

Expand beyond borders
& beyond your expectations

GROW YOUR ONLINE BUSINESS IN CEE

Country-by-country overview
of must-know information about the
state of e-commerce and digital
marketing practices in the CEE region.



Foreword

by László Szabó

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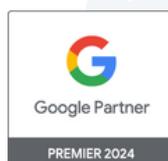
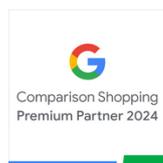
“Having dealt with several export projects, according to our experience, it takes 1-3 years after market entry to break-even. Always remember that you are playing the long game. Perceive your home country as your profit centre, financing your growth centres: the foreign operations.

Think of this guide as your roadmap that shows you where you can go and don't hesitate to contact us if you need help with getting there.”

About László Szabó

László Szabó, our co-founder is a Google Certified Trainer for Export in the Czech Republic and Slovakia. Spending the last 15 years on the axis of Prague-Bratislava-Budapest, László's personal mission is supporting online export endeavours within the CEE region.

Growww Digital is a Premium Google Partner and its team has 60+ professional certifications all together. In Hungary, we are part of the Google Partners International Growth Program, which ensures that your export project will get the VIP support from all sides. Growww Digital is a founding member of CEE Digital Alliance, a network of leading digital marketing agencies from the CEE region.



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About Hungary



Still **growing at about 8-10%**, while maturing in terms of quality, Hungary is no beginners game to enter.

Note: The energy and food prices have risen enormously during the past 2 years. Hungary has the highest inflation rate in the European Union, which is considerably reducing the disposable income of the population.

Their ideal? Hungarians got used to convenience. A quality product delivered the same day at the lowest price available and easy to return. When you pay close attention and implement, you earn their trust. An ecosystem is set up and well functioning, from logistics to marketing: if you're serious about playing at a senior level, this is the market for you.

Hungary is a **country of patriots**. Not only are they proud of their cuisine (paprikash, anyone?), their heritage and language with double the alphabet, they proudly buy from fellow Hungarians.

Lucky for you, Hungarians also increasingly shop abroad. There are over 2,000 Czech online stores (and counting!) already on the market as a testament. But localisation is an absolute key.

Hungarians like the best deals and won't hesitate to check more options before clicking "pay." In fact, they kind of enjoy the treasure hunt.

Volkswagen Beetle, Rubik's Cube, the very first subway in continental Europe—those are just a few of many Hungarian inventions. A nation of builders, it should not come as a surprise they are pretty competitive in business, too.

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Growth, Leaders, & Trends



Although **significant amounts of online stores** have already expanded to **Hungary**, a number of factors still speak in favour of this country. For many Slovakian, Czech, and Polish merchants, Hungary is an important target market.

Main drivers of Hungary's online retail growth:

- Easier access to internet/device
- Net monthly earnings increase
- Household consumption increase
- Higher trust to online payments and online sellers



The Hungarian e-commerce market is largely concentrated around **Budapest and its surroundings**. This focus is another reason CEE e-commerce players chose Hungary: it makes **logistics** that much easier. The biggest players run their businesses from **Budapest** or in case of some exporters – from **abroad**.

Besides **cutting costs** in logistics, many stores coming from **Czechia or Slovakia** can also hire **bilingual employees from southern Slovakia**.

E-commerce in **Hungary** was worth **EUR3.52bn in 2023** (Year-On-Year increase for **2023 was 8.5%**).

Biggest Players



Overall

1. 
2. 
3. 

Electro & Tech

1. 
2. 
3. 

FMCG

1. 
2. 
3. 

Also in the top 10



Hungarian players in the top 15



Hungarians as Customers



Hungarians still largely make decisions based on the **product's price**. They also want the **21st century e-commerce experience**. **Same or next day delivery, personalised offers, a 30-day return option and a 7-day customer care** go a long way.

| | | |
|--|---|--|
|  Sales and deal |  Free shipping |  Personalization |
|  Same day delivery |  30-day return policy |  Shop or showroom |
| | |  Localization <small>A correct Hungarian language is a must to gain trust</small> |

Who are Hungarian shoppers?

80% Internet Users



20% Apple Device Users



Most Used Browser



Eight out of ten consumers do their research before purchasing (and generally trust the information they find). A typical **Hungarian** is generally very happy to hear words such as **promotion, discount, or free** (shipping). **Price** is a big deciding factor, but so are **reviews**. **Testimonials** to your products and **customer experience** can make you or break you on the Hungarian market.

Hungarians are very particular when it comes to **showrooms**: for many, they are a **testament of company's trustworthiness** (and existence). Sooner or later, it becomes essential for your sustainable growth to **meet customers in person**, from a **relationship-building** standpoint as well as building your **brand**. It is especially true outside the Budapest area, where trust in **online shopping and online payments is growing at a slower pace**. In fact, **setting up a local company** (both as a legal entity and a physical space) is usually recommended in Hungary.

The Ecosystem



Logistics: A popular destination as there are often **no extra transportation costs** to this “bridging country” (there are five major toll highways linking Budapest to Hungary’s neighbouring countries), provided **you already ship to other markets in CEE.**

Traditional delivery companies:



Options for small businesses:



Legislation/administration: If you want to build a strong brand and presence, VAT registration as well as setting up a **local Ltd.** (called Kft.) is **strongly recommended.** Operating an e-commerce business is more demanding without a local Kft., especially when you register to various services, including putting your product feed on comparison websites. A middle ground is keeping your mother company abroad while **registering to VAT ID.** As per registering to VAT itself, Hungarian VAT is **one of the highest in the world: 27%.** According to [VAT OSS rules](#), it is compulsory to register as a taxpayer in your home country after hitting EUR10K net in one year cumulatively across all markets where you sell.

Payment: While cash on delivery was winning just a few years ago, it is now a tie between **cash and card payments, 28–28% for payments on delivery.** The popularity of **online payments has grown to 35%** of all payment methods and the **buy now pay later (credit) option** is also attracting shoppers.

Delivery: **72%** opt for home delivery while **20%** regularly pick up their orders in the store or at a delivery point — **pick-up lockers have been multiplying rapidly during the past 1–2 years** (the major pickup locker service providers are **MPL** (Hungarian Post Office), **GLS**, **Foxpost**, and **Packeta**, while **Alza** and **eMAG** have their own locker network. When it comes to time of delivery, people in urban areas are used to the **same-day or next-day delivery.** But in general, Hungarians do not hold it against you if it takes a tiny bit more. They only want you to **keep your word:** if your website promises 3 days, you can’t possibly ship the product on day 4.

Digital Marketing



You'll need a **mix of skills**. Some **performance marketing** strategies are affordable, relatively fast and effective in Hungary. On the other hand, **producing relevant content** requires mastery, long-term view, and seasoned native speakers. Unless you're ten-in-one, you might **want to partner up** for this bit.

"We've localised the marketing strategy for over 150 projects. Tell us about your export business goals and we'll give you a hand in market sizing, digital marketing cost estimation, business plan validation, and an action plan for success. Our clients have grown on average by over 70% YoY in the last 7 years."

– László Szabó, managing partner and Google Certified Trainer for Export, Growww Digital

Price Comparison Shopping Optimisation

It's worth establishing a presence on **local price comparison sites**, especially if you sell products that are typically performing well on such sites such as home/decor, electronics and DIY. If that's you, **Árukereső**, **Argép.hu**, **Favi**, **Glami** and others are the places for you.

Active since 2014, **Árukereső** is a household name. With nearly **15m visits monthly and 4,000 online stores**, it's number one in Hungary. As a part of **Heureka Group**, **Árukereső** has similar features you are used to from the Czech Republic or Slovakia: seal of quality called **Verified by customers** (Megbízható bolt), Store of the year awards, Quality store certification (Termék kiemelése). For electro sellers, **Argép.hu** is another popular choice with **3.5m users monthly**.

*"If we aren't counting Google Shopping, **Árukereső** takes 70%+ of the market. For electro and DIY sellers, it's a must,"* Zoltán Flekács, Head of Performance at Growww Digital.

*"In the first part, we generally advise to get the most out of **Árukereső** by optimising for it. Then you can employ **Argép** and **Olcsóbbat** as secondary channels. In the case of **fashion, furniture, etc.**, **Favi**, **Glami**, and **Shopalike** should be your go-tos."*

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