



**Q1**  
2026

**ONLINE RETAIL**

# Market Update

# 2026 Q1 Market Review

## Softer growth, resilient profitability and a more cautious outlook

The online retail sector entered Q1 2026 with a more-cautious but still-resilient operating backdrop. Revenue growth softened across public companies, while private peers continued to demonstrate relatively stable performance. Despite moderating top-line trends, profitability remained resilient as operators maintained disciplined cost control, logistics optimization and tighter operational execution. Management commentary across the sector remained broadly constructive to positive, with companies continuing to prioritize strategic investments and long-term growth initiatives despite a more uncertain macro environment.

Macro conditions remained mixed during the quarter. Consumer spending continued to improve, particularly in the U.S., while inflation moderated further from prior peaks but remained elevated relative to central bank targets. Consumer confidence trends remained uneven across regions, reflecting continued geopolitical uncertainty, including the outbreak of conflict in the Middle East toward the end of the quarter, which increasingly began to weigh on consumer sentiment, alongside cautious discretionary spending behavior and persistent pricing sensitivity among consumers.

Consensus estimates reflected a somewhat more-cautious sector outlook. Revenue expectations saw modest downward revisions across most online retail segments, while EBITDA expectations softened further within digital market hubs, indicating continued pressure on profitability expectations in selected areas. Nevertheless, management teams generally maintained

constructive outlooks for 2026–2027, supported by operational discipline and resilient consumer demand trends. Public market performance weakened during Q1 2026 as broader macro and geopolitical uncertainty weighed on sentiment. Online retail share prices underperformed the broader market, while valuation multiples compressed across all online retail subsegments.

Mergers and acquisitions (M&A) activity remained broadly stable in Q1 2026, with transaction volumes broadly in line with Q4 2025. Strategic acquirers continued to drive the majority of activity, focusing on profitability, operational fit and category consolidation, while sponsor activity remained selective and concentrated in mid-sized assets.

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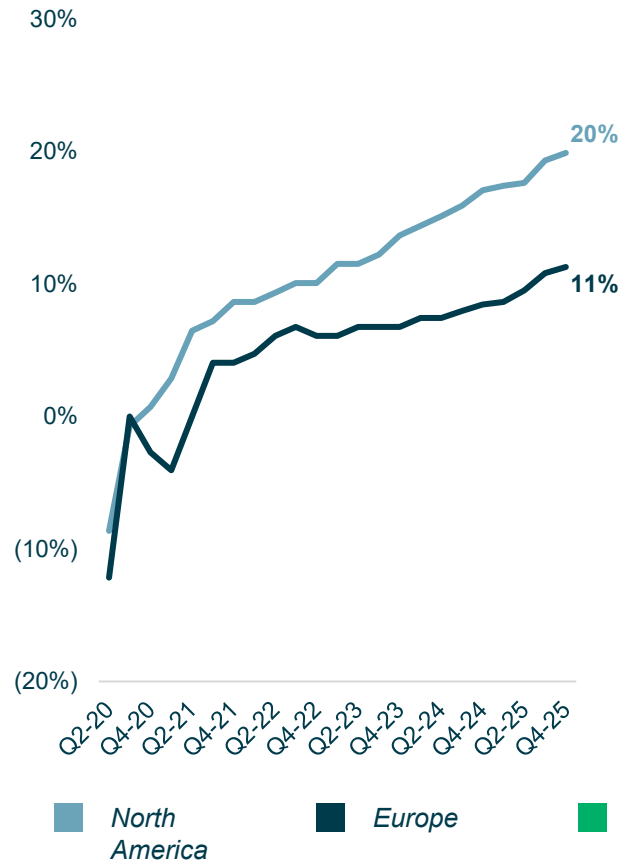
- Inventory-based E-commerce
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# Consumers Remain Resilient Amid Stabilizing Inflation

Consumer spending continued to improve while inflation normalized, although confidence trends remained uneven across regions

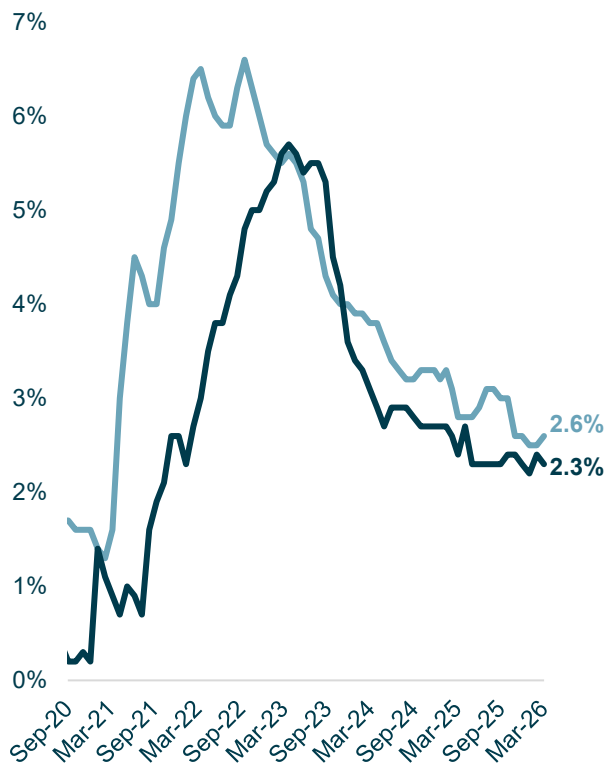
## Spending continued to improve...

Consumer Spending Development<sup>(1)</sup>



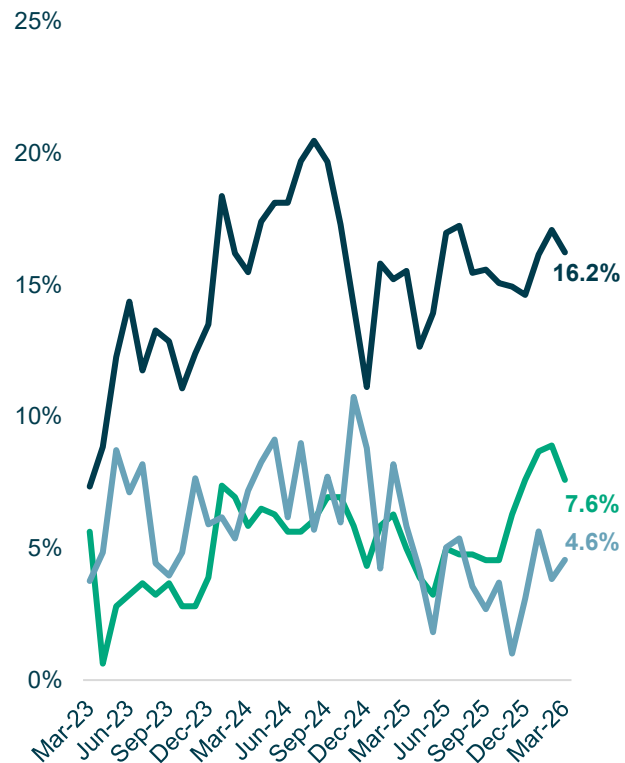
## ...while inflation normalized...

Core Year-over-Year (YoY) Inflation



## ...and confidence remained mixed

Consumer Confidence Index Development



## MACROECONOMIC LANDSCAPE

- Consumer spending continued to recover across regions, led by U.S. while Europe maintained a steadier but more gradual upward trajectory
- Inflation rates broadly continued to normalize across regions, although U.S. inflation rose to 2.8% in April 2026 following a modest uptick in Q1, while European inflation continued to ease
- Consumer confidence remained volatile, with U.S. sentiment continuing to improve, while European and global confidence softened toward the end of the quarter following the outbreak of conflict in the Middle East



*“Inflation has eased significantly from its highs in mid-2022 but remains somewhat elevated relative to our 2% goal.”*

**Jerome Powell,**  
Former Chair, Federal Reserve,  
March 2026

# Estimate Revisions Reflect Softer Sector Expectations

Management commentary remained positive despite modest estimate revisions and continued margin pressure in selected segments

## Management remained positive on 2026 outlook

Quotes from management of consumer online retail players

“While the home furnishings category experienced a choppy start to the year, we outperformed the market by a high single-digit spread in the first quarter, based on our estimates.”

**Niraj Shah, CEO and co-founder, Wayfair**

“With a great first quarter in the books, we have laid the base to drive meaningful growth and make 2026 another year of success for Tonies.”

**Tobias Wann, CEO, Tonies**

“We remain committed to meeting or beating other retailers on price, and, in Q1, the average prices of products offered on Amazon.com decreased compared to the same period last year.”

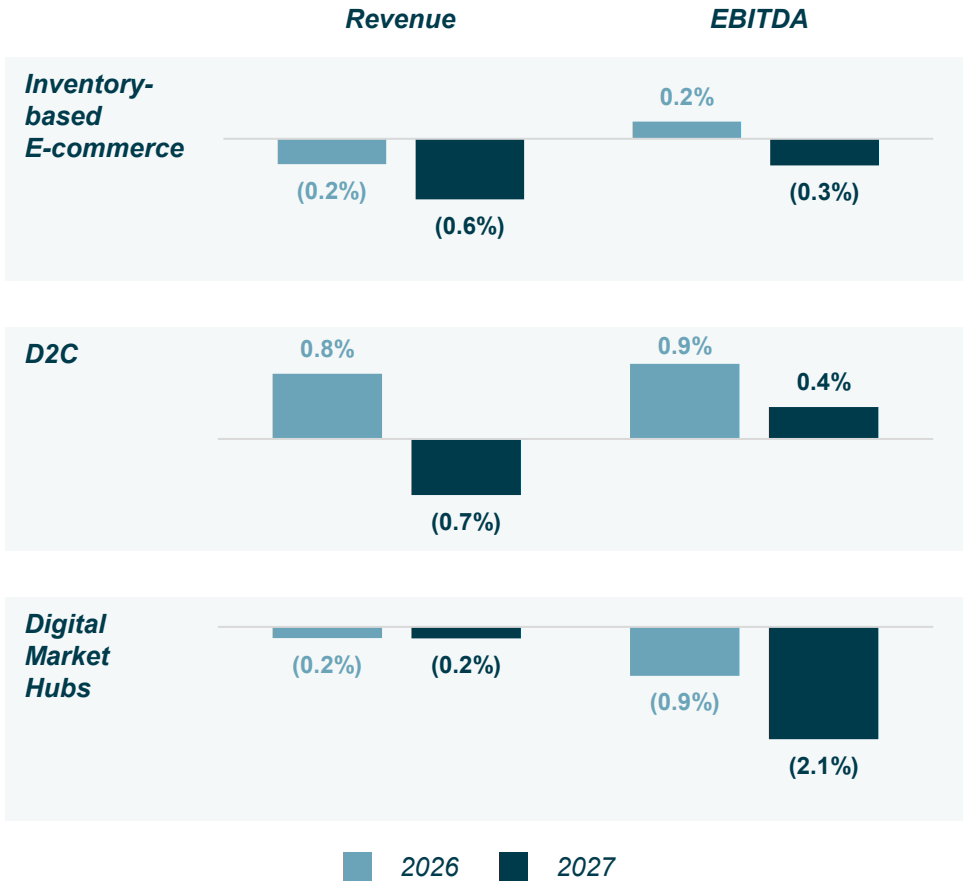
**Andy Jassy, CEO, Amazon**

“We accelerated GMV [Gross Merchandise Value] growth and delivered performance ahead of expectations.”

**Jamie Iannone, CEO, eBay**

## Consensus estimates softened quarter-on-quarter

Change in current estimates vs. prior quarter<sup>(1)</sup>



## ESTIMATES

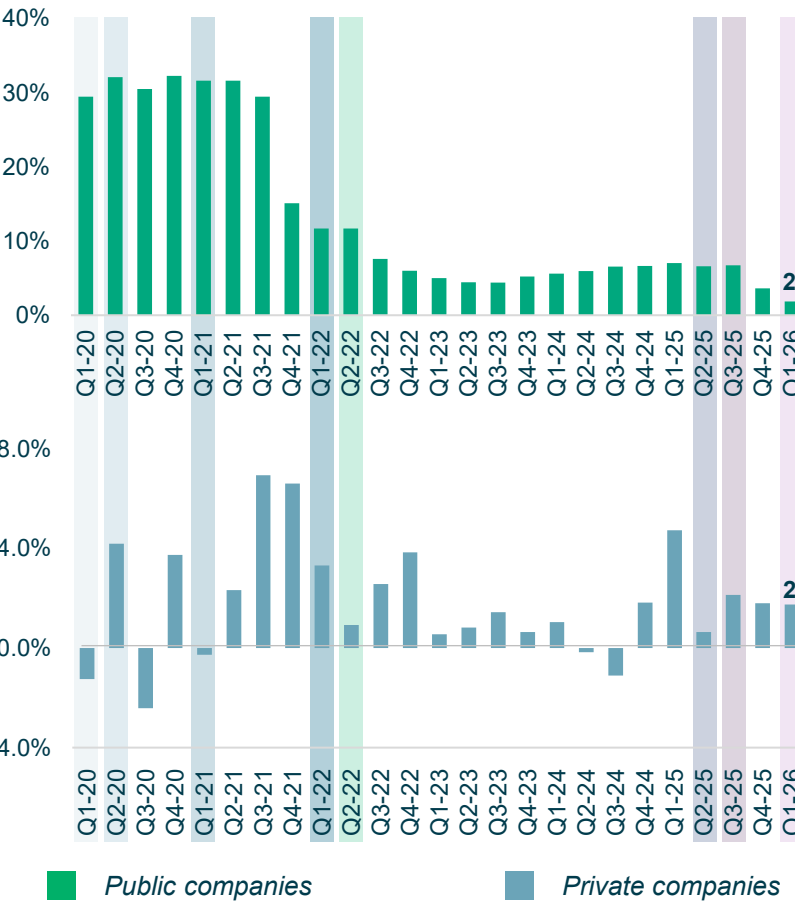
- Revenue expectations remained broadly stable, with modest downward revisions across most online retail segments in 2026 and across all segments in 2027
- EBITDA expectations softened overall, primarily driven by weaker margin expectations within digital market hubs, weighing on the broader profitability outlook
- Management teams entered Q1 2026 with a steady stance, highlighting resilient consumer demand and improving profitability despite continued pricing pressure and a cautious macro environment, while maintaining a positive outlook for 2026–2027 and prioritizing strategic investments and growth initiatives
- Overall, consensus revisions suggest a more selective outlook across online retail, with continued pressure on profitability expectations in some segments

# Softer Revenue Growth While Profitability Remained Resilient

Private companies continued to demonstrate stable performance, while profitability trends remained stable across the sector

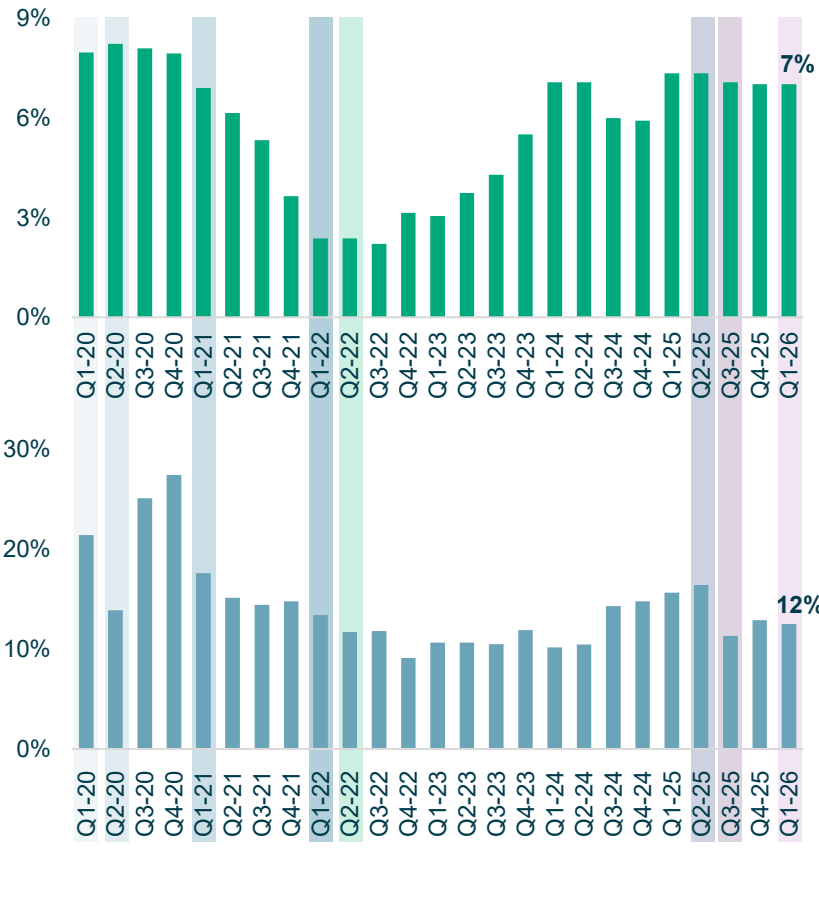
## Revenue growth softened across public markets...

LTM revenue growth



## ...while profitability remained resilient

EBITDA margin %



## Key events

- Q1-20**  
COVID-19 pandemic and surge in reliance on online channels
- Q2-20**  
Supply chain disruptions following lockdowns
- Q1-21**  
Suez Canal blocked and freight rates soar
- Q1-22**  
Russia invades Ukraine
- Q2-22**  
Rising inflationary pressures and economic uncertainty
- Q2-25**  
Trump introduces tariffs
- Q3-25**  
Fed's first rate cut since Dec 2024
- Q1-26**  
Conflict broke out across the Middle East

## OPERATIONAL PERFORMANCE

- Revenue growth declined for public companies while remaining broadly stable for private companies in Q1 2026, with both groups largely in line with prior-quarter levels
- Companies maintained disciplined cost control and spending measures, supporting margin resilience despite mixed demand across categories and regions
- Profitability continued to improve across both groups despite moderated top-line growth, driven by operational efficiencies, leaner cost structures, logistics optimization and more disciplined customer acquisition

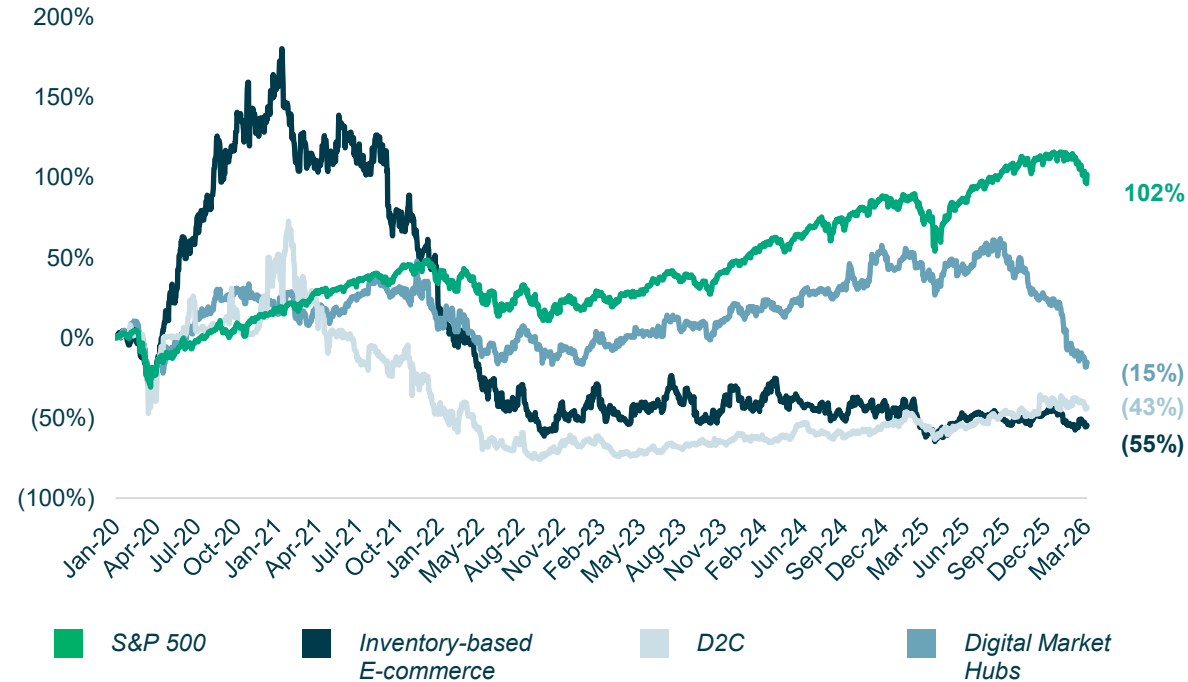
Sources: Market data sourced from Capital IQ as of 31-03-2026, Private ecommerce companies derived from Lincoln's VOG (Valuations and Opinions Group)

# S&P 500 and Online Retail Momentum Weakens

Broader markets have started to soften amid growing macro and geopolitical uncertainty, with similar trends across online retail

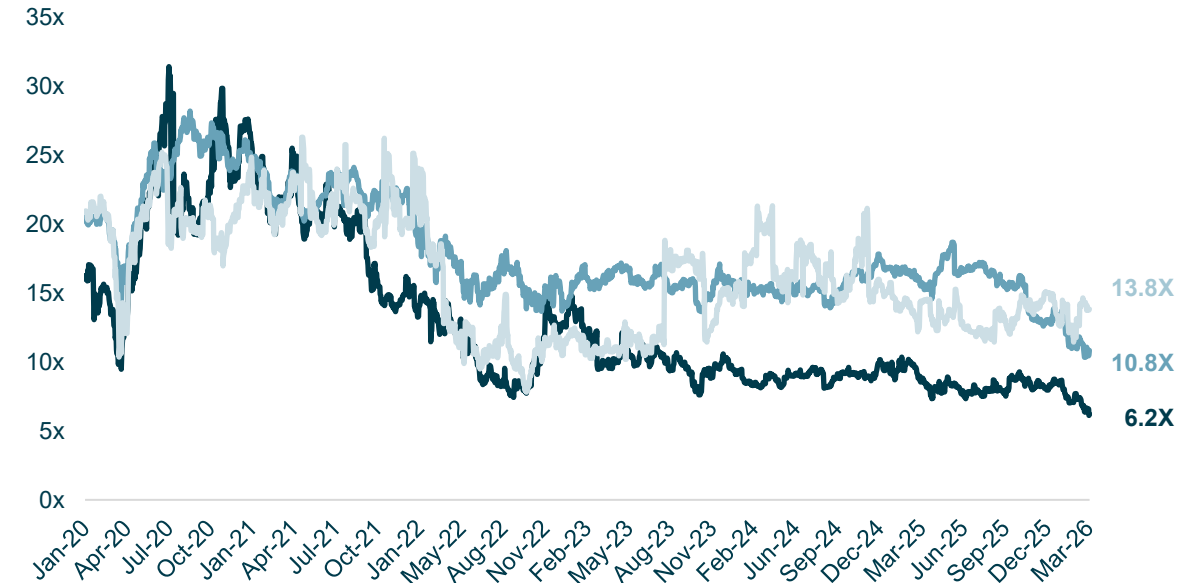
## Share price performance weakened across all online retail segments

Relative Stock Price Performance



## Online retail multiples declined across all segments in Q1 2026

Median EV / NTM EBITDA multiple<sup>(1)</sup>



(€m, except share price)	Share Price	% of High 52-Week	Market Cap	Enterprise Value	EV / Revenue		EV / EBITDA		EV / EBITDA - Capex		EV / EBIT	
					CY2025	CY2026	CY2025	CY2026	CY2025	CY2026	CY2025	CY2026
Median – Inventory-based E-commerce	8.5	(37%)	448	559	0.53x	0.48x	9.3x	7.1x	10.1x	8.5x	10.8x	9.8x
Median – D2C	15.5	(36%)	898	869	2.02x	1.44x	26.5x	14.0x	28.0x	14.4x	40.4x	20.2x
Median – Digital Market Hubs	29.8	(46%)	5,677	7,075	3.79x	3.38x	15.5x	11.3x	18.6x	14.0x	18.8x	15.1x

Sources: Market data sourced from Capital IQ as of 31-03-2026  
Notes: (1) Outliers excluded from Inventory-based dataset

# M&A Activity Remained in Line with Q4 2025 Levels

Deal activity remained broadly stable in Q1 2026, with volumes above the levels seen in the same period of prior year

### Deal volumes remained at similar levels...

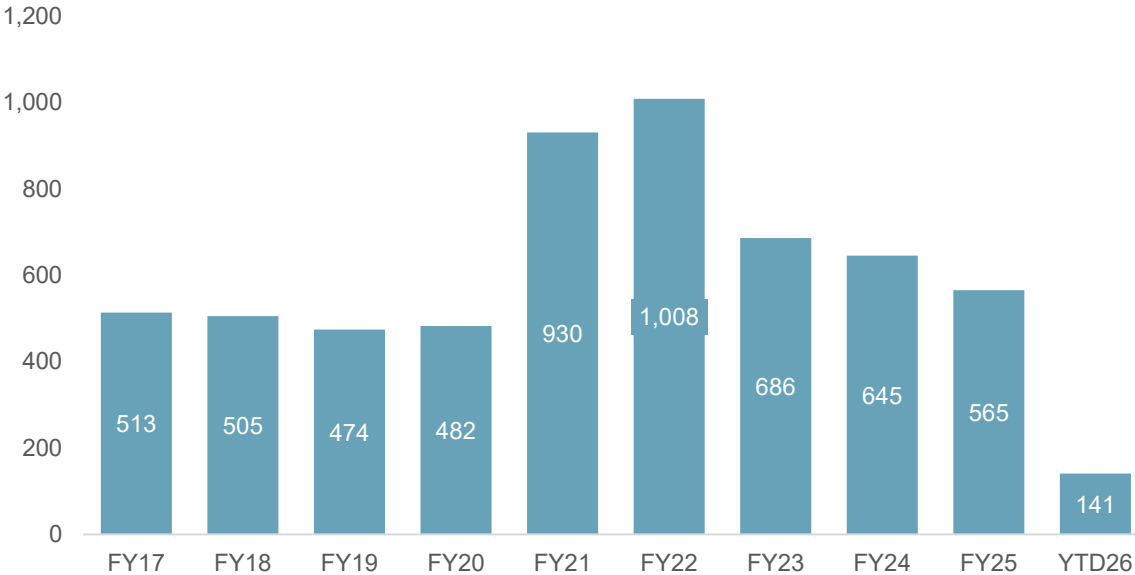
- 141 online retail transactions were completed in Q1 2026, broadly in line with Q4 2025 levels and slightly below historical quarterly averages
- While activity has stabilized following the post-pandemic slowdown, deal volumes remain well below the FY21–FY22 peak levels, indicating a slower return to prior highs

### ...amid continued sponsor caution

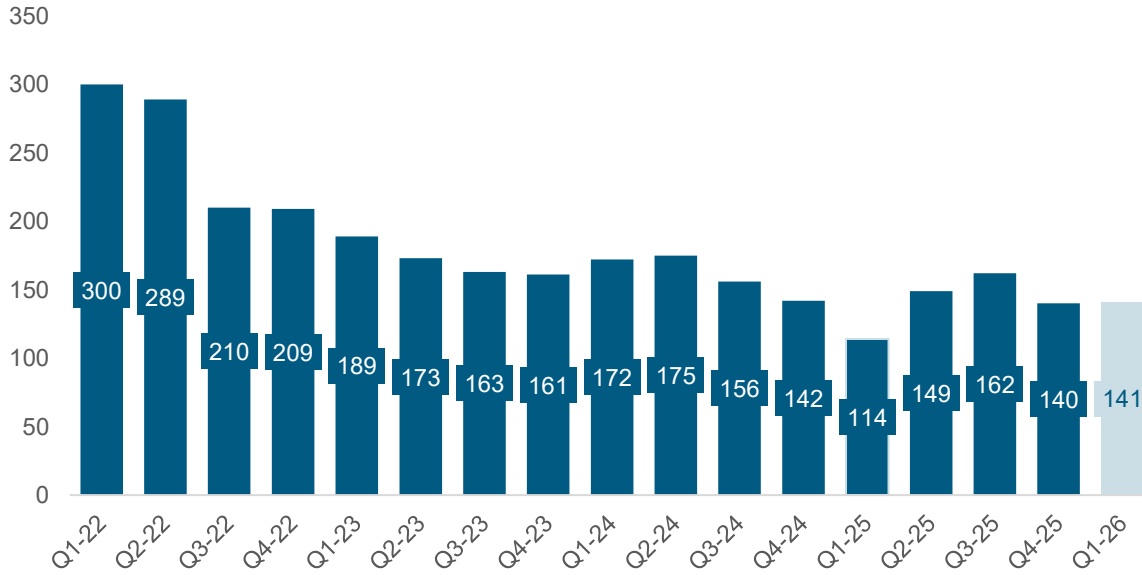
- Corporate acquirers continued to account for the majority of transactions, focusing on strategic scale, profitability and operational fit
- Financial sponsors remained selective in Q1 2026, prioritizing high-quality assets with resilient margins, strong cash generation and differentiated market positioning

### Number of completed online retail transactions

On annual basis



On quarterly basis



# Select Lincoln International Credentials

Lincoln has vast transaction experience within online retail

**AURELIUS**

has acquired

**FOOTASYLUM**

from

**UNDISPUTED KING OF TRAINERS**

Buy-Side  
Acquisition Financing

**IISVGE** \*

has received an investment from

**EGH**

Sell-Side

**verdane**

has sold

**SPARES**

to

**Clas Ohlson**

Sell-Side

**SCOPE**

has acquired

**STONE FASHION**

including its subsidiary

**GD GOLDBERG**

Buy-Side  
Acquisition Financing

**IN THE STYLE**

has sold its trading operations to

**BAAJ Capital LLP**

Sell-Side

**TRILANTIC EUROPE**

has acquired a majority stake in

**PASSIONE UNGHIE**

with financing provided by

**EURAZEO** **HLG** **WHITEHORSE**

Acquisition Financing

**ORVA**

has received an investment from

**TRILANTIC CAPITAL PARTNERS**

Sell-Side

**Virgin**

a portfolio company of

**mobeus connect-ion CAPITAL**

has floated on AIM

Sell-Side

**pechel INDUSTRIES** and co-founders

have sold

**PRIVATESPORTSHOP**

to

**Bridgmont**

Sell-Side

**ORVA**

a portfolio company of

**TRILANTIC CAPITAL PARTNERS**

has received a significant minority investment from

**ONTARIO TEACHERS' PENSION PLAN CAPITAL PARTNERS**

Sell-Side

**Gordon Brothers**

has sold

**LAURA ASHLEY**

to

**NEUBERGER BERMAN**

a portfolio company of

Sell-Side

**VENDIS CAPITAL**

has sold

**fatboy**

to

**calligaris**

a portfolio company of

**alpha**

Sell-Side

**JADE LEAF HATCHA**

has been sold to

HPH II investments master fund, lp and affiliates managed by

**WM PARTNERS LP**

Sell-Side

**houra.ir**

has sold

to private investors

Sell-Side

**FRONT ROW**

has received strategic investment from

**Charlesbank**

Buy-Side

Founders and

**LEITMOTIV PRIVATE EQUITY**

have sold

**AGORA STORE**

to

**21 Invest**

**bpifrance**

and management

Sell-Side

**mobilezone**

has sold its German operations to

**freenet**

Sell-Side

Private founders have sold a majority stake in and have raised capital for

**BSTN**

From a German family office

Sell-side

**WALKER EDISON**

a portfolio company of

**PROSPECT HILL GROWTH PARTNERS**

has received a significant minority equity investment from

**Blackstone**

Sell-Side

\* Transaction was led by Miles Advisory, Lincoln International partner firm and Australian-based independent corporate advisory firm

# Public Comparables

Appendix



# Public Comparables – Inventory-based E-commerce

(€m, except share price)													
Company	Country	Share Price	% of High 52-Week	Market Cap	Enterprise Value	EV / Revenue		EV / EBITDA		EV / EBITDA - Capex		EV / EBIT	
						CY2025	CY2026	CY2025	CY2026	CY2025	CY2026	CY2025	CY2026
<b>Inventory-based E-commerce</b>													
JD	China	29.6	(22%)	35,160	30,459	0.19x	0.17x	18.0x	7.6x	NM	17.4x	65.6x	15.8x
Wayfair	United States	75.2	(37%)	8,529	10,919	1.01x	0.96x	61.4x	15.3x	93.3x	21.3x	NM	23.2x
Zalando	Germany	20.6	(37%)	5,138	4,654	0.38x	0.33x	7.8x	4.4x	9.3x	6.1x	10.8x	6.7x
Ocado	United Kingdom	1.8	(55%)	1,714	2,915	1.83x	1.71x	15.6x	11.8x	NM	NM	NM	NM
THG	United Kingdom	0.3	(45%)	546	979	0.50x	0.47x	18.4x	8.4x	20.1x	10.7x	NM	NM
Boozt	Sweden	93.9	(23%)	517	457	0.61x	0.57x	9.2x	5.9x	10.1x	7.2x	11.2x	9.2x
AO World	United Kingdom	0.9	(26%)	551	534	0.38x	0.35x	6.4x	5.4x	7.7x	6.5x	9.5x	8.5x
1-800-FLOWERS	United States	3.0	(64%)	169	225	0.16x	0.17x	NM	14.2x	NM	NM	NM	NM
ASOS	United Kingdom	2.2	(43%)	295	764	0.28x	0.30x	NM	4.1x	NM	9.4x	NM	NM
Kogan	Australia	3.5	(29%)	198	167	0.56x	0.52x	9.2x	6.2x	10.0x	7.1x	13.6x	9.7x
Victorian Plumbing Group	United Kingdom	0.6	(41%)	241	280	0.78x	0.73x	7.8x	7.1x	8.5x	8.5x	10.6x	9.8x
BHG	Sweden	23.2	(31%)	380	584	0.61x	0.58x	14.7x	7.4x	15.6x	9.1x	20.7x	12.2x
Nelly	Sweden	54.2	(60%)	148	151	1.31x	n/a	9.5x	n/a	10.2x	n/a	10.0x	n/a
Westwing	Germany	13.6	(25%)	254	229	0.51x	0.48x	9.1x	5.5x	11.0x	8.4x	10.2x	11.0x
<b>Median</b>		<b>8.5</b>	<b>(37%)</b>	<b>448</b>	<b>559</b>	<b>0.53x</b>	<b>0.48x</b>	<b>9.3x</b>	<b>7.1x</b>	<b>10.1x</b>	<b>8.5x</b>	<b>10.8x</b>	<b>9.8x</b>

Sources: Market data sourced from Capital IQ as of 31-03-2026

# Public Comparables – D2C

(€m, except share price)													
Company	Country	Share Price	% of High 52-Week	Market Cap	Enterprise Value	EV / Revenue		EV / EBITDA		EV / EBITDA - Capex		EV / EBIT	
						CY2025	CY2026	CY2025	CY2026	CY2025	CY2026	CY2025	CY2026
<b>D2C</b>													
HIMS & HERS	United States	20.8	(71%)	4,104	4,575	2.25x	1.94x	30.0x	16.0x	NM	60.2x	43.5x	45.9x
YETI	United States	36.6	(29%)	2,402	2,437	18.05x	1.43x	NM	8.0x	NM	9.5x	NM	9.4x
Warby	United States	21.1	(32%)	2,238	2,191	2.90x	2.58x	55.5x	20.9x	NM	51.4x	NM	37.5x
RVRC	Sweden	65.5	(9%)	637	606	3.36x	3.12x	16.7x	14.3x	16.8x	14.4x	17.0x	14.6x
tonies	Luxembourg	10.1	(15%)	1,158	1,133	1.80x	1.45x	26.9x	13.8x	31.5x	18.9x	50.0x	20.2x
boohoo	United Kingdom	0.2	(39%)	330	544	0.58x	0.60x	14.4x	8.3x	25.0x	9.9x	NM	19.4x
The Honest Company	United States	2.9	(47%)	287	221	0.69x	0.83x	26.2x	12.0x	31.0x	12.9x	37.4x	39.1x
BARK	United States	10.1	(64%)	76	90	0.25x	0.25x	NM	41.5x	NM	NM	NM	NM
<b>Median</b>		<b>15.5</b>	<b>(36%)</b>	<b>898</b>	<b>869</b>	<b>2.02x</b>	<b>1.44x</b>	<b>26.5x</b>	<b>14.0x</b>	<b>28.0x</b>	<b>14.4x</b>	<b>40.4x</b>	<b>20.2x</b>

Sources: Market data sourced from Capital IQ as of 31-03-2026

# Public Comparables – Digital Market Hubs

(€m, except share price)													
Company	Country	Share Price	% of High 52-Week	Market Cap	Enterprise Value	EV / Revenue		EV / EBITDA		EV / EBITDA - Capex		EV / EBIT	
						CY2025	CY2026	CY2025	CY2026	CY2025	CY2026	CY2025	CY2026
<b>Digital Market Hubs</b>													
Amazon	United States	208.3	(25%)	1,939,076	1,987,227	3.20x	2.79x	15.7x	10.8x	NM	NM	28.6x	22.2x
Alibaba	Hong Kong	125.5	(35%)	243,709	245,556	1.91x	1.74x	13.9x	12.0x	72.1x	64.0x	24.0x	21.2x
Copart	United States	33.2	(48%)	27,738	23,412	5.83x	5.75x	14.0x	13.9x	19.3x	18.5x	15.7x	15.8x
eBay	United States	91.0	(18%)	35,366	39,063	4.06x	3.71x	16.6x	12.1x	20.6x	14.0x	19.5x	13.3x
REA Group	Australia	156.4	(41%)	12,246	12,038	10.96x	10.70x	21.8x	18.1x	23.8x	21.0x	23.8x	20.9x
Zillow	United States	41.4	(54%)	8,613	7,879	3.52x	3.05x	NM	11.8x	NM	14.6x	NM	63.2x
CAR Group	Australia	22.8	(46%)	5,137	5,915	8.07x	7.39x	15.9x	13.3x	17.9x	16.1x	18.8x	15.6x
Allegro	Luxembourg	26.4	(32%)	6,217	6,876	2.58x	2.21x	9.4x	7.6x	13.5x	10.7x	13.5x	10.4x
Auto Trader Group	United Kingdom	4.7	(49%)	4,424	4,469	6.26x	5.95x	9.4x	8.9x	9.7x	9.0x	9.7x	9.1x
Delivery	Germany	15.5	(48%)	4,608	7,275	0.52x	0.46x	23.9x	7.7x	54.3x	12.0x	77.6x	14.6x
Scout24	Germany	66.0	(46%)	4,642	4,785	7.15x	6.29x	15.5x	10.4x	15.6x	11.1x	16.3x	12.0x
Rightmove	United Kingdom	4.3	(48%)	3,708	3,667	7.53x	6.95x	11.0x	10.2x	11.1x	10.7x	11.1x	10.5x
Cars.com	United States	8.1	(42%)	413	770	1.23x	1.21x	5.8x	4.2x	6.0x	4.8x	14.7x	9.0x
AUTO1	Germany	15.0	(52%)	3,308	4,400	0.54x	0.46x	33.4x	16.2x	40.3x	18.3x	37.3x	22.4x
<b>Median</b>		<b>29.8</b>	<b>(46%)</b>	<b>5,677</b>	<b>7,075</b>	<b>3.79x</b>	<b>3.38x</b>	<b>15.5x</b>	<b>11.3x</b>	<b>18.6x</b>	<b>14.0x</b>	<b>18.8x</b>	<b>15.1x</b>

Sources: Market data sourced from Capital IQ as of 31-03-2026

# About Lincoln International

Lincoln International, Inc. (NYSE: LCLN) is a trusted investment banking advisor to business owners and senior executives of leading private equity firms and their portfolio companies and to public and privately held companies. Our services include mergers and acquisitions advisory, private funds and capital markets advisory, and valuations and fairness opinions. The global enterprise is comprised of a tightly integrated team of more than 1,400 professionals in more than 30 offices in 14 countries, offering an unobstructed perspective on the global private capital markets, backed by superb execution and a deep commitment to client success. With extensive industry knowledge and relationships, timely market intelligence and strategic insights, we forge deep, productive client relationships that endure for decades. Connect with us to learn more at [www.lincolninternational.com](http://www.lincolninternational.com)

## Lincoln International's Consumer Group

Our team stays at the forefront of the latest trends in how consumers live, think and shop across geographies, demographics and social strata. These insights, coupled with our experience in the private markets and extensive industry relationships, inform and enable our advice and solutions for our clients. We are a global investment bank, inspired by the exciting changes in the consumer marketplace: the boom in ecommerce, the explosion in new, better-for-you food and beverage products, changing uses of retail spaces, the opportunities available through global sourcing expertise and the importance of the consumer experience in dining and leisure activities.

Connect with a professional in Lincoln International's Consumer Group at <http://www.lincolninternational.com/whoweserve/consumer/>

## Contributors

### Monika Nickl

Managing Director & Co-Head Consumer, Europe  
[mnickl@lincolninternational.com](mailto:mnickl@lincolninternational.com)  
+49 172 858 86 81

### Harry Kalmanowicz

Managing Director  
[hkalmanowicz@lincolninternational.com](mailto:hkalmanowicz@lincolninternational.com)  
+44 7825 528 547

### Brian Little

Managing Director  
[blittle@lincolninternational.com](mailto:blittle@lincolninternational.com)  
+1 (213) 304-4544

### Rickard Raudsepp

Managing Director  
[rraudsepp@lincolninternational.com](mailto:rraudsepp@lincolninternational.com)  
+46 70 877 86 83

### Matthew Merkel

Director  
[mmerkel@lincolninternational.com](mailto:mmerkel@lincolninternational.com)  
+1 (213) 283-3714

## GLOBAL INDUSTRY GROUPS

Business Services

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Energy Transition, Power & Infrastructure

Financial Services

Healthcare

Industrials

Technology

## ADVISORY SERVICES

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Valuations & Opinions

