

## RETAILING

**flipkart**.com



Europe's economy is recovering, but it is hardly robust—which is also an apt description of nervous EU consumers, who won't be rushing to the shops in 2016 after years of recession and belt-tightening. Even in relatively buoyant Britain, austerity and consumerism will do battle, with retail sales growing by just 2% in real terms. A rise in the minimum wage will put money in consumers' pockets, even as cuts take it away from government workers. To discount shops go the spoils—a common theme in Japan, too.

Growth in the US will be squeezed tighter than an old tube of toothpaste, at 2%, as higher interest rates suppress consumption. Sadly for brands looking to the developing world, Brazil and Russia are in trouble. Global chains will instead focus on Asia. Retailers will pile into China, which can look forward to nearly 8% retail-sales growth. Interlopers face an especially brutal

### Retail sales

% change, selected countries



battle online on Alibaba's home turf. China already conducts more commerce electronically than any other country, around half of it via mobile phones: e-commerce will grow by 30%, to pass 5trn yuan (roughly \$800bn) in 2016, according to iResearch, a consultancy. Alibaba will seek to overcome logistical obstacles in rural China, in order to counter a slowdown in its city-generated revenue.

As China slows, India—set for 7% growth—will draw much interest. Its e-commerce market is a fraction the size

of China's, but the pool of online shoppers will almost triple from 2014 to pass 100m in 2016. Investors will wait for possible listings by Indian e-commerce leaders Snapdeal and Flipkart.

**To watch:** Gender-neutral shopping. Sex will go out of fashion as an organising principle for some shops. Fashion brands have been making unisex clothes for years and Selfridge's, a British department store, has already done away with "his" and "hers" sections in a unisex pop-up space, "Agender". It may next split it out as a separate shop.