

Turkey's e-commerce 'can soar via key steps'

Turkey e-commerce sector has strong growth potential and can be boosted through a number of key measures, the top boss organization says in a research

ISTANBUL

The e-commerce sector in Turkey has strong growth potential and the sector can soar in the upcoming years through a number of key measures, according to research newly prepared by the country's top business organization along with the Boston Consulting Group and the GittiGidiyor company.

Turkish Industry and Business Association (TÜSİAD) head Erol Bilecik underlined the country's strong growth potential in the e-commerce area in his speech to launch the report yesterday.

"The share of e-commerce in global retail has reached 8.5 percent. Turkey has kept showing growth in this area, but the share of the e-commerce sector in Turkey's retail is still just around 3.5 percent. So we see strong growth potential here," Bilecik said, adding that a number of key measures are needed to unlock this potential.

He noted that TÜSİAD defined Turkey's digital transformation as a major focus in the coming period, adding that all actors must do what is required to achieve this key transformation in a cooperative and simultaneous manner.

"We need to see e-commerce as an ecosystem. In this vein, all elements of this system, from technical infrastructure to logistics, from Internet entrepreneurship to financial infrastructure and alternative payment systems and healthier legal frameworks, need to be considered together and developed through a plan by both public and private players," Bilecik said, adding that the inclusion of more traditional retailers and small and medium-sized enterprises (SMEs) into the system



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should also be ensured.

"On the consumer side, raising digital literacy will also play a crucial role in Turkey, where Internet and mobile penetration is already quite high," he said.

"All these steps, which will help to boost our e-commerce sector, will of course be of great significance in a climate where people's right to access information is secured and Internet freedoms are

strengthened," he added.

According to the report, titled "The Motor Force in Digitalizing World: E-commerce," the share of global e-commerce in the total retail sector rose to \$1.6 trillion in 2016 from around \$630 million in 2012. Its share in the total retail sector thus rose from 4.2 percent to 8.5 percent in the mentioned period. This rate is expected to hit 13 percent by 2021, according to the

report, which added that 64 percent of the global e-commerce volume is also estimated to be created by emerging markets by 2020.

In Turkey, the e-commerce sector reached 17.5 billion Turkish Liras (\$5 billion) in volume in 2016. While the sector's share in the country's total retail activities was 1.7 percent in 2012, it rose to 3.5 percent last year, according to the report.