

## Survey Shows Online Retailers as Profitable, Optimistic

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Despite the struggling economy, 57 percent of online retailers surveyed for Shop.org's State of Retailing Online report said they were more profitable in 2008 than 2007. The survey, conducted by Forrester Research Inc., polled more than 117 retailers.

According to Shop.org, National Retail Federation's digital retail division, the survey revealed that online retailers adjusted to the economy in several ways. Nine in 10 retailers (91 percent) focused on preserving margins, while 88 percent amplified promotions or increased "value" messaging. Slightly more than half of retailers (53 percent) lowered prices.

The survey also revealed that most of the online retailers surveyed were hopeful for the future. Four out of five (60 percent) online retailers polled said they believe the U.S. economy will improve within the next year.

Half said they think their Web business will fare better than expected in the next 12 months. Still, 38 percent said they lowered their Web business expectations.

"While online retailers have been able to navigate better than most through the economic downturn, companies should continue to focus on keeping costs low and integrating online and offline channels in order to be best positioned when the economy bounces back," said Sucharita Mulpuru, principal analyst at Forrester Research.

Visitors can purchase the "2009 State of Retailing Online: Profitability, Economy & Multichannel Report" at [www.shop.org/soro](http://www.shop.org/soro).