom (goods-only data from 2024 on). This adjustment led to a lowering of reported turnover, turnover share and e-commerce contribution to gross domestic product (E-GDP) for the UK compared to previous editions. Consequently, this revision also affects the aggregated data for Europe as a whole, Western Europe and the United Kingdom.

The impact of inflation

After a period of high inflation in 2023 (6.1%), the average inflation rate in Europe dropped to 2.6% in 2024. This allowed for real growth in B2C e-commerce turnover, which increased by 4.2% when adjusted for inflation. All regions recorded a positive real (inflation adjusted) growth. Eastern Europe saw the strongest nominal growth at 18%, which translated to an inflation-adjusted growth rate of 10%, indicating that inflation in the region remains relatively high. Southern Europe grew by 9% nominally and 7% in real terms, while Central Europe reported 8% growth, versus 5% after inflation. Northern Europe's nominal growth of 7% resulted in a real increase of 4%. Western Europe had the lowest figures, with 5% nominal growth and 3% when adjusted for inflation. For 2025, a similar level of real growth is expected, supported by stable inflation and steady expansion in most regions.

Internet penetration

In 2024, internet penetration in Europe increased to 93% from 92% the previous year, reflecting a steady increase in accessibility as more individuals across different demographics gain online access. For 2025, the penetration rate is expected to reach 94%, approaching universal coverage among the population aged 16-74. Regionally, Northern Europe maintained the highest penetration rate at 98%, followed by Western Europe at 96%. Central and Southern Europe reported penetration rates of 93% and 92% respectively. Eastern Europe is still lagging with an average penetration rate of 85%.

Several countries achieved full internet penetration in 2024, including Denmark, Switzerland, the Netherlands, and Norway, each reaching 100%. Close behind were Iceland, Ireland, and Luxembourg at 99%, with a large group of countries including Sweden, Finland, and the United Kingdom at 98%. Overall, most European countries now exceed 90% penetration, suggesting that full internet coverage is within reach for much of the continent in the coming years. However, some differences remain. Moldova recorded the lowest penetration rate at 64%, followed by Ukraine at 79%. Bosnia and Herzegovina, Bulgaria, and Greece each reported 87%, while Croatia stood at 85%. These figures highlight the progress made in digital access across Europe, while also pointing to areas where further development is needed to support inclusive digital participation and e-commerce growth.

E-shopper penetration

In 2024, 73% of the European population aged 16–74 made online purchases, up from 71% the year before. While this marks a continued increase, large regional differences remain across regions. Northern Europe continues to lead with an e-shopper penetration rate of 84%, followed closely by Western Europe at 83%. Central Europe aligns with the European average at 73%. Southern and Eastern Europe, however, trail behind at 61% and 57%, respectively, showing clear potential for further growth.

At the country level, Ireland reported the highest share of online shoppers at 95%, followed by the Netherlands at 94%, and several others at 91%, including Norway, Denmark, Iceland, and the United Kingdom.

At the other end of the spectrum, e-shopper penetration remains well below 50% in several countries. Moldova had the lowest rate at 27%, followed by Montenegro (35%), Albania (38%), and Bosnia and Herzegovina (44%). Bulgaria and Italy, among other countries, also remain well below the European average, with 50% and 54%, respectively. These figures highlight both the maturity of e-commerce in certain markets and the untapped potential in others, particularly in parts of Eastern and Southeastern Europe.

Opportunities and challenges

In 2024, the European e-commerce market continues to face a mix of opportunities and challenges. Across Europe, the e-commerce sector continues to expand, driven by growing consumer demand, increasing digital uptake, and innovation in areas such as payments, logistics, and artificial intelligence. Online retailers and marketplaces benefit from growing demand for convenient shopping, flexible delivery options, and improved customer experience. The shift toward circular business models, such as second-hand sales and product refurbishment, is gaining momentum, particularly in fashion, electronics, and home goods. Governments and industry actors are exploring how sustainability can become a long-term competitive advantage.

However, many national markets remain concerned about the complexity of current regulatory frameworks. Several Member States are taking steps to simplify administrative processes and reduce burdens on small and medium-sized (SMEs) e-commerce companies. Initiatives such as mandatory e-invoicing, digital invoicing platforms, and online business registration portals aim to bolster digital competitiveness. However, implementation challenges remain, and some e-commerce associations report a need for better coordination across ministries, clearer guidance, and more support for SMEs.

Another pressing issue is the lack of fair competition between EU-based and non-EU based businesses, operating in particular from Asia. These players can easily circumvent consumer protection and other regulations, avoid taxation, or offer products that fail to meet European safety or environmental standards. This creates growing pressure on EU-based businesses that must comply with stricter regulations and face higher operational costs. While policymakers acknowledge the problem, current enforcement mechanisms remain limited. Stronger, more coordinated action at the European level is needed to ensure fair competition and uphold product safety, tax compliance, and consumer rights.

Sustainability has become a defining trend across the continent. E-commerce businesses are investing in eco-friendly packaging, adopting electric delivery fleets, and developing local logistics networks such as parcel lockers and urban hubs. Some governments are revising national strategies to promote circular consumption, while consumers show increasing willingness to opt for sustainable delivery or packaging options. However, scaling these solutions remains a challenge, particularly for smaller retailers.

In terms of technology, artificial intelligence is playing an increasingly important role across all aspects of the e-commerce value chain. Firms are using AI to personalise shopping experiences, improve customer service, optimise pricing, and forecast demand. Yet, gaps in digital skills and infrastructure persist, especially for smaller online retailers or those in less urbanised regions. Governments are responding with national funding programmes, digital transition strategies, and technical support to accelerate adoption. However, scaling these solutions remains a challenge, particularly for smaller retailers. Despite supportive policies and rising skills investment, only 6% of SMEs meet the EU's very high digital-intensity threshold, illustrating the challenging adoption of advanced digital tools from modern payments to data-driven logistics.

Evolving consumer behaviour

Consumer behaviour is also evolving. While home delivery remains the preferred option in most countries, demand for flexible and self-service options such as click-and-collect and parcel lockers is growing. Mobile payments and electronic wallets continue to gain ground, while a few countries still report significant levels of cash-on-delivery. Affordability is increasingly shaping behaviour. In many markets, inflation and economic uncertainty are pushing consumers to compare prices across borders, delay purchases, or switch to second-hand and refurbished alternatives.

Conclusion

Overall, Europe's e-commerce sector continues to innovate and adapt. But it also faces complex challenges linked to compliance, global competition, consumer trust, and sustainability. Continued dialogue between industry, national governments, and EU institutions will be essential to ensure that digital commerce in Europe remains fair, resilient, and competitive.