

China to top world in e-commerce by 2015: report

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China's e-commerce market is currently worth \$74 billion -- less than half that of the United States at \$177 billion, a new report by the Boston Consulting Group said.

But it is growing rapidly, spurred by increasing [Internet use](#) -- China now has an online population of more than half a billion -- the low cost of shipping and a [passion](#) for shopping among China's growing [middle class](#)

"[Consumerism](#) is already big in China -- people simply love to shop. Beyond this, the Internet is affordable, and thus widely available," said the report, based on surveys of more than 4,000 [online shoppers](#) across the country.

"China... already has 145 million online shoppers, with [exponential growth](#) expected that could bring the number to 329 million by 2015 and make the e-commerce market in China the world's most valuable."

Within five years, online shoppers in China will be spending an average \$980 per year -- twice what they spend today and close to the US average of \$1,000, said the report, issued Tuesday.

Up to a quarter of e-commerce demand is for products consumers cannot find in physical stores -- a circumstance unique to China, whose huge size limits the coverage of physical retailers, it said.

The e-commerce industry benefits from China's low cost of shipping -- one dollar on average to ship a one-kilogramme parcel, versus six dollars in the United States, it said.

E-commerce in China will go from representing 3.3 percent of the country's total retail value today to 7.4 percent in 2015, an expansion that took the United States a decade to achieve, it added.

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