

## Insights

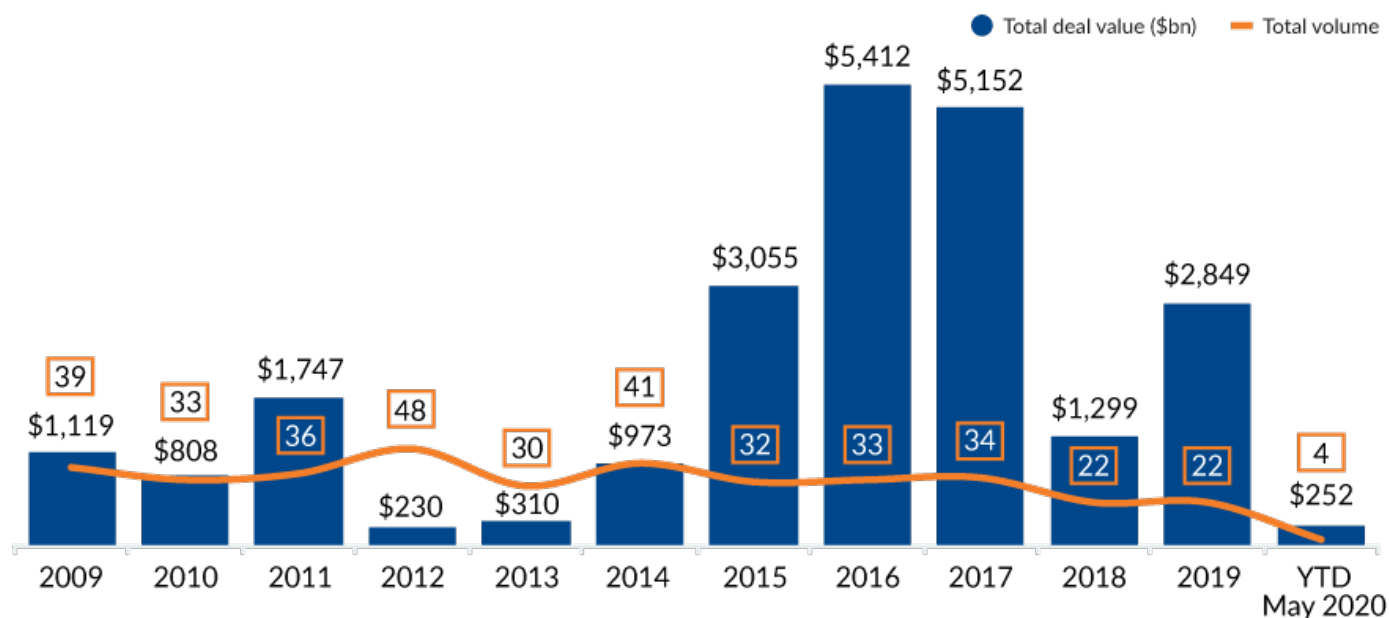
# E-commerce sector overview

## Technology: E-commerce sector overview

### Key market drivers

In 2019, the disclosed deal value within the e-commerce sector increased to \$2.8 billion from \$1.3 billion one year prior, or an increase of more than 115%, while the number of U.S. e-commerce transactions was flat vs. 2018. The volume of deals increased across most sectors with home goods, food delivery and apparel topping the list as buyers continued to focus on top-line growth, channel expertise and / or customer acquisition opportunities. Disclosed deals under \$100 million accounted for more than 50% of total deals. Strategic acquirers drove the majority of M&A activity in 2019, benefiting in part from historically high equity market valuations. Financial sponsors continued to play a critical role due to the abundance of capital available for deployment in addition to a variety of sectors ripe for leveraged “buy-and-build” strategies.

**Chart 1: U.S. E-commerce M&A Volume**



Note: Deal value reflects financial terms for disclosed deals only. Source: 451Research.

# Technology

## E-commerce sector overview

### Key market drivers

In 2019, the disclosed deal value within the e-commerce sector increased to \$2.8 billion from \$1.3 billion one year prior, or an increase of more than 100%, with the number of U.S. e-commerce transactions up 54% in 2019. The volume of deals increased across most sectors with home goods, food delivery and apparel leading the list in buyers' continued to focus on top line growth, channel expansion and/or customer acquisition opportunities. Disclosed deals under \$100 million accounted for more than 50% of total deals. Strategic acquirers drove the majority of M&A activity in 2019, benefiting in part from historically high equity market valuations. Financial sponsors continued to play a critical role due to the abundance of capital available for deployment in addition to a variety of exit strategies for strategic "buy and build" strategies.

Chart 1: U.S. E-COMMERCE M&A VOLUME



Wayne McCaskey  
Managing Director  
Investment Banking



Eric Winters  
Vice President  
Investment Banking



Robert Hoffmeyer  
Associate  
Investment Banking

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