

Australians hopping online and shopping big

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The number of Australians jumping online to shop continues to increase, with new research from Australia Post showing the total online spend in 2018 topped \$27.5 billion, a 24 per cent increase for the year.

Australia Post today released its annual Inside Australian Online Shopping Report - an overview of Australia's eCommerce market which provides key insights into who is shopping online, and what they're buying.

It shows that Australians are embracing online shopping at an accelerated rate – with the online goods spend for 2018 reaching 10 per cent of total retail – two years faster than expected.

Australia Post General Manager for Parcels and Express Services, Ben Franzi, said the report also shows that 73 per cent of Australian households shopped online in 2018 – some 7.6 million Australian households.

"Australians are getting online more and more, and changing the face of shopping. With it, they are also expecting faster service and delivery – with next day deliveries growing by 31.7 per cent, with more than 62 per cent of these fashion related purchases."

Mr Franzi also said the way Australians are

shopping online is also changing, with smartphones increasingly being the medium of choice.

"Use of the smartphone to make online purchases increased 28 per cent for the year – to now make up more than 26 per cent of all purchases. It now sits comfortably alongside the laptop (32.8 per cent) and desktop (27.3 per cent), both of which fell for the year."

Fashion continues to be the leading category, accounting for more than a third (35 per cent) of all purchases, with more than 20 per cent growth year on year. Variety stores, health and beauty and homewares and appliances also attracted lots of online shoppers.

Marketplaces such as eBay and Etsy, together with newcomers Amazon, Catch Group, Kogan and Myer, continue to be popular.

"Australians appreciate the convenience that comes with being able to access goods from a variety of sellers in one place – it is quite



literally a market, replicated online and providing an abundance of choice for consumers."

The convenience of Buy Now, Pay Later (BNPL) options such as AfterPay has also sparked joy for consumers, especially amongst millennials – those born after 1981 – who have become the fastest adopters. Unlike a credit card there is no service fee for customers who pay on time.

When it comes to overall volumes, the November/December period was the busiest time of the year – as Australians sought to snag a bargain ahead of Christmas.

"The five weeks from 11 November to 15 December accounted for almost 15 per cent of all online purchases. The peak for this period was the Black Friday / Cyber Monday sales, which accounted for the biggest online shopping week in Australia's history, recording growth of over 28 per cent, year-on-year."

Cross Border eCommerce is also booming with New Zealand (29 per cent), China (15 per cent) and India (11 per cent) the leading purchasers of Australian goods online. Fashion is the leading category, followed by health & beauty and baby products which are in demand, due to Australia's great reputation for producing clean safe and premium-quality products.

The number one online buying location was once again Point Cook in Melbourne's western suburbs, which topped the list for the fourth year in a row. The top twelve locations are again dominated by suburbs that have an influx of young families.

To download a copy of the Inside Australian Online Shopping Report, which is based on Australia Post's exclusive delivery data, please visit

Source: <u>Australia Post</u>