eCommerce Market Update

Here are some online shopping trends we’ve seen since we shared our full report Inside Australian Online Shopping.
Consumers are in control; with more choice of when, where and how they buy online, and how they want purchases to be delivered and returned.

The observations and insights in the full report and this update, are based on an analysis of goods purchased online and delivered by Australia Post – we also draw on the results of our consumer surveys.
Online shopping revenue has grown to 8.9% of traditional Retail (FY17/18)

Number of online purchases year on year

National 21.9%

WA 17.8%

NT 15.6%

QLD 24.3%

SA 22.3%

NSW 21.5%

ACT 17.1%

VIC 23.0%

TAS 25.8%

Tasmania showed strongest growth

With online shopping growth exceeding retail; future opportunities in eCommerce are being driven by customer expectation for convenience, access and choice.

Is providing a multi-channel customer experience part of your business plan?

Australia Post modelled estimates from deliveries & surveys, Quantum online physical goods index, and publicly available data.
Spend isn’t the only thing increasing when it comes to online shopping; consumers are also buying more often.

- For those aged 18+, the frequency of online shopping has increased when compared to last financial year.

1.9 Parcels received FY17
2.3 Parcels received FY18

More frequent purchasing makes it even more important to get the experience right.
Keep an eye out for emerging categories

Number of shoppers in the **auto parts and homewares category have increased**

- **24.8%** Auto Parts
- **21.6%** Homewares

**Homewares and auto parts** have previously been considered niche categories; yet both continue to grow in number of online shoppers and shopping frequency.

Research and insights can assist in keeping you informed of new and emerging categories.
Over a third of the beauty and fashion shoppers we surveyed made a purchase as a result of a special offer or promotion.

Email was rated as the most effective type of campaign by our survey respondents. Social media came in second at a recall of 15.5%. TV advertising was least effective at 2.9%.

5 X more effective than TV advertising.

30%+ said; when purchasing a Beauty or Fashion item online, it was a direct response to a promotion they received.

Have you considered direct mail?
While we continue to shop online at home, the way we shop elsewhere is changing. Compared to last year, consumers are less likely to shop online while at stores, shopping centres, cafes, restaurants and at work and more likely to shop on public transport. The most noticeable changes in online shopping location were:

- In a store or shopping centre: -37.1%
- At a café or restaurant: -25.5%
- While at work: -8.1%
- On public transport: +12.5%

Time and location play a key role in the success of a promotion.
Thank you

This update is provided for general information purposes only and is not intended to be specific advice for your business needs.

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